NEW SILK ROAD

Eurasian Land-Bridge Extends Its Reach

by Ramtanu Maitra

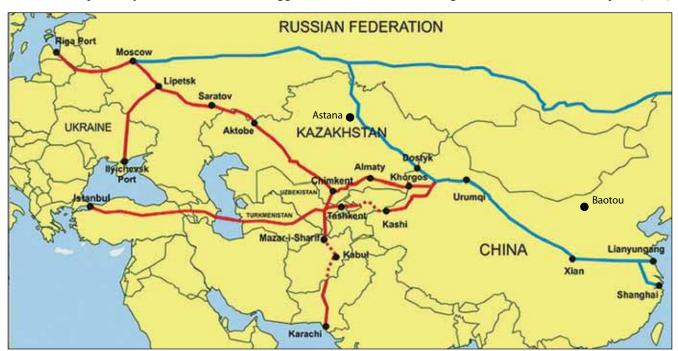
July 31—Two important developments in the last week of July promise advances in the Eurasian Land-Bridge's connectivity between East and South Asia with Europe. via Central Asia and Iran. While these and related developments are in progress, the developed nations in Europe and North America, mired in self-inflicted financial hara-kiri, are encountering a backlash against their most disturbing regime change policy—a policy that has given birth to a most violent form of global terrorism now completely overwhelming the western policymakers. The Land-Bridge developments are also blossoming in a region—where a majority of the world's population lives—whose peoples have suffered centuries of colonial rule and post-colonial control through, for example, financial warfare manipulations, leaving the region without development and often desperately short of even the basic infrastructures needed for survival.

On July 27, the first Inner Mongolia container train to Astana, capital city of Kazakstan, was flagged off

from Baotou, Inner Mongolia, initiating the first train service between the two points. Inner Mongolia is an Autonomous Region of China.

Perhaps at the same moment, the Governor of Russia's Astrakhan Region, Alexander Zhilkin, was in Iran, proposing the creation of a Russia-Iran-India unified transport and logistics company to operate the trans-Caspian maritime branch of the International North-South Transport Corridor (INSTC). The INSTC will run from India to Iran, Russia, and Europe. The Astrakhan Region is on the Caspian. It lies astride the Volga River and the Volga's delta, across the Caspian from Iran. Zhilkin's proposal was in the news in both countries on July 28.

Zhilkin met with representatives of the National Iranian Oil Company and with Iran's Deputy Minister of Industry, Mines, and Trade, Mojtaba Khosrowtaj, to discuss creating the company, with Indian participation. Commenting on Zhilkin's proposal, Konstantin Zavrazhin writing for the Russia & India Report (RIR)



The first two rail routes through Kazakstan, linking China with Europe, Russia, and Central and South Asia, are shown here, with border crossings at Dostyk and Khorgos. The new, third route connects Baotou in China with the Kazakh capital, Astana.

August 5, 2016 EIR Four New Laws 27

of July 28, said "this would ensure that the representative of each of the countries would be responsible for their link in the overall structure of the corridor."

Third China-Kazakh Rail Link

The freight train with 41 container cars, flagged off July 27 from Jiuyuan Logistics Park in Baotou, Inner Mongolia, is to traverse the 4,332 kilometers of western China in eight days to enter Kazakstan. Its last stop on the Chinese side will be Alashankou railway station before it is connected to the Atasu-Astana rail line to reach the Kazakh capital, Astana. According to China Daily July 29, the Baotou-Astana service, dubbed the 21st Century Silk Road, will go along the Baotou-Lanzhou, Linhe-Hami, and Lanzhou-Xinjiang railway lines before it arrives at Alashankou railway station. The container cars carried building materials and other commodities. On its return journey, the train will carry goods such as mineral resources, according to a Hohhot (Inner Mongolia) Railway Bureau official, Xinhua reported on July 27. The City of Baotou in Inner Mongolia is in turn linked by rail with Beijing, almost due east, 820 kilometers away.

Jiuyuan Logistics Park in Baotou was established earlier this year, combining an online goods trading platform and a warehouse to serve as a logistics center for the chemical, coal, steel, nonferrous metal, and grains industries. In addition to its integration with the rail freight services, it integrates trade with financial services and third-party logistical services.

