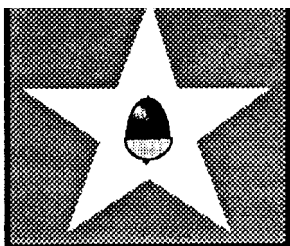


Conflict Studies Research Centre

C W Blandy

**Rebirth of the Great Silk Road:
Myth or Substance?**

February 1999



S41

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REBIRTH OF THE GREAT SILK ROAD: MYTH OR SUBSTANCE?

by C W Blandy

INTRODUCTION

This paper is the second in a new series of papers on the Caucasus-Caspian Region following on from *"The Caspian: Commminatory Crosscurrents"*¹ which continued the identification of threats to the future stability of the Caucasus-Caspian Region by analysis of the declared policies, attitudes and areas where the interests of the United States, Western Europe, Russia, Iran, Turkey and minor regional players cut across each other, in particular those which are perceived by Russia to run counter to her own vital interests. At the same time the paper noted the existence and development of trends relating to forms of partnership, alliance or alignment between players as a result of growing competition in the region.

From a Russian perception, one of the multiplicity of factors deemed to cut across the interests of Moscow is the fact that: *"Regional tension is not only heightened by way of the effect that the possible strategic pipeline routes preferred by the West traversing the Caucasus Region and Asia Minor could have on the long-term fortunes of the traditional regional rivals, Russia, Turkey and Iran, but in some respects the regional situation from the Russian point of view is complicated further by Western proposals for projects such as TRACECA"*², which *"would seem to be in competition with the Trans-Siberian and BAM rail links through Russia"*³.

The purpose of this paper is to look at the prospects for the successful rebirth of the Great Silk Road, the TRACECA project, which in its current conception is planned to avoid Russian and Iranian territory. The paper also examines the presence of alternate, existing railway networks and major trunk routes, including: the Trans-Siberian Magistral (Transib), the Baikal-Amur Magistral (BAM), the three Euro-Asiatic rail routes, the Trans-Asiatic route which incorporates the rail link from Iran to Central Asia, and a planned link from Iran to Pakistan allowing Iran to lock into the flow of goods traffic to and from the port of Karachi, or another route giving Iran unrestricted access to the Arabian Sea. The major rail trunk routes are shown in Map 1 and are listed in Table 1 below.

¹ C W Blandy *"The Caspian: Commminatory Crosscurrents"* S40 CSRC January 1999.

² Ibid, page 6.

³ A Kennaway *"Transport in the Russian Federation and CIS - A Review"* E100 CSRC September 1998, page 15.

