CHAPTER – V
EURASIAN LAND BRIDGE AND ITS IMPLICATIONS

One main feature of economic development in the last decade of the 20th century has been the globalization of markets which brought with it increased demand for the unhindered movement of people, goods and services. In this new environment, transport has become both an economic resource and a means of economic activity. However, increased demand for mobility can only be satisfied if two important conditions are met. One is the provision of safe and reliable international transport routes and networks. The other is the efficient management of the infrastructure including the 'software aspects' of transport relating to the necessary harmonization of the documents required as well as their speedy and unhindered transmission between the parties involved.

The New Silk Route in terms of the ancient trade routes between east and west or the Eurasian Land-Bridge of the 21st century covers all modes of transportation including road, rail, as well as oil and gas pipelines and communication infrastructure. This Eurasian Land-Bridge will give considerable impetus to the expansion of cooperation between Europe, the Caucasus and Asia. It will create new opportunities, potential and promises for peace and shared prosperity among the nations with links to one another.

With the end of Cold War era, a number of nations gained their independence and democratic norms and globalization became the dominating factor in world politics. The idea of reviving Silk Route as a corridor linking Europe and Asia was launched in 1993, under the umbrella of TRACECA (Transport Corridor Europe Caucasus Asia). The project envisages a Eurasian Land-Bridge consisting of highways, railroads, fiber optic cables, oil and gas pipelines and expansion of seaports.\footnote{Michael C. Evans, 'Europe's Strategic Role in the Caucasus and the Black Sea', Strategic Review, 27, no. 2, spring 1999, pp. 4 - 10.}
Europe and China represent the natural “development poles” of Eurasia. China’s rapid development process has a powerful stimulating effect on the other countries of Asia, an effect which will be further strengthened by the policy of the “New Silk Road” and the “Eurasian Land-Bridge”. Economic development is originating largely from these two sides, spreading mainly along the development corridors of the Eurasian Land-Bridge, which runs through Siberia on the north, through Iran and Turkey in the middle, and through the Indian Sub-continent and Southeast Asia, in the south. Other Asian countries have positive economic impulses connected either directly or indirectly with the rise of the Eurasian Land-Bridge economy.

**India:** India possesses a large, well-rounded industrial and scientific-technical base, and an agricultural sector which has shown an impressive capacity for development. But despite its enormous potential, India is not yet able to function as a prime locomotive for Eurasian development, China does presently. India has displayed its keen interest in the future course of strategic alignments around the Caspian and Eurasian Land-Bridge.

Recently there have been signs of growing interest in India about its Eurasian Land-Bridge development as a potential means for addressing both external and internal problems of the country. Positive development in multilateral relations between India, Russia, China, Iran and other countries of the region, reflect a growing orientation toward mutually beneficial economic cooperation, in which the Land-Bridge is a central element. Rapidly expanding economy of India, combined with its near total dependence on energy imports makes India a potential consumer of Central Asian Caspian oil and gas. And India is interested in developing export markets in

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Central Asia for both its inexpensive consumer goods and its high-tech products. India’s integration into the Eurasian Land-bridge system would mean on enormous gain for the economy of Eurasia as a whole.

**Japan:** Japan has already shown its interest in the new Eurasian-Land bridge, and in numerous related projects in China, the Tumen and Mekong regions and Central Asia. As the leading industrial nation in Asia, Japan obviously has a decisive role to play in future Eurasian development.

Japan has extended major credits to Uzbekistan and Georgia. A package of loans in 1995-96 to Uzbekistan, worth $600 million, targeted modernizing the Ferghana oil refinery, upgrading communications, investing in the energy sector, developing foreign trade and expanding three airports. The Eurasian Land-Bridge strategy is key to defining Japan's future economic role as a leading supplier of modern machinery and other high-technology capital goods to rapidly-growing markets on the Eurasian land-mass. Building a land connection between Japan and the Korean peninsula (Fukuoka-Pusan), would have great potential benefits. The Eurasian Land-Bridge would help to overcome the real character of Japan.

**Russia:** As the main successor state to the Soviet Union, the Russian Federation is the repository of most of the latter’s geopolitical status, military might and economic resources. Russia has been in the centre of the development of a trans-Eurasian infrastructure, and it was the main vehicle for the spread of modern science and technology. The Eurasian development corridors represent a unique opportunity to revive this tradition in Russia, and to mobilize, for positive purpose, the scientific and technological potential represented by the military-industrial-scientific complex of the former Soviet Union.

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5 'Japanese Lending Targets Infrastructure Programmes', *Jamestown Foundation Monitor*, 31 October, 1996. (online web) www.silkroadproject.org
6 Jonathan Tennenbaum, n-2, p.118.
7 ibid, p. 119.
The oil and gas sector is a major component of Russia’s industrial base. In proven oil reserves Russia ranks eight, with an estimated 50 barrels; it also contains the world’s largest natural gas reserves.\(^8\) Oil and gas exports are Russia’s largest Currency-earning commodities, but the deterioration of transport infrastructure is the important factor to decline the Russian exports. Within these circumstances the Eurasian Land-Bridge will provide fast momentum in the development of economic activities.

