

Eurasian rail project: building the world's greatest rail network

by Mary Burdman and Konstantin George

The week of June 18, the first passenger trains crossed the new "Second Eurasian land bridge," which links Urumqi, the capital of the Xinjiang region of China, with Alma Alta in Kazakhstan. This vital rail link through Central Asia was only finally completed in 1991, after three decades of delay, because the last few hundred linking kilometers of track were never built, due to the Chinese-Soviet political split in the early 1960s. The rail bridge began operating last July, opening border trade between Xinjiang and Central Asia. Already many thousands of citizens from Russia, Ukraine, and even as far west as the Baltic states are crossing into China to trade in Urumqi.

The 1,350 kilometer Xinjiang-Kazakhstan link makes it possible to send freight by rail all the way from China's east coast port of Lianyungang on the Yellow Sea to Rotterdam, Europe's biggest Atlantic port; until now, the Pacific and Atlantic have been linked by only one rail line, the Russian Trans-Siberian Railway built in the early years of this century.

However, one critical link remains to be completed. At present, the rail line crosses the Caspian Sea from Krasnovosk on the east coast in Turkmenistan to Baku in Azerbaijan by ferry, and then links to Turkey through the war-torn Transcaucasus. To solve this problem, another vital rail line is now to be constructed. This line will link Ashkhabad, the capital of Turkmenistan, to the city of Mashhad in northeast Iran, bypassing the Caspian Sea. When this rail link is finished by 1994, Eurasia will have the greatest rail network in the world.

Reopening the Silk Road

The "Second Eurasian land bridge" is the revival of the ancient Silk Road. The Silk Road, which for centuries connected China to Europe, was much more than a trade route; it was one of the oldest and greatest highways in the world. The ancient Greek and Indian cultures spread east along it, and the Chinese culture, west. Three of the world's greatest religions—Islam, Christianity, and Buddhism—traveled to Asia along the Silk Road; the culture of China, then the most populous and developed nation in the world, spread west. The revival of the Silk Road will also mean the revival of such ancient cities as Samarkand and Bokhara, which were, until devastated by the Mongol hordes, at the crossroads of Eurasia.

The travelers of the Silk Road conquered the most difficult terrain on the planet: the relatively benign Gobi Desert

and beyond it, the Taklamakan, now in modern Xinjiang, probably the most desolate desert in the world; which is surrounded by the Tien Shan, Pamir, Karakoram, and Kun Lun mountain ranges, the highest in the world, which block the way from China to modern Kazakhstan, Kyrgyzstan, Uzbekistan, and the Indian subcontinent. To the west lie the mountains of the Transcaucasus and the Zagros mountains of western Iran.

The builders of the modern Eurasian railway, which will provide transportation and communication ties from East Asia to Europe one-half or even one-third as long as the ocean routes around the land mass, are conquering the same terrain again.

The Chinese Ministry of Railways announced June 3 that it will soon launch a daily direct express container service from the east coast to Central Asia, which will cut a two-week journey nearly in half. Starting Sept. 1, one express container train will run from Lianyungang, the port in Jiangsu province north of Shanghai, to the Alataw Pass, China's "Dzungarian Gate," on the border of Xinjiang province with Kazakhstan (see **Figure 2**). This route circles to the north of the most difficult Central Asian terrain, the Taklamakan Desert and the surrounding mountains. The container service will allow Pacific Rim nations to cut short their route to Europe and the Middle East by 3,000 kilometers from that of the Siberian railway. The 4,234 kilometer trip through China will take 171 hours. At Alataw Pass, the containers must be transshipped onto CIS trains to continue to Europe.