Table 1 - Euro-Asiatic Trans-Continental Railway Trunk Routes

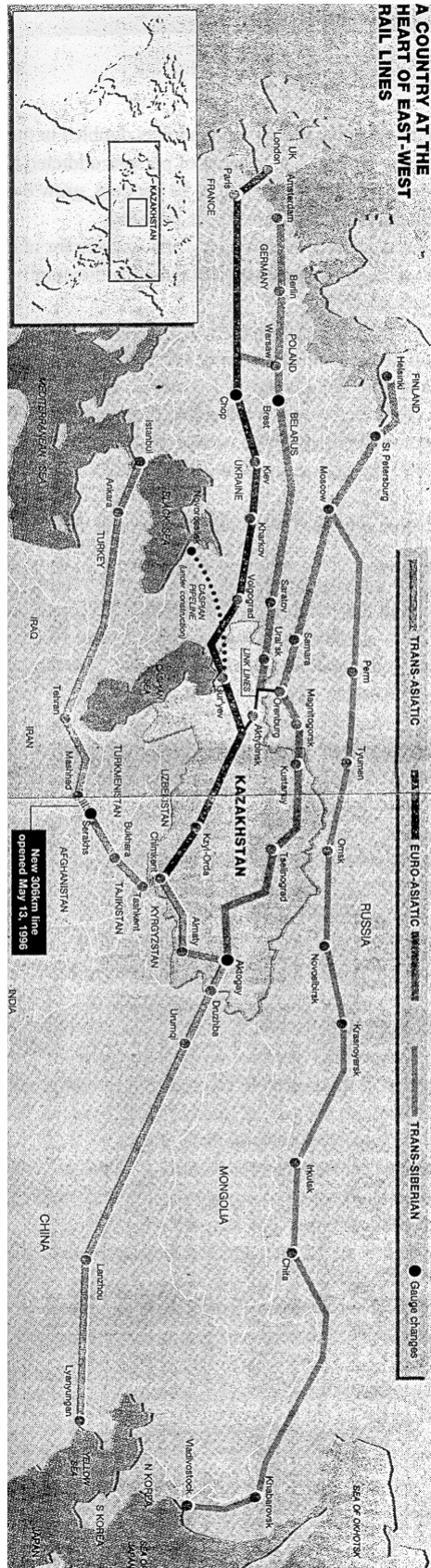
Trunk Route	Rail Trunk Routing
Euro-Asiatic Route A	Petersburg- Moscow -Samara- Orenburg -Magnitogorsk-Kustanay-Tselinograd- Aktogay -Urumchi (China).
-	-
Comment	Moscow (Trans-Sib); Orenburg (link Aktyubinsk); Aktogay (gauge) ⁴ .
Trans-Siberian	Moscow -Perm-Tyumen-Omsk-Novosibirsk-Krasnoyarsk-Irkutsk-Chita-Khabarovsk- Vladivostok .
BAM	Tayshet (450 km east of Krasnoyarsk)-Severobaykalsk [uncompleted Severomuysk tunnel] -Tynda-Novyy Urgal-Komsomolsk-na-Amure- Vanino -ferry to Sakhalin .
Super-Magistral Future BAM	Komsolo'sk-na-Amure -Kisekevkа-Tsimmermanovka-Sofiisk-Bulava- Lazarev -Pogibli-Al'ba- Shakhta-Sakh-Hokaido (Japan).
Euro-Asiatic Route B	Amsterdam -Berlin-Warsaw- Brest -Minsk-Saratov-Uralsk- Aktyubinsk .
-	-
Comment	Brest (gauge); Aktyubinsk (link Orenburg) joins Euro-Asiatic route C.
Euro-Asiatic Route C	London -Paris- Chop -Kiev-Kharkov-Volgograd-Gur'yev- Kandagach -Kzyl-Ord- Chimkent .
-	-
Comments	Chop (gauge); Kandagach (Aktyubinsk link); Chimkent (Trans-Asiatic).
Trans-Asiatic Route	Istanbul-Ankara-Teheran-Mashad- Serakhs -Bukhara-Tashkent- Chimkent -Almaty- Aktogay -Druzhba- Urumchi -Lanzhou- Lyanyungan .
-	-
Comment	Serakhs (gauge); Aktogay (gauge).

All these routes have the potential in part to either compete against or complement the TRACECA concept, depending on political decisions. The possible combinations of rail transport and road links are another visible indication of the build up of competition in the Caucasus-Caspian Region, demonstrating the ever-widening circle of the consequences of tension and rivalry which exist between the three regional powers.

⁴ Denotes gauge change from European gauge 1435 mm which includes Turkey, Iran and China to former Soviet/Russian gauge of 1520 mm.

Map 1: Intercontinental Rail Track Routes⁵

⁵ *Financial Times Survey*, 11 July 1996, page 6, Map of “A country at the heart of East-West Rail Lines”, by Anthony Robinson.



"THE ANCIENT SILK ROAD"

"Ssu-ma Ch'ien commented that most of the envoys were from poor families, and 'handled the government gifts and goods that were entrusted to them as though they were private property and looked for opportunities to buy goods at a cheap price in the foreign countries and make a profit on their return to China'. As a result, these expeditions turned the 'Silk Roads', for the first time, into a major international trade route, linking eastern, central and western Eurasia into a single system of regular commercial exchanges by land. Silk dominated these trade routes because of its unique combination of lightness, low bulk and high value. However, it was never the only commodity to travel these routes"⁶.