The New Silk Route being built as the Eurasian Land-Bridge will serve as fundamental link between the East and the West, shaping cultures, political ideas, technologies, beliefs and peoples. The idea of the Eurasian Land-Bridge signifies a road of peace and shared prosperity.

5.1 A factor of Promotion in Relationship

The Eurasian Land bridge will foster international cooperation and level up the transit tariffs which are different between countries, as the rates remain unstable and there being many taxes and incidental expenses.\(^9\) In order to overcome this hurdle, leaders of China visited Central Asia and Russia a number of times.

China has made it known that it is more important to strengthen the communication of international economy and technology, impel the economy to recover and foster prosperity. Moreover, China has noticed the European community’s promotion of an “Easter strategy” to develop partnership relationship with Asia. The development of the main axes of traffic, through great projects for infrastructure in transport, energy, water and communication will be the ground-work for the industrial development of the Eurasian land-mass. And by this process the relations among the Eurasian countries will be improved.

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5.2 Destroying Drug Route

International effort to revive the old Silk Route connecting China and Central Asia with Europe can also be used as a drug trafficking. The International Narcotics Control Board is concerned about the rapid spread of illicit crop cultivation and the trafficking and abuse of drugs, especially heroin, in countries of Central Asia (Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan) and the Caucasus (Armenia, Azerbaijan and Georgia).\(^{10}\) In view of the overall rise in criminal activities in Central Asia and Caucasus, there is need for adequate resources go to deal with the problem of drug abuse and illicit drug trafficking.

The opiates originating in Afghanistan are smuggled through Central Asia. The largest share of these drugs is transported through Iran and Turkey or from Pakistan to Iran and to other countries in Persian Gulf area before being sent to its final destination. Turkey continues to be the major transit point for heroin destined for Europe.\(^{11}\) The Caspian Sea is increasingly being used to transship larger amount of both opiates and cannabis from Afghanistan through Turkmenistan to the Russian Federation and other countries in Europe.\(^{12}\)

"Drug traffickers have taken advantage of the absence of control on the borders between CIS member states and transportation links established in West Asia, especially in Central Asia. It has been reported that heroin with a high purity level, smuggled via Central Asian countries and the Russian Federation, has been introduced on the illicit market on a number of European countries."\(^{13}\) The scenario underscores the drug trail of which the once famous New Silk Route is very much important part. Taliban, who had warm relations with Turkmenistan used this opportunity to transport the contraband stuff to the Caspian region and beyond. President Rakhmanov disclosed at a conference on drugs in 1998 that at moment 2,000 tones of narcotics were ready to be transported across Central Asia for

\(^{10}\) Mahendra Ved, 'Silk Route Turns Destructive Drug Route', *World Focus*, Vol-21, Number 8, August, 2000, New Delhi, p. 10.


\(^{13}\) Mahendra Ved, n-11, p. 10.
European and other markets. The state of borders in Central Asia is precarious, allowing transit of drugs, arms and other contraband items to other parts of Asia and Europe.

5.3 A Grand Design for Peace and Development

The integrated infrastructure programs of Eurasian Land–Bridge connects the industrial centers of Europe and Asia. The development of the main axis of traffic is the precondition through the grand infrastructure project in transport, energy, water and communications. Of course, the ground work of this project will be the main factor of the industrial development of the Eurasian land-mass. The economic cooperation, in the interests of all participating nations, can represent the basis for a peace for the 21st Century.

The Eurasian Land bridge network of high-speed trains for transport of persons and goods connects most of the sixty big cities with each other. This infrastructural integration will mean an enormous increase in the economic efficiency of the connected economic area along the Eurasian land-bridge. Construction of new ports within the reviving project of Silk Route will lay the foundation for a dramatic expansion of maritime trade.

Between Japan and Russia, the idea of building a tunnel to Sakhalin Island the integration of the South-North Korean railway with the Siberian railway to have the Siberian railway open up the northern regions of Russia which are a tremendous wealth of raw materials, could lead to development of the entire continent. The Chinese government is now moving very fast in the direction of connecting the Old Silk Route with the European and Middle Eastern regions.

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14 BBC SWB, SU/3703 G/1, 27 Nov., 99.
5.4 Promoting India – China – Russia: Tripartite Cooperation

The opening of the new Eurasian continental bridge and the old Silk Road trade routes can provide new opportunities for cooperation between India, China, and Russia. In the grim situation facing the world today when the United States has turned into a new imperial power by unleashing a war on Iraq to gain control of its oil wealth, the Eurasian vision of cooperation is the only hope for world to overcome the crisis into which it has been plunged by the international speculative financial capital on a unipolar world order.\(^\text{17}\)

The triangle is based on peaceful cooperation among the three great powers—India and China two powers of Asia and, together with the Eurasian power Russia. These powerful states are constituting the keystone of the future multipolar world. This triangle is not conceived by its advocates in Moscow, Beijing and New Delhi as a military alliance or a power bloc but for peaceful cooperation among the three great powers.

