

Gwangyang Port's Horizon Is Eurasian Land-Bridge

by Kathy Wolfe

A trip to Gwangyang Port at Korea's southern tip, 150 kilometers west of Busan (Pusan), shows that South Korean planners expect great success for the Eurasian Land-Bridge and a huge increase in cargo, especially once the South-North Trans-Korean Railway (TKR) is operational. The government is tripling South Coast freight capacity, expanding Busan's capacity from 7 million to 12 million 20-foot-equivalent container units (TEU) in 2011, and building the equivalent of a whole new Busan from scratch next door in Gwangyang, which is now up to 4 million TEU and due to grow to 9.3 million by 2011.

This will be the new "Gateway to the Iron Silk Road," a "mega-hub" port taking freight from all over the Pacific Basin, processing it, and sending it to Europe (as **Map 1** shows) via the Trans-China Railway (TCR), Trans-Mongolian (TMGR), Trans-Manchurian (TMR), and Trans-Siberian

(TSR) railways, or elsewhere by ship.

The city of Gwangyang, Jeolla Province, and the national economists' organization, Korea Trade Research Association (KTRA), have promoted the plan with great vision. *EIR* was invited to speak at the Third Annual Gwangyang Port Forum, held April 21-24 jointly with the KTRA's 30th Anniversary, which brought economists and officials from all over Korea and the world.

The port was conceived with just the right type of expansive national mindset needed for the "Great Project" of the Iron Silk Road. For example, Korea's new KTX bullet train runs on an upside down "Y" path from Seoul to the north, to Busan in the southeast corner of Korea, with a second branch to Mokpo in the southwest corner. But Gwangyang is almost midway between Busan and Mokpo, and not served by the KTX. This initially baffling fact was explained by an official: "All the people are in Busan and Mokpo. Gwangyang was a fishing village until recently and lacks population now to support many trains. But we wanted to locate the port on a site with the best conditions for a major shipping expansion, so we did. The people and the trains will come as it grows."

Vision vs. Statistics

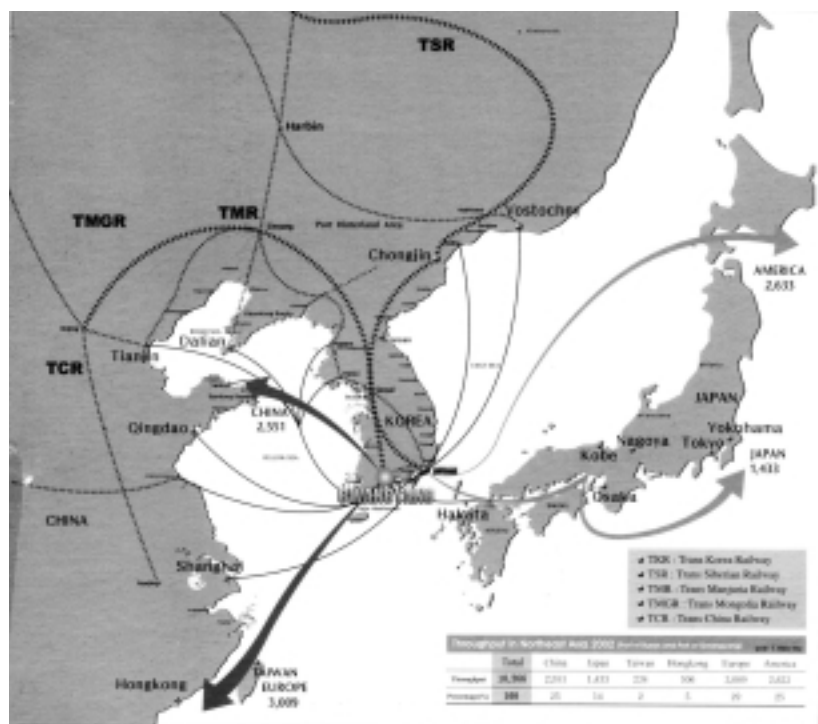
Gwangyang's port is unusually beautiful, deep and wide; lesser minds would have made of it a Caribbean-style vacation resort. The Koreans saw it as one of the safest spots in all East Asia for today's huge container ships. From where our tour began at the northwest end (lower right in the photo), row after row of shiny new cranes stretch farther than the eye can see. Gwangyang has now built 22 of 33 berths slated for 2011; with Busan growing to 47, the total of 79 berths will surpass Shanghai's planned expansion to 70 berths by 2011. The land for the last 11 berths—to be completely automated, ship to shore—is at the photo's upper left; we saw construction in full swing.