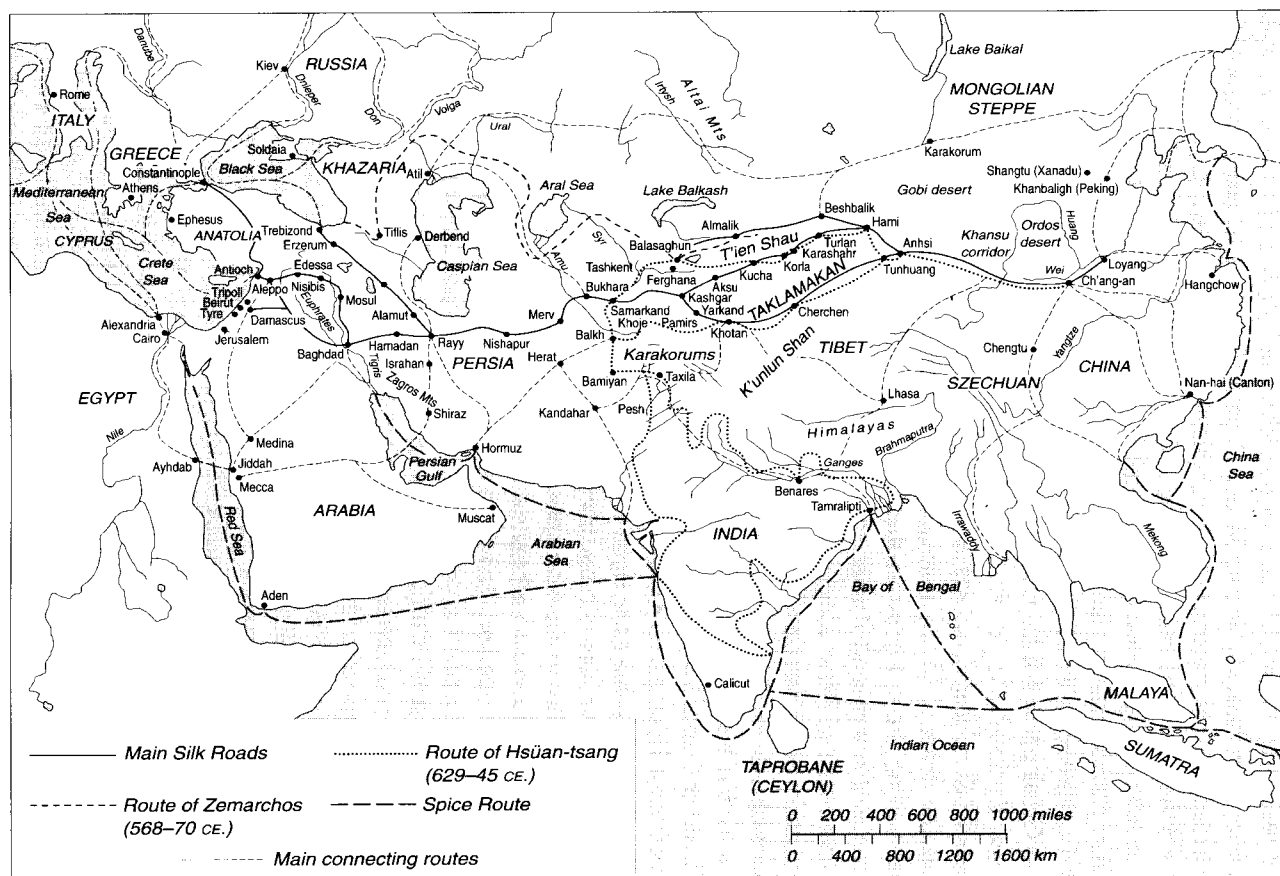
Box 1 and Map 2 below provide some detail on the 'Great Silk Road'.