Russian Prime minister Yevgeni Primakov casually dropped a suggestion for Russia-China-India strategic triangle during his visit to India in 1998. The triangle idea had surfaced when Jawaharlal Nehru in an article “why India support China?,” written on 21 August 1938 given a call for united action by the “National freedom movement in India and China”, and adding that ‘there is the Soviet union which has definitely discarded imperialism”.\(^\text{18}\)

India has the best of relations with Russia and is working to improve relations with China. India and China appear to have taken a strategic decision to transform their troubled relations. This is evident from two agreements signed by leaders of the two sides. The memorandum on border trade signed by Chinese Commerce Minister Lu Fuyuan and External Affairs Minister Yeshwant Sinha shows that China has


\(^{18}\) ibid. p. 44.
decided to recognize the accession of Sikkim to India.\textsuperscript{19} China also agreed to reopen the Old Silk Route, this route through Sikkim's Nathu La pass in the shortest distance between India and China.\textsuperscript{20}

Prime Minister A. B. Vajpayee did pick up the threads again during his visit of China in 2003 and opened the doors for a more purposeful negotiation on the boundary dispute and an approach to future economic cooperation.\textsuperscript{21} Before his departure, Vajpayee told the press that in view of the dramatic change in the world during recent years “two of the world’s largest and most populous developing countries, India and China, should remain in close touch on global issues of concern to developing countries”.\textsuperscript{22} A decision was taken to open border trade through Nathu La pass in Sikkim which is a kind of revival of ancient Silk Route.

The mega projects of Silk Route revival such as constructing a land-bridge across Eurasia alone is the central axis or the hub of the creation of Russia-China-India strategic triangle. There are two important areas of increased economic cooperation between the three countries: first, the management of economic governance; second, the management of energy security.\textsuperscript{23}

5.5 New Silk Route as a Factor of Energy Security For India and China

India and China are energy deficient countries. India and China have started tapping the Russian, Iranian and Central Asian Energy sources. Energy experts in India have pointed out that the easiest and cheapest alignments of pipelines by along

\textsuperscript{19} Manoj Joshi, 'Reality Check on Sikkim, Tibet', \textit{Times of India}, New Delhi, June 25, 2003.
\textsuperscript{20} ibid.
existing railway lines, roads and river-beds in the region. Some possible routes include:


(b) West Siberia — Tyumen — Petropavlovsk — Astan — Karganda — Bishkek — Issykkul — Naryn — Kashgar — India.

(c) North Siberia — Tomsk — Novosibirsk — Barnaul — Semeny on to Kashgar and India.

(d) Iran — Baluchistan — Sindh — India.

Several other routes have been suggested linking Central Asia and Iranian gas to Russia and China and onwards to India. Various routes have been suggested such as Shahidulla in Xinjiang to India, including via the Karakoram pass and Khardung-la to Leh; via Aksai Chin and the Xinjiang-Tibet road up to Tashigang and then down to Indus valley from Demchok to Leh; or from western Tibet to India along the river Sutlaj. It is possible for China to transport oil from West Asian sources piped straight from Indian ports into China up these very routes. That is gas coming from Central Asian and Caspian region through China into India and oil coming from West Asia through India to China. Such type of cooperation in the energy sector can provide the security in the field of energy for of both nations.

Revived Silk Route can also help create popular and economic foundation for closer relations between India and China. Economic cooperation is necessary to create a popular basis. As the experience of the European Union shows, popular support for regional cooperation can be built on the foundation of tangible economic and cultural projects. Energy security can be one such area of bilateral cooperation.

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24 ibid., p. 368.

Map 5.2

Corridor continuation in South Asia

Shipping connections to Bandar Abbas / Europe
Shipping connections to South-East Asia

Source: Economic and Social Commission for Asia and the Pacific (UN)
5.6 A Factor of Modernization of Central Asia

The twenty-first century version of the traditional Silk Route—a road on which for centuries our forefathers traveled with goods and ideas is a factor of modernization of Central Asia. The restoration of the Silk Route offers opportunities not only for trade and economic cooperation with Central Asia, but also for the interchange of modern ideas and values. Presently Central Asian states are in the transitional period of their social and political development. Simultaneously, these states are accepting the western European model of modernization based on the western values such as democracy, market economy and the principles of supremacy of law.

New Silk Route will integrate the Central Asian states—Kazakhstan, Kyrgyzstan, Tajikistan and Turkmenistan with the world transport system. This is necessary for their socio—economic, political and cultural development as well as their independence. The Central Asian States do not have direct and stable access to the world transport network and through them to the world market. The Central Asian states need economically effective and safe exit for their natural resources to the world market. Presently they are not able to produce exportable goods and essential source for their foreign currency revenues continuous to be the sale of their natural resources (oil, gas, cotton etc.) and taxes for the international transportation through their territory.

The restoration of the Silk Route will thus be beneficial for the development of regional cooperation among the Central Asia states. Lack of affective transport routes and relative isolation made it difficult for all five Republics to access international markets immediately after their independence in 1991. The rebirth of the Silk Route and its traditions in trade and business, as well as information and exchange of ideas will increase regional cooperation among Central Asian states, leading to the modernization of the people of Central Asia.