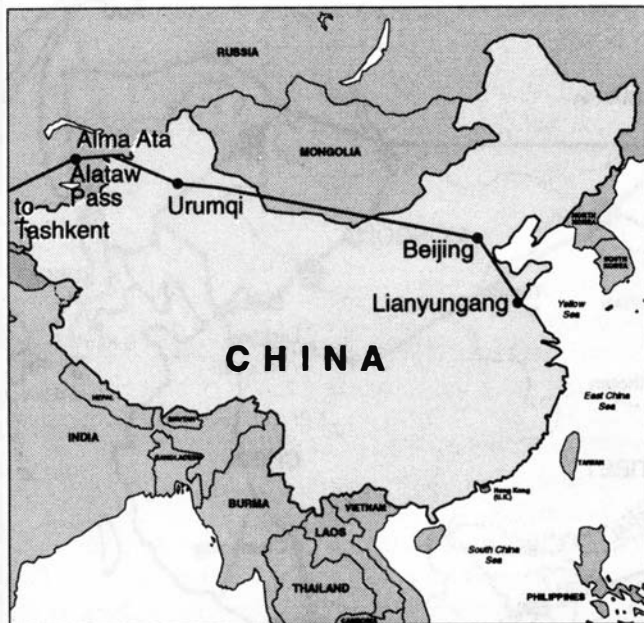
The southern route

There is a third great railroad, still incomplete, in Eurasia: the southern route, which ultimately will link Europe and Africa through Istanbul, to Singapore, and by ferry, to Indonesia. As with the Central Asian route, vital sections of this route have remained unfinished for the past three decades for political and economic reasons.

The Trans-Asian Railway project to link Singapore and Istanbul—a railway 14,000 kilometers in length—was initiated in the 1960s, with the sponsorship of the U.N. Economic and Social Commission for Asia and the Pacific (ESCAP). The purpose of the network was, using existing track and facilities, to build the missing sections, and adopt common technical standards for rail rolling stock and fixed installa-

FIGURE 2

Projected express container route into Central Asia



tions for a freight-oriented network (see **Figure 3**).

Of this rail net, 2,000 kilometers, or 14% of the route, were never built. This includes a 600-kilometer section in Iran, linking the city of Kerman in central-eastern Iran with the city of Zahenda, on the border with Pakistan. A rail line through the Gotur Valley in Turkey, connecting Turkey and Iran, was only completed in 1971.

The other missing link is 1,400 kilometers from Bangladesh into Burma. Spurs from the southern route, into landlocked countries including Afghanistan, Laos, and Nepal, remain to be built. Also projected are the restoration of the road and rail connections between China and Vietnam, with a rail line via the Pingping Pass by the end of 1992.

The "Eastern and Oriental Express" linking Thailand, Malaysia, and Singapore should commence operations in 1992, and in addition, the rehabilitation of a rail link between Thailand and Cambodia is now under way.

The nations developing the Eurasian rail network face enormous problems. The political, economic, and increasingly, military conflicts in the great Eurasian land-mass can scarcely be overestimated. Since mid-1970, the projects have been stalled due to lack of funding, political upheaval, and in the south, the situation in Burma, which did not become a party to the Trans-Asian Railway project until 1989. Cambodia only joined in 1991.

Ferry connections between Sri Lanka and India, across the Brahmaputra River in Bangladesh, across Lake Van in Turkey, and between Penang, Malaysia and Sumatra, Indonesia, were projected but never built. The Trans-Sumatra rail-

way in Indonesia, with ferry links to Malaysia and to railways in Java and then to Bali, also remains to be completed.

In addition, there are fundamental problems such as the fact that Eurasia has five different rail gauges, which means that transshipment facilities are essential. China and Iran use the 1,435 mm gauge standard in western Europe; the CIS republics and Mongolia use 1,520 mm track; the Indian subcontinent nations use 1,676 mm track; the nations of Southeast Asia, including Indochina and Burma, use 1,000 mm track, with the exception of Indonesia, which has its own gauge of 1,067 mm.

Important meetings

Eurasian national leaders have gathered in a number of meetings in recent months to promote the rail network. Although profound economic, political, and military problems exist, for both the completion and operation of the railroads, leaders of nations ranging from South Korea and Mongolia, to China, to the five newly independent Central Asian republics (Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzstan, Tajikistan) to Iran, understand how vital it is for their economic development. Already in 1990, immediately after breaking its semi-incorporation into what was then the Soviet Union, Mongolia decided to join the Eurasian rail network and Asian highway project.