The Baotou-Astana Silk Road rail route is the third that links China to Kazakstan for China's rail-based trading with Central Asia, Russia, and Europe. In December 2012, Kazakstan completed construction of a 183-mile stretch from Zhetygen to Korgas on the Chinese border, integrating it into the existing Kazakstan Temir Zholy national railway network and opening the second China-Europe link across its territory, supplementing the Alataw trade pass of the first China-Central Asia railway connection, John C.K. Daly of *Silk Road Reporters* said in a July 14, 2015 report. Located 670 kilometers west of Urumqi, the capital of Xinjiang province, Korgas lies 90 kilometers northwest of Yining, the principal town in China's Ili Kazakh autonomous prefecture. Daly wrote:

Alataw is where the 6,950-mile Yuxinou (Chongqing-Xinjiang-Europe) International Railway crosses from China into Kazakstan, travels through Russia, Belarus, and Poland, and ar-

rives in Duisburg, Germany. Cargo transportation from China to Germany began in 2011. In January-October 2012, 32 trains travelled the Yuxinou International Railway, with 2,700 20-foot containers, carrying high-value, low-volume items such as electronics. Alataw now reportedly handles 15.6 million tons of train-laden cargo a year.

By establishing these routes through Kazakstan, Chinese exporters have succeeded in cutting at least 35 days off the 45-day maritime shipping route to Europe. Accordingly, Kazakstan has now emerged as an important hub linking Europe, the Middle East, Asia, and Russia. In future, these rail linkages will enable greater trade between China, Kazakstan, other members of the Commonwealth of Independent States (CIS), and Europe. With almost 12,500 miles of tracks, the Kazakh railway network, world's third biggest, uses a different rail gauge—the 1,520 millimeter track gauge used by the Russian rail network, rather than the standard gauge used by the China and Europe. Transfers of freight from one gauge to another are done by crane. Containerization makes this process more efficient.

Astrakhan's Maritime Initiative

Zhilkin's proposal for a unified transport and logistics company for INSTC trade along the route from Mumbai (India), to Bandar Abbas (Iran), Bandar Anzali on the Caspian (Iran), and over the water to Astrakhan (Russia), will doubtless bring trade-related economic development to the Astrakhan Region itself. The meeting in Iran also discussed the use of Astrakhan's Olya Port to import Iranian goods to Russia, and the opening of an Iranian trading house in Astrakhan, according to Zavrazhin's report in *RIR* report.

Astrakhan's initiative to use the Caspian Sea as another valuable arm of the INSTC is also important for all of the Caspian coastal countries. Iran, Russia, and Azerbaijan are also now actively pursuing the entirely railbased arm, which will link the Persian Gulf port, Bandar Abbas, to Russia through Azerbaijan, along the western coast of the Caspian. For Iran, of course, both arms are important, since the majority of the people in Iran live in the northern part of the country, in proximity to both routes. To make the rail-based route along the west coast of the Caspian Sea operable, a new rail line is now being

28 Four New Laws EIR August 5, 2016

^{1.} For more detail on the INSTC, see "<u>Breakthrough on the Gulf of Oman: Big Step to Link Asia and Europe</u>," by Ramtanu Maitra, *EIR*, June 3, 2016.



archive.premier.gov.ru

Vladimir Putin, then prime minister, with Alexander Zhilkin, Governor of the Astrakhan Region (right), visits the Astrakhan Shipbuilding Production Association in 2009.

built linking the Azerbaijani city of Astara to its Iranian cross-border counterpart, also called Astara, and the Iranian cities of Rasht and Oazvin.

Construction of the Qazvin-Rasht section was completed in 2015, but construction of the Rasht-Astara section, a challenging engineering project because of the topography, is still at an early stage—but it is making progress. Azerbaijan's Foreign Minister, Elmar Mammadyarov, in an April 7 statement, said that the linking of the Iranian and Azerbaijani rail networks will be completed this year. The estimated capacity of the railway, during the first phase, should be around 4 to 10 million tons of cargo per year, and will increase.

Russia is now working to make the Corridor operable as soon as possible. An April 7 news report of the Russian *Vzglyad*, following Russian Foreign Minister Sergei Lavrov's talks with the foreign ministers of Azerbaijan and Iran, said that—

Lavrov has revealed that Russia has agreed to begin substantive studies on the implementation of the North-South Transport Corridor, part of which will pass along the western coast of the Caspian Sea, from Russia to Iran through Azerbaijan. "This involves working with the participation of the [different participants'] ministries of transport, which have to look at the technical and financial parameters of such a project. This also involves interaction between the customs and consular services, and we have agreed on this today," said Lavrov.