26 K. Warikoo, n - 4, p. 20.
5.7 A Land - Bridge for Global Trade

After the disintegration of the Soviet Union the international situation has witnessed some new characteristics. Globalization is erasing boundaries and building networks between nations and peoples, economics and cultures. In international relations, while the role of military and ideology have been on the decrease, the significance of the economic factor is on the increase. The economic globalization and regional economic cooperation has gathered further momentum. President of China Jiang Zemin said that "We need an 'all-win' economic globalization in which all countries, North or South big or small, are all beneficiaries; we need an economic globalization in which all countries can participate as equal members".

Eurasian-continental bridge starting from Lianyungang and Rizhoo port in China, ending in Rotterdam, the Netherlands, has a total length of 10,900 kilometers across Europe and Asia. This is a giant international corridor. To the east, it links up Northeast Asia and Southeast Asia, through the numerous seaports in China and can further connect with the western coastal cities; to the west after track-transfer at the Alataw pass, in Xinjiang, it joins the Central Asian railway network in the border station in Kazakhstan, extends westward further to Aktogay, and from there, via three routes, namely, the northern, the middle and the southern, can join the European railway networks and reach Europe.

The Northern Route: connecting Aktogay in Kazakhstan, or Bishkek in Uzbekistan, north ward via Siberian railway and onward to West Europe and North Europe.

The Middle Route: starting from Kazakhstan via Russia, Belarus, Ukraine, Slovakia, Hungary, Austria, Switzerland, transship from Germany and France to the ports of the English Channel. Or it can go south from Aktogay, Kazakhstan, along the

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29 Jonathan Tennenbaum, n-2, p. 40.
30 ibid.
31 ibid.
border of Kyrgyzstan, through Tashkent, Uzbekistan and Ashkhabad, Turkmenistan, west to Krasnovodsk, via the Caspian Sea to Baku, Azerbaijan, then to Tbilisi, Georgia, the Black Sea, Verna in Bulgaria, Romania, Hungary, thus reaching the Central European countries.\textsuperscript{32}

The Southern Route: starting from Ashkhabad, Turkmenistan, south down into Iran, then from Mashhad go west via Tehran, Tabriz, to Turkey, through the Strait of Bosporus, and via Bulgaria and Yugoslavia, reached Central Europe, West Europe, and South Europe.\textsuperscript{33}

An important characteristic of the region of the new Eurasian land bridge is that it links east to west, the Pacific and Atlantic economic centers, which belong to the developed region, but lack space capacity and natural resources. Thus the Eurasian land bridge has a very strong nature of inter-dependence and advantage.

Eurasian Land-Bridge is important for the promotion of global trade.\textsuperscript{34} However, building up the infrastructure of Eurasian Land-bridge will take time and investment, but will be justified as the trade benefits all the countries on global level. The new world economic order, based upon the Eurasian land-bridge has eminense scope for trade expansion. It has not any national boundary and other barriers for global trade. Eurasian land-bridge is opening the bases for international trading system.

### 5.8 Implications of Eurasian Land Bridge

Some progress on the Eurasian Land Bridge as a means of connecting Central Asian markets with world markets has been made on practical grounds. Over the past ten years, United States, the European Union and China have emphasized the imported role of countries of the Caucasus and Central Asia in the development of East-West energy and transport routes, linking Central and South Asia with Europe.

\textsuperscript{32} ibid.

\textsuperscript{33} ibid.

\textsuperscript{34} Mahavir Singh & Victor Krassilchtkov (ed), Eurasian Vision, (New Delhi, 2003), p. 105.
The World Bank is joining an international effort to revive the old Silk Route connecting China and Central Asia with Europe.

The Eurasian Land-Bridge has favorable long-term consequences for all countries located in the Great Silk Road region\(^\text{35}\). The implication of the New Silk Road as a Eurasian Land-Bridge is making possible to create all the necessary conditions for the transformation of the region into an area of stability, security, friendship, cooperation and equitable partnership.

### 5.8.1 Present Situation and Prospects from Trans – Siberian Railway

Building up a dense infrastructure development corridor along the Trans-Siberian Railroad and certain parallel east-west routes, including the Baikal-Amur Mainline are the key to the economic future of Eurasia. Everything depends on re-organizing the implication of the trans-Siberian Corridor is as follows:-

a) The Russians constructed 3377 km of railway line and 14 railway repair workshops and depots in their time\(^\text{36}\). Now the Trans-Siberian Railroad constitutes the Asian section of the “Eurasian Land-Bridge”, the 11,200 kms long Northern route connecting the Atlantic Coast of Europe with the pacific cost of Asia\(^\text{37}\). For many years, the Trans-Siberian Railroad has been a major shipment route for goods between Japan and the Northern Pacific region (including Korea), and Europe. Improvements in technical quality and logistical organization of the Trans-Siberian line, already planned, can greatly increase the competitive advantages of this vis-à-vis the much longer sea route between Japan and Europe, especially for higher-value goods. Even after the completion of the “Southern Route” from China to Europe, the Trans-Siberian Corridor remains a key transit route from Japan northern China, and the Korean Peninsula, via the Vladivostok, Chit-Harbin, and Ulan-Ude-Ulaanbaatar-Beijing connections\(^\text{38}\).