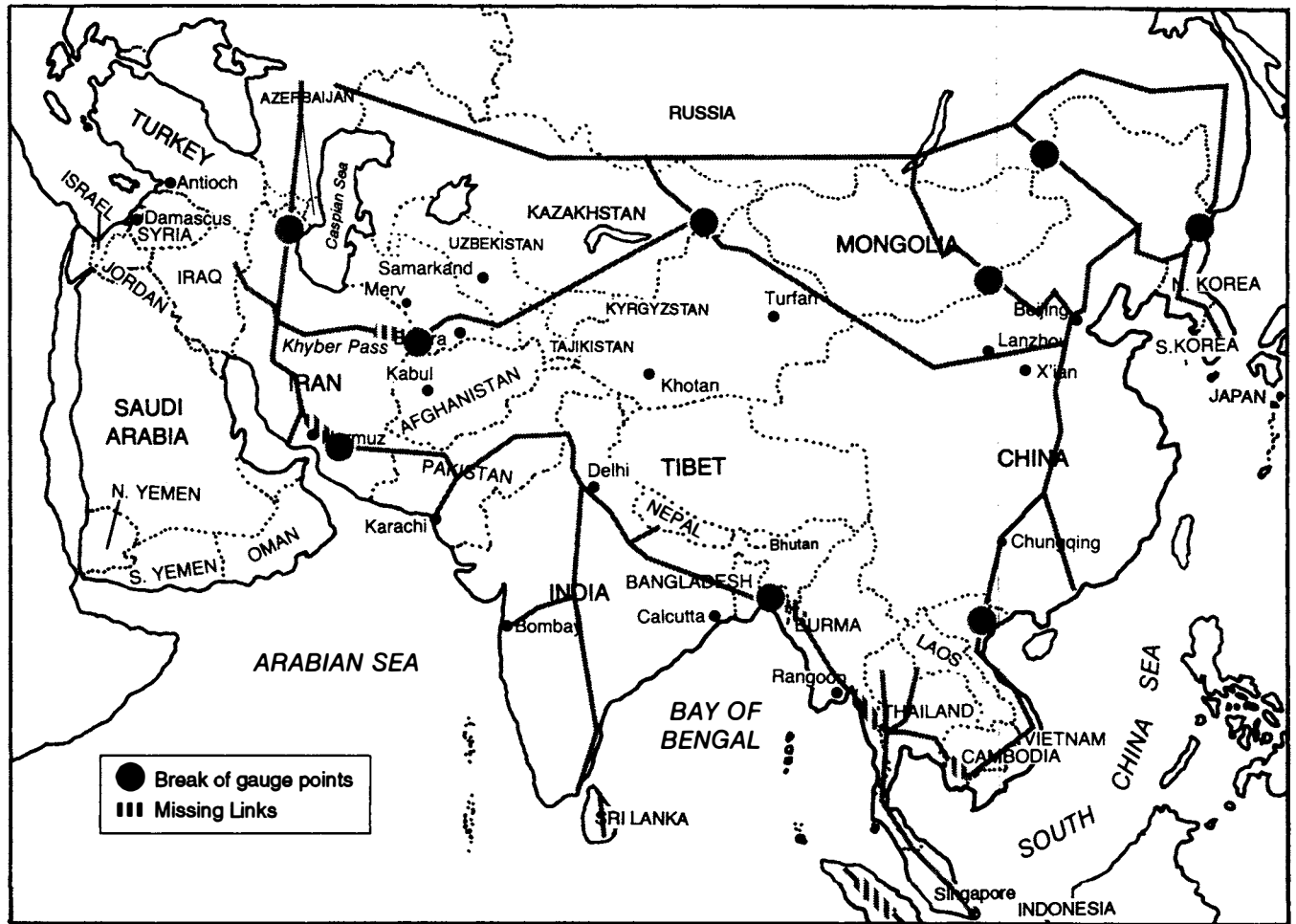
The Economic Cooperation Organization of Turkey, Iran, and Pakistan, has been planning rail and road connections among the three nations, with possible connections into Afghanistan in the future.

The transportation ministers of the five Central Asian republics and of China, Iran, and Turkey met in Alma Alta April 22 to finalize plans for the railroad, which is being funded by these nations themselves. This meeting was a followup to an earlier meeting Feb. 15-17, where "all the governments" made an "integrated" decision to complete the rail network, according to high-level sources close to the project. The transportation ministers are to meet again in Teheran.