Box 1 - The Great Silk Road - Circa 13th Century⁷

1. The 'Great Silk Road' was the general name for the trade caravan routes which until the 16th Century linked the Far East (China) through Central Asia to Europe.
2. Italian merchants, mostly Genoese, were established at **Constantinople, Kaffa, Tana and Trebizond**, the south western termini of the 'silk roads' to Tabriz, Samarkand and China.
3. **'Silk Road' from Constantinople:** Sinope-Trebizond to south of Caspian - Tabriz-Rai-Nishapur-Merv-Bukhara-Samarkand - [Tashkent] - **Kashgar** - Kara Khoto - Langchow: **Variants:** Tiflis/Baku-Ardabil-Tabriz and then east; Baku-Astrakhan - north of Caspian Urgench-Bukhara etc; by sea from Sinope to Tana [Sea of Azov] - Serai-Urgench etc.
4. **'Silk Road' from the Levant':** Tyre-Damascus-Antioch-Nisibin-River Tigris south to Baghdad-Ktesifon-Ekbatany - south of Caspian Sea - Merv [or Merv-Balkh-Yarkend] - Marakanda (Samarkand) - **Kashgar** - skirt Takla Makan by north or south route to Lan'chow.
5. **Land Routes from the Baltic:** Novgorod-Moscow-Serai - north of Caspian Sea - **north of Aral Sea** - Tashkent-**Kashgar**-Kara Khoto-Langchow. **Variation 1:** As above **but south of Aral Sea**-Urgench-Bukhara-Samarkand-**Kashgar**-Kara Khoto-Langchow.

⁶ David Christian "A History of Russia, Central Asia and Mongolia - Volume 1 Inner Eurasia from Prehistory to the Mongol Empire" in the Blackwell History of the World Series, Blackwell, USA, 1998, passage taken from the section "*The Han Counter-Offensive and Hsiung-Nu Decline: 133 BCE-200CE*" page 198. Christian uses the following conventions: Dates up to c10,000 years ago are referred to as 'BP' (Before the Present). For dates after 10,000 years ago, he uses the convention of 'BCE' (Before the Common Era or before 2000 years ago) and 'CE' (Common Era, or since 2000 years ago).

⁷ "The Times Atlas of World History", Times Books Ltd, Third Edition, 1989. Route 4 from *Bol'shaya Sovetskaya Entsiklopediya*, Vtoroye Izdaniye Tom 47, 19 April 1957, pages 654-655.

Map 2 - The Ancient Silk Roads⁸

One of the main obstacles along the Great Silk Road which travellers had to overcome was the Taklamakan desert. Professor Christian provides graphic descriptions of the Taklamakan Desert including one by the seventh century CE Chinese pilgrim, Hsuan-tsang and which the “twentieth century traveller Sven Hedin found to be remarkably accurate today”⁹.

Box 2 - Description of the Taklamakan Desert¹⁰

“South of the steppes, in Central Asia and Sinkiang, the steppelands give way to arid lands and eventually to desert. In the west are the Ust Urt, Karakum and Kyzylkum deserts of Turkmenistan and Uzbekistan. Divided from them by the Pamirs is the terrible Taklamakan desert of southern Sinkiang... East of Khotan, Hsuan-tsang entered the ‘Great Flowing Sand’.” (cont)

⁸ Christian, op cit, page 179, Map 7.1.

⁹ Christian, op cit, page 16.

¹⁰ Ibid. Compare his comments on the Gobi and Hedin’s description of the Karakum desert in modern Turkmenistan, lying to the west of the Taklamakan as: “a mosaic of moving barchan dunes, stable dunes, scattered ‘takyri’ (clay pans formed by standing water), salt flats, and isolated wells stretching out from the foothill plains of the Kopet Dag and Paropamisus mountains”.

"As the sand is in constant motion it is collected and dispersed by the wind. As there are no tracks for travellers many go astray; on every side is a great vast space with nothing to go by, so travellers pile up bones left behind to be marks; there is neither water nor vegetation and there is much hot wind; when the wind blows men and animals lose their senses and become unwell. One constantly hears singing and whistling, and sometimes wailing; while looking and listening one becomes stupefied, and constantly there is frequent loss of life, and so these phenomena are caused by demons and sprites".

"A common feature of most of the inner Eurasian desert lands is that rivers drain into them from the mountains on their borders, creating fertile oases. As a result, the many oases of Central Asia and Sinkiang supported small pockets of dense settlements sustained by irrigation agriculture and trade. Here, there emerged societies quite different from those of the steppelands. Their cultures reflected a complex symbiosis between the strict demands of irrigation agriculture, and the cultural, commercial and military pressures of pastoral nomads to their north, and agrarian empires to their south and east. They were the main stopping points along the Silk Roads, and the foundation for the many small trading city-states that flourished from Kansu to the Black Sea from the second millennium BCE".