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\(^\text{35}\) Askar Akaev, [President of the Kyrgyz Republic], ‘Diplomacy of The Silk Road’ (online web) www.http://cdf.gov.kg/c-krg-mfp-silkroad.htm
\(^\text{37}\) Jonathan Tennenbaum, n-2, p.168
\(^\text{38}\) Ramtanu Maitra, n-10, p. 188
b) The Baikal-Amur-Mainline and other lines connected to Trans-Siberian Railroad open up access to gigantic reserves of every raw material required to modern-society-oil, gas, coal and other metals and minerals.

Transformation of the Trans-Siberian Railroad will lead to the development of Eurasian-Land Bridge Corridor. The projects drawn up during the Soviet period, have been reviewed and modernized by the American engineer Hal Copper, together with two colleagues from the far Eastern city of Yakustsk. They emphasize the combination of rail projects with the tapping of rich petroleum reserves in the Far East, including Sakhalin Island. This is a network of gas and oil pipelines with the rail lines, which has extended to North Korea and South Korea, China, and eventually to Japan.

On 1st January 2001 the first electric train ran along the newly electrified section of the Trans-Siberian railway. The length of the electrified section of Russia’s main railway was extended by 83km, up to the Guberovo station in Maritime Territory. The remaining 270 kms long section in Guberovo to Sibertsevo is yet to be electrified. Head of the Far Eastern railway stated that “we will complete the electrification of the Trans-Siberian railway from Moscow to Vladivostok and it will be fully electrified for the first time in the history of railway transport”.

The electrification of the Trans-Siberian railway is a major project of the 21st century. An agreement has been reached on restoring railway connection between the democratic People’s Republic of Korea and the Republic of Korea. The Trans-Siberian railway will stretch to the port of Pusan, South Korea and will become the most important transport bridge linking Europe and Asia.

39 Jonathan Tennenbaum, n-2, p.171.
40 ibid, p.172.
41 BBC. SUW/0673 WA.15, 12 Jan 01.
42 ibid.
43 ibid.
5.8.2 Sakhalin Rail Tunnel

One of the other centers of gravity of international energy cooperation is the ongoing project for tapping the offshore gas and oil fields of Russia’s Sakhalin island, in the Sea of Okhotsk, whose proximity to Japan and other markets in the Pacific makes such a project especially attractive. There are seven projects for the exploitation of natural gas and oil around Sakhalin\(^44\). Investment of $25-45bilion on the transport and production infrastructure of the island is planned for the coming years. The connection to Japan would be provided by a north-south railroad on Sakhalin together with a 50-kelometers under sea tunnel to Japan’s Hokkaido Island\(^45\). The rail connection from Hokkaido to Japan’s biggest island, Honshu, is already provided by the 54 kms. Seikan Tunnel, the longest on the world.

In 1999, the first crude oil flowed from the “Sakhalin-2’ project\(^46\). Cargoes in containers are carried mostly between Asia-Pacific countries and European countries. The construction of tunnels and bridges to link the continent with Japan via Sakhalin has started from 2001. Railway Ministry’s experts believe that a railway connecting Tokyo with Landon will become reality in the first decade of the 21\(^{st}\) century\(^47\).

Russian Railway Minister Nikolay Aksenko told ITAR-TASS in Berlin that the construction project of Sakhalin Bridge-Tunnel has been approved by the Russian president\(^48\). The project is of strategic importance for Russia as a bridge connecting East and West, the Minister added. The tunnel will enable to open passenger and freight railway traffic to Tokyo from Amsterdam. This project would mean a revolution in trade and development in the entire Pacific region, which is main centre of the coming time.


\(^{45}\) Jonathan Tennenbaum, n-2, p.172.

\(^{46}\) BBC SWB, suw/0673 WA/15, 12 Jan, 2001.

\(^{47}\) ibid.

\(^{48}\) BBC SWB, SUW/0676WA/14, 2 Feb, 2001.
5.8.3 The Development of Tuman Region

This area, of approximately 10,000 square kilometers, is situated at the mouth of the Tumen River in the border region of Russia, China and North Korea. It is the most interesting development area pertaining to the Northern Eurasian Land Bridge. The general area is delimited by the Russia port city Vladivostok, which is the terminal of the Trans-Siberian railway, together with the Chinese city of Yanji and the North Korean coastal city of Chongjin.

One of the key projects is the construction of an improved railway linking the port cities of Najin in North Korea and Posyet in Russia, via the Chinese network through Manchuria and the Hingan mountain range. This would shorten the rail distance from Vladivostok harbor to Europe over the Northern Route by 1,700 kilometers.

The Tuman River Economic Zone is destined to become a crucial hub for rail and oil and gas pipeline connections between North and South Korea, northern China and Russia. It forms, in a sense, the junction between the northern and southern Eurasian Land-Bridge. Already, the future trade between the regions surrounding the Sea of Japan is sufficient to make this into one of the busiest port areas of the world.