In early May, the Central Asian republics, Azerbaijan, Iran, Pakistan, and Turkey held a summit in Ashkhabad, the capital of Turkmenistan. Infrastructure led the agenda: The nations agreed unanimously that large-scale construction of rail, road, and air transportation infrastructure on the territory of these eight countries, especially interlinking projects, is the region's highest economic priority. The project outlined is a modern transportation network running from "Istanbul to China," outside of the territory of the Russian Federation.

Most important was the agreement between Iran and Turkmenistan to begin construction of the Mashhad-Ashkhabad rail line. In addition, Iran has announced that it will spend \$2.5 billion upgrading and extending the railway from the city of Sari in northern Iran, to the port of Freyduun Kenar on the Caspian Sea, and extending this railway to the port of Bandar Abbas on the Persian Gulf. Five to eight million tons

FIGURE 3
Trans-Asian railway



Source: United Nations ESCAP

of freight are expected to be shipped on this line every year.

The summit also discussed the construction of oil and gas pipelines to link Kazakhstan and Turkmenistan to Iran and the Persian Gulf. The pipelines will carry Iranian oil and gas into Central Asia, and carry oil and gas from Kazakhstan and natural gas from Turkmenistan through Iran for export through ports on the Gulf.

The Mashhad-Ashkhabad link is vital for both geographic and political reasons.

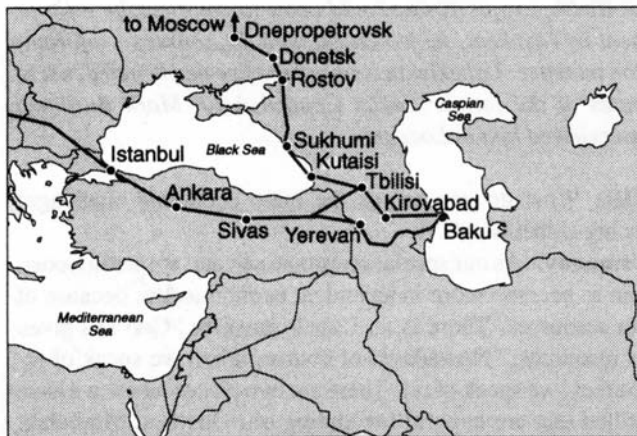
The present Eurasian land bridge rail link currently connects the Pacific coast of China with Istanbul and Europe. Rail lines connect the Chinese ports of Dalian, in the northeast, and Lianyungang on the Yellow Sea, and Shanghai on the East China Sea, to Beijing, and then to Urumqi in Xinjiang. The new link crosses into Kazakhstan through the Alatau Pass, to Alma Alta. From Alma Alta, the line runs to Tashkent in Uzbekistan, and then through Turkmenistan to the east coast of the Caspian Sea. The rail line then must go via rail ferry to

the Azerbaijan capital of Baku on the west coast.

There are two lines from Baku, linking Azerbaijan with Turkey. One runs northwest from Baku, through Kirovabad, to Tbilisi, the capital of Georgia. From there the line connects to the Black Sea rail line via Kutaisi and north to Russia via Sukhumi. From there the line connects to the Black Sea rail line running north to Russia and south to Turkey. The second rail line runs southwest, parallel to the Azerbaijan-Iran border on the Arax River. The line then runs through a section of Armenia bordering Iran and the Azerbaijani exclave of Nakhichevan, and then to Yerevan, the capital of Armenia, which depends on Tbilisi for its rail supplies. The rail line from Yerevan then enters Turkey, to Sivas in central Turkey, Ankara, and Istanbul, and from there to Europe. This line is some 80 years old, and although it is being improved and enlarged, it is inadequate to the needs of the Eurasian rail network. Therefore, the entire extreme western leg of this rail line connects to Europe through through the war-torn

FIGURE 4

Eurasian rail project: Transcaucasus connections



Transcaucasus, making the new Iran-Turkmenistan link vital (see Figure 4).