Box 3 below outlines the routes skirting the Taklamakan and provides a description of peoples and life in Kashgar. Map 3 shows the routes around the desert.

Box 3 - The Ancient 'Silk Road' - Circa 1936¹¹

For most travellers, and all merchants, the road from China into India lies, as it has lain for centuries, through Sinkiang along that ancient 'Silk Road' which is the most romantic and culturally the most important trade route in the history of the world. The 'Silk Road' takes or used to take you through Sinkiang to **Kashgar** and the Himalayan passes by one of two alternate routes. The first (a road now practicable for wheeled traffic) running along the line of oases which fringe the Takla Makan on the north, below the foothills of the Tien Shan or 'Celestial Mountains'. The second (sandier and less well watered) skirting the Takla Makan on the south and backed by the Kuen Lun Mountains, behind which mass the 20,000 foot escarpments of the Tibetan plateau. The first and more northerly of these routes is best approached by one or other of the Mongolian caravan trails. The southern route through Sinkiang, of which Tunghwang and the Cave of a Thousand Buddhas may be called the eastern terminus, is most conveniently joined by following the old Imperial Highway which runs up through **Kansu** to **Hami**.

The wares, the architecture, the atmosphere were the same as they had been in **Yarkand**, **Khotan**, **Keriya**; but the crowd were subtly different. Slant-eyed Kirghiz and bearded Tadjiks from the hills moved with a hint of swagger among the self-effacing Turkis. Here and there a stiff black horse-hair veil, a brightly striped robe, betrayed a woman from **Andijan** or **Samarkand**.

An occasional Russian lorry bumped in from **Urumchi**, to scatter the knots of philosophers gathered in an open space before the principal mosque. More rarely still a Russian 'adviser' dressed for the backblocks, but not in uniform, admirably mounted, trotted down the street; the bulge in his pocket, his penetrating but evasive stare, his air of furtive consequence conformed splendidly to the standards of discreet melodrama.