5.8.4 Transport Corridor Europe-Caucasus-Asia (TRACEA) Project

President of Azerbaijan and Georgia with the support of the European Union hosted an international conference on “Restoration of the Historic Silk Route” on 8th September, 1998 in Baku, Azerbaijan. The participants emphasized the importance of the revival of the Silk Route and appreciated the contribution to that end of the TRACECA project, implemented within the European Union’s TRACIS (Transportation in Commonwealth Independent States) programme as a Eurasian

49 Mahavir Singh & K. Victor (ed), n-35, pp.120-121.
50 Jonathan Tennenbaum, n-2, p.172.
52 ibid.
Land-Bridge. At the end of the conference final communique of the conference, was signed as the “Baku Declaration”, who foresaw further international cooperation for the development of TRACECA.54

The Interstate Oil and Gas Transport to Europe (INOGATE) programme was designed to create opportunities to exploit and export energy which would promote economy development and export political independence. Under this programme, €50 million were allocated for 1996-1999 to implement the following projects:

- The rehabilitation, expansion and modernization of regional gas transmission systems and of supply for oil and oil products
- The assessment of the prospects for enhancing the transport of hydrocarbons from the Caspian Basin and Central Asia to European markets
- The transfer of ‘Know-how’ needed to ensure conformity with international standards
- The feasibility of alternative routes, notably, new routes across the Caspian Sea.55

These initiatives represent a policy of creating a regional balance of power that would prevent the establishment of hegemonic control by any outside or local state.

By 1998, the EU had already spent $75 million on TRACECA projects, and was soliciting another $300 million in loans. Additional funds were pledged by the European Bank for Reconstruction and Development (EBRD).56 In a further step to extend the TRACECA project, the European Union approved a new seven years program with a price tag of €3,138.39 million in December 1999.57 The TRACECA

54 BBC, SWB, SU/D3668/F, 18 October 1999.

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project is of strategic importance for the Central Asian countries and Caucasus region, said the Deputy Minister of Kazakhstan.\textsuperscript{58}

The TRACECA project’s objective is to create conditions facilitating shipments of oil, petrol products and cotton to Europe by introducing standardized documents, customs procedures, machinery types, etc.

5.8.5 The New Silk Road Initiative Between Xinjiang and Eurasia

The Chinese government is expanding, constructing, exploiting and utilizing the new Euro-Asian Bridge for developing cooperation between Asia and Europe. In 1999, the Chinese government announced big plans to develop the economically less developed western region. Beijing plans to spend 100 billion Yuan over the next few years on infra-structure, energy development and pipelines.\textsuperscript{59}

In may 1999, in the western Chinese province of Xinjiang, new 1,451 km long railroad was completed from Turpan on the mainline of the Eurasian land-bridge, along the northern edge of the Takla Makan desert to the legendary “Silk Road” outpost of Kashi (Kashgar), the westernmost major city of china.\textsuperscript{60}

The Western development project relates to China’s opening of border trade and investments between Xinjiang and Eurasia. Kyrgyzstan approved on November 13, 2002 the Bishkek-Naryan-Torugart railway route to link with Kashgar between Central Asia and China.\textsuperscript{61} The new rail line will link the Ferghana valley to Xinjiang, and make possible direct rail links between Uzbekistan, Kyrgyzstan and China. President Askar Akayev signed a law on the priority treatment of the project to build

\textsuperscript{58} BBC, SWB, SU/3701 G/2, 25 Nov. 1999.
\textsuperscript{60} The New Eurasian Land-Bridge: Building our way out of the Depression', Executive Intelligence Report, 2002.
\textsuperscript{61} Sujit Dutta, n-60, p.161
Map 5.3  AP 1 PROPOSED TRANS-ASIAN RAILWAY ROUTES

Source: Economic and Social Commission for Asia and the Pacific (UN)
the Balykchi-Dzhalal-Abad-Torugart railway line, which shall to give access to China.\textsuperscript{62}

The document appears the final plan for the construction of the Kyrgyz section of the Europe-Asia transport corridor, the Kyrgyz Transport Minister said. Transport Minister presented the project to officials of the organizations involved-TACTS, the World Bank, the European Bank for Reconstruction and Development and the Asian Development Bank.\textsuperscript{63} The opening-up of the Trans-Eurasian railroad through Central Asia in 1990 and linking of Almaty and Urumchi by railroad in 1992 ensured a long term role for China in Central Asia.\textsuperscript{64} A joint Central Asian-Chinese initiative of reviving the Silk Road has also brought a dramatic change in the Sino-Central Asian frontiers. The most ambitious plan of cooperation between China and Central Asia is the proposed construction of pipeline that would carry Central Asian oil to China. "If the Chinese build a pipeline, Central Asia’s importance to China will shift immeasurably in the 21\textsuperscript{st} century, as will Chinese military attitudes towards safeguarding their strategic oil reserves".\textsuperscript{65} In 1994, 16 Silk Road countries signed the Samarkand declaration on Silk Road tourism.\textsuperscript{66} The signatories agreed to help stimulate travel and business by updating and improving accommodation, transportation and other travel services along the route. All these development activities and initiatives clearly indicate the great potential of economic development and co-operation between Xinjiang and Eurasia.