The Trans-Asian Railway

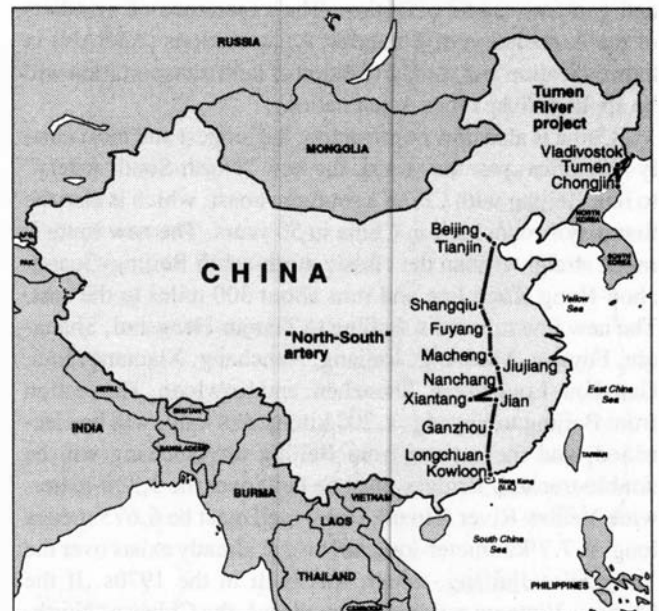
From June 3-5, the transport and communications ministers of the nations of Eurasia met in Bangkok, Thailand to launch the second phase (1992-96) of the "transport and communications decade" for Asia and the Pacific. Asian rail and road networks had been a primary issue at the 48th session of the U.N. ESCAP meeting in Beijing which ended April 23. According to ESCAP, the nations meeting in Beijing said that greater cooperation in infrastructure development is a high priority.

In Beijing, Chai Pu'an, foreign affairs bureau head of the Chinese Ministry of Railways, announced on April 20, during the ESCAP meeting, that China would join the Trans-Asian Railway project, and that China is willing to cooperate with participating countries on implementation and technical issues.

At the June meeting in Bangkok, the delegations of Mongolia and the Republic of Korea, in particular, expressed great interest in the Eurasian rail network, particularly in the development of the Tumen River project where Russia, China, and North Korea meet (Figure 5). These nations also want a "southern leg" of the Siberian railway to be built to connect to Iran. South Korea, Russia, and Mongolia have already called for a feasibility study of rail links among these nations (see also Figure 1). In February 1992, North and South Korea decided to reconnect the rail and road networks of the Korean Peninsula, which would connect South Korea to the Eurasian rail network. A connection through the Korean Peninsula would also be Japan's closest point of access to the Eurasian mainland. The Russian rail system is also vital to the project. Russian ministers reportedly expressed great interest in the Eurasian rail network. However, the Russian railways are in very poor condition as a result of years of

FIGURE 5

Tumen River project and China's 'North-South' artery



failure to invest in infrastructure (see interview with Pavel A. Minikir).

On April 27-29, delegates from China, Russia, North Korea, South Korea, and Mongolia met to discuss the planned port and industrial complex at Tumen. In February, these five nations plus Japan met to launch discussions of the Tumen project, which will be a northern terminus of the Eurasian Silk Road. The project will encompass the area from the Russian Pacific port of Vladivostok to Chongjin in North Korea and Hunchun in Jilin province, China. It will include ports, terminals, roads, railways, and an airport, as well as infrastructure to support a settlement of up to half a million people.

Especially for the industrial nations of Northeast Asia, the rail route from the Pacific to the Atlantic will be more efficient and cheaper for freight transport than the current long sea routes through Southeast Asia.

Long Yongtu, China's director of International Relations at the Ministry of Foreign Economic Relations and Trade, said the April meeting would focus on several development options. These include establishing three independent economic zones under a multinational coordinating body or combining equal areas of the three countries into one development zone of 900 square kilometers, the official *China Daily* reported March 5.

China's decision to join the Trans-Asian Railway project is important, because it must provide the link in the northern Eurasian rail route. This includes not only the Tumen project, but also the north-south route from Southeast Asia to Korea, Mongolia, and Russia. A feasibility study on connecting the

rail networks of China, Mongolia, the Russian Federation, and Korea is already being made, and a working group established to consider such problems as gauge breaks and vehicle and container standardization. The experience of members of the Association of Southeast Asian Nations (ASEAN) in harmonization and standardization of land transportation will be applied to the other Asian nations.