Meanwhile, Zhilkin's proposal could make at least the over-water arm of the Corridor operational within a short period of time. He is aware of New Delhi's and Tehran's interest. Indian Prime Minister Narendra Modi, while he was chief minister of India's northwestern state of Gujarat, had visited Astrakhan, met with Zhilkin, and embraced Astrakhan region as Gujarat's sister state.

The link between India and Astrakhan is, however, much older. According to Francis C. Assisi,² the Indian presence in Russia dates back to the 17th century. By then, Indian traders had reached as far as Isfahan in Iran, Kizlyar in the North Caucasus, and the city of Astrakhan, the Russian trading port in the Volga delta on the Caspian. The first Indians from Sindh and Multan (areas now in Pakistan) arrived in Astrakhan in 1615-1616. Surviving records show they were dealers in Astrakhan textiles, jewelry, and medicines. In 1650,

Indian merchants are known to have sold their goods in Yaroslavl, not far from Moscow. Thereafter the Romanov Tsar, Alexei Mikhaylovich, invited Indian artisans to Moscow to introduce a textile industry there.

Russian Railways' Contribution

In the Russian portion of the Corridor, according to Russian Railways,³ "the most important section for developing transit and export-import freight... is the 2,513 kilometers of the line Buslovskaya-Saint Petersburg-Moscow-Ryazan-Kotchetovka-Rtischevo-Saratov-Volgograd-Astrakhan. This route provides access to other parts of Russia, as well as to the Baltic states, Ukraine, and Belarus, and then on to the European railway network."

Russia's Federal Program for the Modernization of the Transport System provides for upgrading and reconstruction of the line from Astrakhan to Samur, near the border with Azerbaijan.

For the maritime branch, Russian Railways built a 50 kilometer rail spur in less than a year, linking the Port of Olya (Astrakhan) with the main route just described, which "immediately allowed the transport of up to 6 million tons of German exports" to reach Iran and the Persian Gulf by the shortest route, that is, the newly developed sea route that Astrakhan's Zhilkin is seeking to organize at the international level.

August 5, 2016 EIR Four New Laws 29

^{2.} This historical sketch draws primarily on "The Indian Diaspora in Russia" by Francis C. Assisi.

^{3.} See the North-South Corridor page (updated July 30) of the Russian Railways website.

Prominent Chinese Endorsements for:

The New Silk Road Becomes

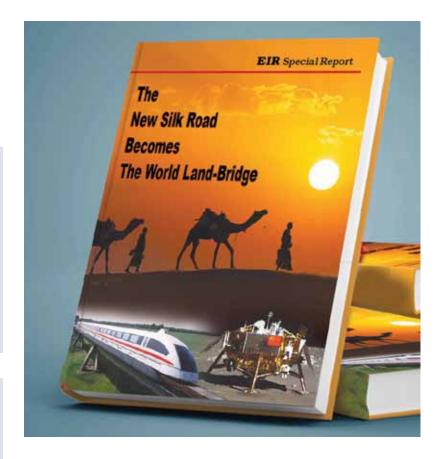
The World Land-Bridge

"Geopolitics has led to the dangerous situation we have today. The aim of the report is to develop a concept to replace geopolitics. And I found such a concept in this book."

—Shi Ze, China Institute of International Studies, September 2015

"Today we have to proceed from a regional perspective, one which involves economics, politics, and culture. China is learning from other countries. And this book is very important in that respect."

Wang Xiangsui,
Director for the Center for Strategic
Studies at Beijing University of
Aeronautics and Astronautics,
September 2015



These are just two of several endorsements by prominent Chinese economic and strategic experts, of *EIR*'s ground-breaking study, "The New Silk Road Becomes the World Land-Bridge," at an extraordinary press conference in Beijing Sept. 29, 2015, where the Chinese-language version of the report was released. This 374-page report in English is a road-map to the New World Economic Order that Lyndon and Helga LaRouche have championed for over 20 years. The world desperately needs the perspective developed in this report!

NOW PRICED FOR MASS CIRCULATION!

SOFTCOVER \$50

HARDCOVER \$75

PDF \$35

Go to worldlandbridge.com or http://store.larouchepub.com