\textbf{5.8.6 North – South Corridor for International Transport}

North-South sail-ship corridor was discussed in the Euro-Asian Transport Conference at St. Petersburg, Russia on September 12-13, 2000. This corridor which goes from Northern Europe to Russia, crosses the Caspian Sea to Iran, and via Iran’s

\textsuperscript{62} BBC SWB, SUW/0682 WE/3, 16Mar 2001.
\textsuperscript{63} ibid.
\textsuperscript{64} Pashkun Dmitry, ‘China’s Image of Central Asia and It’s Policy in the Region’ (online web) http://www.depts.washington.edu/reecAS/events, p.5
\textsuperscript{65} Dianne L. Smith, ‘Central Asia: A New Great Game?’ Part V (online web) http://www.milnet.com
southern ports across the Arabian Sea to India.\textsuperscript{67} In this conference, the transport ministers of Russia, Iran and India signed a historic agreement for the development of a highway efficient north-south transport corridor, which will raise the level of economic cooperation between these three nations to a new level.\textsuperscript{68} The agreement establishes a combined land-sea corridor.

First of all, freight will be transported from the western ports of India by ship to the Iranian port of Bander-e-Abbas, and there after via rail road lines to Bander-e-Anzali on the Caspian Sea. From Bander-e-Anzali the ship route goes to the Great Russian port of Astrakhan, and then by railroad or truck to destination points in Russia, further on to Europe.\textsuperscript{69} North-South Corridor is useful for transport between northern Europe and India, as an alternative to the usual sea route. Thus the long detour through the Suez Canal is eliminated, shortening transportation times considerably. Transport costs could be reduced by 20-25 percent or more.\textsuperscript{70}

The international agreement on the international transport North-South corridor, between Russia, India and Iran has been joined by Belarus, Kazakhstan, Oman, Tajikistan, Syria, Armenia, Azerbaijan and Bulgaria.\textsuperscript{71} In 2002, a total of 7 million tones of freight were transported through the Russian ports via the North-South corridor, while in 2003 the figure increased up to 8 million tones.\textsuperscript{72} Russia also hopes that connecting of four Pan – Eurasian transport corridors with the North–South corridor will ensure the corridor's further development.

\textsuperscript{67} Dr. Etibar Najafov, \textit{The Restorations of the Silk Road as Factor of Modernization}, (Baku: Baku Slavik University, 2000), pp. 2-4
\textsuperscript{70} ibid.
\textsuperscript{72} ibid.
A Trans-Asian Railway network in the North-South corridor of routes between Europe and the Persian Gulf with onward connections to South and South-East Asia was identified by the participating railway organizations on the basis of the three core routes. These three routes have been defined as follows\textsuperscript{73}:

- Route I, the Caucasus route,
- Route II, the Central Asian route, and
- Route III, the Caspian Sea route.

5.8.6.1 The Caucasus Route

The Caucasus Route connects Finland with the Islamic Republic of Iran through the territories of Armenia, Azerbaijan and the Russian Federation. In Finland, the route originates in the port of Helsinki and goes to Vainikkala (283 km), the border station between the Finnish Rail Administration and Russian Railways at Buslovskaya. From there it goes 3,221 kms to Samur at the border between the Russian Federation and Azerbaijan. After Samur the route joins Azerbaijan's rail system at Yalama and continues to Baku and Osmanly Novaya. It runs about 50 kilometers in Armenia and at Djulfa the route connects with the Iranian Railways. From Djulfa, the Caucasus route covers a distance of 882 km to Tehran through Tabriz, Maraghah, Zanjan and Qazvin. From Tehran it goes south to the port of Bancar Abbas over another 1,443 km passing through Qom, Meybod and Bafq.

5.8.6.2 The Central Asian Route

The Central Asian Route connects Finland with Iran through the territories of Kazakhstan, the Russian Federation, Turkmenistan and Uzbekistan. From Finland the route connects with the railways of the Russian Federation at Buslovskay. From there it covers the distance of 2,513 km to Akrarayskaya through Saint Petersburg, Bologoye, Moscow, Kochetkovka, Rtsishevo, Saratov and Volgograd. At Aksarayskaya the route junction off eastward and covers around 85 km to connect.

Map 5.5 Central Asian Rail Lines

Source: EIR. Report 1997
Map 5.6 Central Asia: Existing and Newly Constructed Railway

with the railways of Kazakhstan at Ganushkino. From Ganushkino the route goes through Makat and Beyneu and travels further south to Kazak – Uzbek border.

Exiting the territory of Kazakhstan, the Central Asian route connects with Uzbekistan Railway at Karakalpakia, from where the route continues south to Pitnyak over a distance of 593 kilometers. Exiting the territory of Uzbekistan, the route connects with Turkmenistan railway at Taxiatash from where the route continues south to Chardjou, Merv and Sarakhs at the border with Iran over a distance of 1,002 kilometers.