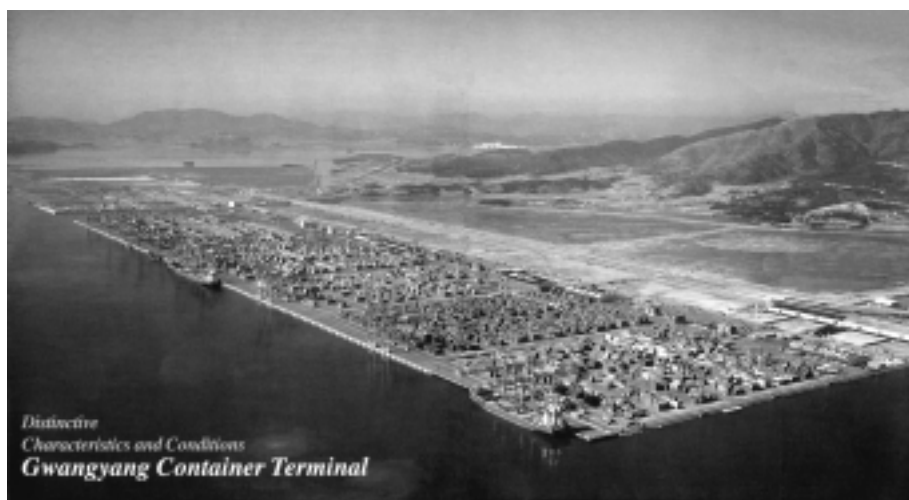
The landfill between the container wharves and the mountains on the right hand of the photo, called the port "hinterland," is to be built into an elaborate urban, industrial, logistics, and park complex—an entire new city rising on the harbor. Surely, people will come.

The conference heard several visionary speeches, especially by Jeolla Governor Park Tae-young, Gwangyang Mayor Lee Sung-woong, and other officials; but recognizing this vision, the criticism also needs to be mentioned. Many among the more than two dozen speakers debated the wisdom of building such a huge capacity, when Gwangyang only handled 1.3 million TEU

MAP 1

Major Routes from the Port Gwangyang





Korea's newest port will triple the nation's South Coast freight capacity, and serve as a "Gateway of the Iron Silk Road" which will connect through Trans-Korea rails to the continental railways of Russia, China, and Europe.

of actual freight in 2003, an under 50% capacity utilization. Many doubting Thomases said funds should be focused in Busan alone, and that it was foolish to build two ports which would only compete with each other. Others, with reverse logic, praised such a competition as a way for shippers to get rock bottom prices by underpaying the workforce and the port authority. Many speakers focused on cost statistics, debating which of the many ports in East Asia could chisel its prices down most cheaply.

I was privileged to represent U.S. economist and statesman Lyndon LaRouche, "grandfather of the New Silk Road," at the final session, with a slide show "The Future of Korean Ports with the Eurasian Land-Bridge." This, with the other speeches, was translated into Korean and published in a 605-page conference book. I asked the audience "to forget for a moment about money, and think of future generations, your grandchildren and the grandchildren of people all across Eurasia."

New York and Gwangyang

A photo of Lady Liberty with a wide view of vessels in New York harbor proved an efficient opener to communicate LaRouche's Spring 2004 call in his *On the Subject of Tariffs and Trade* for a return to the science of physical economy of the American Revolution. LaRouche had just issued his pamphlet as a call for "the full re-regulation of tariffs and trade"; to junk the "post-industrial" fixation on short-term money profits and ultra-cheap prices which do not permit enough investment in infrastructure to keep a nation's population alive. "We adopted the suicidal policy of setting prices generally—for transportation, wages, agriculture—at levels below the price necessary to assure return on a 20- or 30-year long-term investment," LaRouche wrote.

EIR's presentation stressed this. "The container trade, at least the legal trade, does not consist of transporting crates of money," I said, using slides on Leibniz' and Hamilton's founding of an American System based on the dignity of man, on the Divine spark in each individual, in rejection of prior systems treating the workforce as beasts. I described how Hamilton advocated and Abraham Lincoln built the world's first Land-Bridge from New York to San Francisco, based on this concept of man. This system of physical economy made the Port of New York great, because great infrastructure projects made the physical output of the whole American continent grow.

If we build the full Eurasian Land-Bridge program "from Tokyo to Busan to Paris," Korea will require far more port capacity than it has already built; but if we do not, there will be not mere "over-capacity," but a global economic collapse, it was noted. A series of slides showed the post-1971 collapse of the U.S. economy under the post-industrial model, ending in a photo of an Amtrak train derailment illustrating the infrastructure crisis. This was counterposed to China's current "New Deal," which is based not on Marx, but as Chinese themselves say, on the American system of Lincoln and Franklin D. Roosevelt's "New Deal."

There followed slides on the full "Apollo Project" scope of LaRouche's vision for the Eurasian Land-Bridge, based not on building "just a few more miles of the same 19th-Century rail," but on the need for a total revolution in industrial processes such as that induced by John Kennedy's moon launch, reorienting the entire society to a mission. The audience was challenged: Bullet trains are fine, but history shows that societies which refuse to introduce next-generation technologies always fail. When Japan refused to develop their new Magnetic Levitation technology, the Chinese bought it instead from Germany.

Further slides called for Korea not only to develop Eurasia's entire rail grid, but also to build giant water transfer projects in China and even between Manchuria and Korea, as well as nuclear power projects, new bridges and tunnels, and several 2-3,000 mile oil and gas pipelines now planned to develop Russia's Far East. "Let Korea's construction and engineering companies bring mass transit and electric light, clean tap water, modern agriculture, new industries, and great universities to 3 billion people along the Land-Bridge routes," was the conclusion. The large scope of the concept drew the best response.