China is also now constructing the longest and most costly new railway in the world, the new "North-South Artery" to link Beijing with China's southern coast, which is also the first major route built in China in 50 years. The new route is much straighter than the classic north-south Beijing-Guangzhou-Hong Kong line and runs about 300 miles to the east. The new line runs from Beijing to Tianjin-Hengshui, Shanghai, Fuyang, Macheng, Jiujiang, Nanchang, Xiantang, Jian, Ganzhou, Longchuan, Shenzhen, and Kowloon. The section from Beijing to Fuyang, 1,200 kilometers long, will be electrified, and the section from Beijing to Nanchang will be double-tracked. Bridges must be built over the 3,330-meter-wide Yellow River (Huang Ho) which must be 6,675 meters long. A 7.7-kilometer-long rail bridge already exists over the Yangtze at Jiujiang, which was built in the 1970s. If the Chinese-Vietnam rail line is completed, the Chinese "North-South Artery" will connect Northeast with Southeast Asia.

China has been running non-stop container service from Harbin, Shenyang, Beijing, and Zhengzhou to Guangzhou since April. Irregular express container service is running on rail lines between Harbin-Shanghai and Shanghai-Chengdu. China plans to build special tracks for container transport to all the major coastal ports, said Transport Ministry official Cui Changduo in May, but the lack of containers and inadequate facilities at many rail hubs poses a huge problem.

Interview: Anvar Usmanov

We need to build a 'Silk Road' railway

Over the June 19-21 weekend, the Evangelical Academy of Loccum, in the German state of Lower Saxony, held a conference, entitled "After the End of the Soviet Union: Novostroi-ka in the Republics and the Help of the West." Among the many themes discussed, were the increasing importance of Russian regions and newly independent nations in reshaping economic relations both within the former U.S.S.R. and between the former U.S.S.R. and western nations, and the requirements for infrastructure development in this part of the world.

Anvar Dechkanovich Usmanov of Uzbekistan is a freelance journalist and a leading figure in the Birlik (Unity) opposition movement, as the "shadow" information minister for Birlik, i.e., if Birlik should come to power in the government in Tashkent, he would become the country's information minister. Uzbekistan is one of the five newly independent states of the former Soviet Central Asia. Mark Burdman interviewed him in Loccum.

EIR: What do you see as the main economic challenges facing Uzbekistan?

Usmanov: As our specialists prognosticate, we are in a position to become more independent economically, because of our resources. There is an Uzbek proverb: "God has given us resources." Nowadays, of course, when we speak of resources, we speak of oil. There are two places where we have drilled that are hopeful for finding oil. One is at Minbulak. . . . In the past, we had to pay two-thirds of the profits from the sale of our cotton, just to buy oil products. . . . By a prognosis, we have drilled another well to 4,000 meters depth, and we have found signs of oil here. They predict much more than the first well I've talked about. We will know for sure in September-October. Because if we really strike oil and it is really located there, our country will have a completely different path of development, easier and more rapid. I've been in conferences with the government of China, and the Chinese have been terribly interested in buying prospective oil, because in the north, the Chinese have none. From the border of China, to these wells I've mentioned, the distance is 400 kilometers. So, now we have to drill.

EIR: What are the priority projects in infrastructure for Uzbekistan?

Usmanov: To reconstruct the Silk Road, to reconstruct it by railroad, and, in addition to modernizing the existing line, to add a new line to Tashkent—running from Karachi in Pakistan to Tashkent. The construction of these railroads will give us the ability to gain full independence from Russia. It's like the old Baghdad Railway project. Anybody that helps us in setting up railroads, anybody taking part in this, we will give them concessions.

A second task, very important to us, is gold. In official figures, we are mining 75 tons of pure gold, 99% pure. However, you see, our gold-prospecting industry is dependent on Soviet technology. For example, enriching it, melting it, by using Russian techniques, means every day, having to change drilling bits. As recently as four years ago, from all of our gold production, we got 0.5%, and all the rest went to Moscow. In the meantime, we were told, "You get housing," which means that the Russians set up houses for their drilling teams. Of course, the situation has changed now. Now, we get 60% of the worth of the production, and 40% of all gold stays in Uzbekistan. This has been the case since last year. We are still forced to give 60% to the central