After Sarakhs the Central Asian route leaves Turkmenistan and connects with the Iranian Railways through the Sarakh – Mashad section. From Mashad the route continues over 926 kilometers to Tehran through Azadvar, Sharood and Garmsar, and from Tehran, this route goes south to Bandar Abbas through Qom, Meybod and Bafq over a distance of 1,443 kilometers. As such the total length of the Central Asian route is 7,549 kilometers.

5.8.6.3 The Caspian Sea Route

The Caspian Sea Route connects with the railways of the Russian Federation at Buslovskaya from Helsinki. From Busloyskaya it covers a distance of 2,513 km. to Aksaraykaya through Saint Petersburg, Bologoye, Moscow, Kochetkovka, Rtishevo, Saratov and Volgogard, and from Aksarakaya, the route continues over 49 kilometers to the port of Astrakhan, Russia’s main port on the Caspian Sea.

There is no rail connection to the main lines of the Iranian Railways. Only Bandar-e-Anzali stands a chance of being rail connection in future as it is located on the Astara-Qazvin section that the Iranian Railways has marked for construction on its general development plan. Road movement is necessary between the port and the nearest railheads, i.e. Qazvin for the port of Bandar-e-Anzali (around 210 km) and Tehran for the port of Noshahr (around 250 km).

All three routes have two common sections. In the north a common section of 2,800 kilometers connects Helsinki (Finland) with Aksarayskya station (Russian Federation). At Aksarayskya, the routes branch off in different directions to go to the
Iran through (a) Armenia and Azerbaijan, (b) Central Asian Republics or (c) ports of the Caspian Sea.\textsuperscript{74} In the south, a common section of around 1,450 kilometers located on the Iranian Islamic Republic Railways connects Tehran with the port of Bandar Abbas.\textsuperscript{75}

Ultimately, the corridor can also facilitate the transportation of cargo destined for countries in South Asia, particularly India and Pakistan. Connections to countries in South Asia could be by rail or shipping. There are two alternatives to the corridors’ continuation to India. The first and existing alternative is to use shipping services between Bandar Abbas and the Mumbai port, which handles over 60\% of India’s container traffic.\textsuperscript{76} The other alternative is to depend on the completion of the Kerman–Zahedan line, to direct cargo to Mirjaveh and then on through Pakistan Railways to connect with India’s rail system at Attari at the border between Pakistan and India.\textsuperscript{77} These options can work effectively only after all railway systems in any given corridor will implement track access agreements and charges.

Before such a development plan can be finalized, is necessary to:

(i) Formalize a designated network for the Trans-Asian Railway in the North-South corridor between Northern Europe and the Persian Gulf;

(ii) Define the fundamental and operational priorities for the TAR in this corridor;

(iii) Agree on a follow-up plan of action for the resolution of information gaps, the more detailed evaluation of the new lines construction programme and the formulation of suitable operational and commercial strategies and plans for the existing components of the corridor.

Given its geographical location, the corridor has the potential to serve a number of regions of which the most obvious are Scandinavian countries, countries of Central and Eastern Europe as well as Central Asian countries. It may also attract traffic from regions east of the Urals mountains in the Russian Federation by

\textsuperscript{74} ibid. p. 25
\textsuperscript{75} ibid. p. 24
\textsuperscript{76} Source: Jane’s World Railways – 2000 – 2001. (Online web) www.asiasources.org
\textsuperscript{77} United Nations –ST/ESCAP /2182, n-74, p.29.
providing import and export routes for goods between these regions and South and South-East Asia. In terms of market, the corridor could actually either compete with shipping, or provide shipping lines with the possibility to carry their containers from major ports in Europe (Bremerhaven, Hamburg, Helsinki, and Saint Petersburg) to hinterland places in the Russian Federation, the Caucasus region or Central Asia. It is important that the fundamental role and operational priorities for the TAR network in the North-South corridor be defined in terms of its advantages in satisfying international as well as sub-regional transport demands.

5.9 Reopening the Traditional Silk Route through Nathula Pass

India and China have decided to launch a bold political initiative to break the impasse over the boundary dispute and shown their readiness to seek a mutually acceptable solution. Bilateral relations improved further during the Prime Minister, Atal Behari Vajpayee’s visit of China in June 2003.78 A memorandum on border trade signed by Chinese commerce minister Lu Fuyuan and External Affairs Minister Yashwant Sinha. The memorandum’s preamble clearly notes that the two countries agree on “opening of Nathula Pass in the Sikkim State on the India-China border”79 for trade.

This trade route through Sikkim’s Nathula Pass is of shortest distance between India and China. It is all-weather pass situated at 14,500 ft. height. It was closed after the Sino-Indian conflict in 1962. Reopening of this pass implies the revival of the ancient Silk Route over which the famed Chinese fabric was traditionally brought to India, to be traded for goods from the subcontinent.

From Nathula, Lhasa Tibet’s capital, is 416 km, the Tibetan trading station of Yatung is 21 km and the Chumbitang settlement only 9 km down the road into the Chumbi Valley, bound by the great peaks of Paunhuri and Chomolhar. Also from the

elhi is 1,785 km and Srinagar 2,595 km. This trans-frontier economic ion will restore historic trading routes, access roads and pilgrimage rights will new framework.