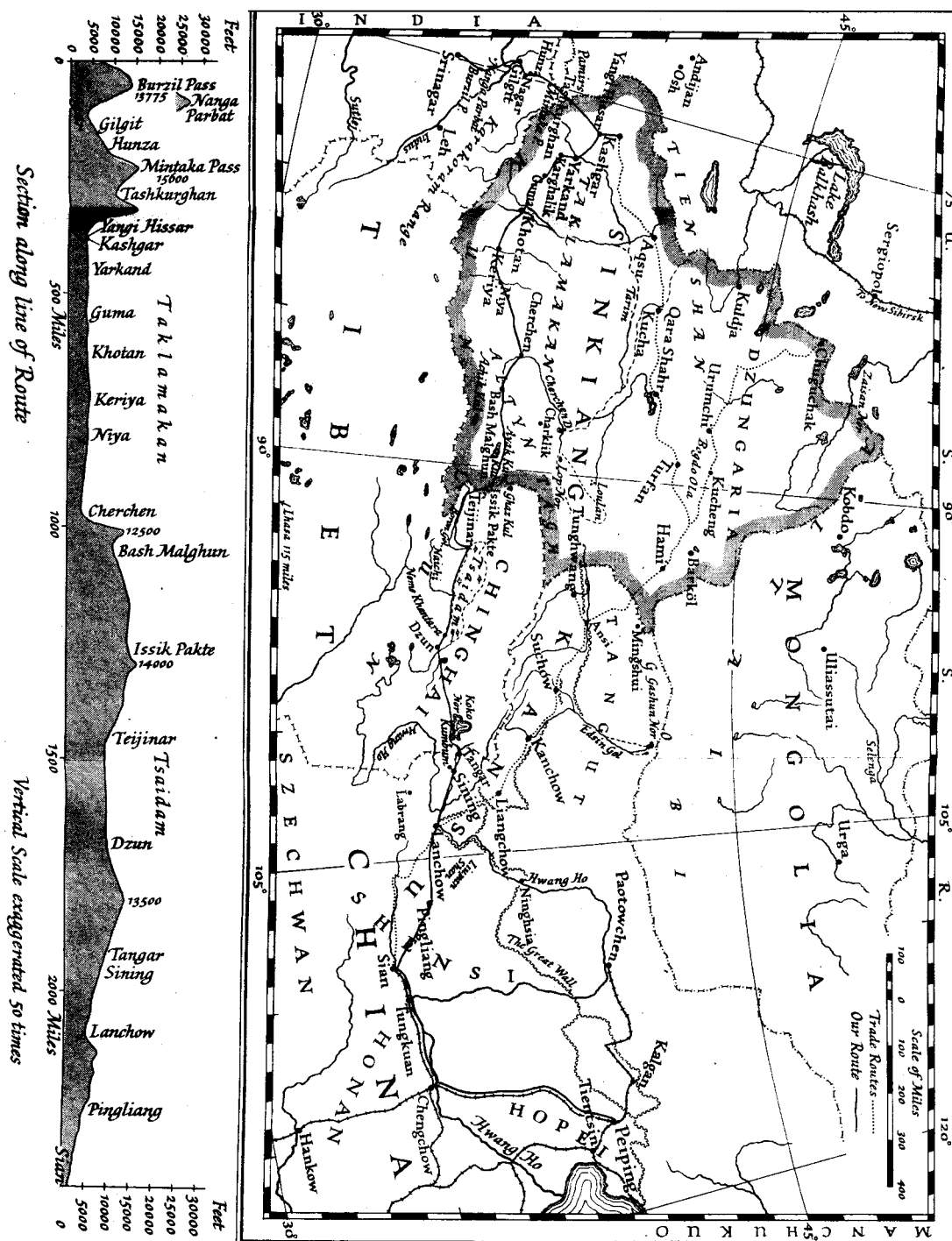
You felt, in short, that you were at the end of the dead desert, which had swallowed, but showed no signs of having digested, the outposts of more than one civilisation; you felt the nearness of another Power, of other races, beyond the dust-haze and the mountains. But the setting was familiar, though the actors and the acting had more of variety and significance than before.

(cont)

¹¹ Peter Fleming "News from Tartary" Jonathan Cape Ltd London, 1936, page 29.

Through the dusty sun-lit streets donkeys trotted, as you had often watched them trot, loaded with grey lumps of salt or with bundles of fodder or fuel. The same piles of bread and vegetables and fruits attracted, in open booths, the ubiquitous but no longer overwhelming flies. The same Russian sugar, Russian scent, Russian cigarettes and matches preponderated in the wares displayed by the more ambitious merchants. Strings of camels stalked through the city westwards, carrying at a gait and pace well known, bales of wool and other goods to the Russian railhead over the passes, at **Osh and Andijan**.

Map 3 - Routes Through or Around the Taklamakan Desert¹²



¹² Ibid, page 29.

TRACECA - THE MODERN SILK ROAD

*"The Eurasian Corridor, in other words, the modern realisation of the Silk Road, is one of the major projects of the 21st Century."*¹³

Concept of the TRACECA Project

So, one is left with the indelible impression that the Silk Road was most certainly a medium for the exchange of ideas, goods and people. Projects such as TRACECA, the rebirth of the ancient 'Silk Road', stretching away eastwards, embracing the romantic, historical notions of Tartary and China proper could provide a basis for the realisation of Southern Caucasian aspirations by the linking of peoples in *"a manner which is more friendly and positive by reaching over state boundaries, than that of the cold, inanimate territorial traverse of the oil or gas pipeline"*¹⁴. Maybe, the new 'Silk Road' concept could help to redress the restrictive, negative effects of totalitarian Communist power which were instrumental in preventing the movement of peoples, the introduction and cross-pollination of ideas from abroad, by a return to the past, when there were:

*"Venetian traders in Peking, Mongolian envoys in Bordeaux and Northampton, Genoese consuls in Tabriz, French craftsmen in Karakorum, Uighurs and Chinese motifs in Iranian art, Arabic tax officials in China and Mongolian law in Egypt: in the thirteenth century the world became smaller and better known"*¹⁵.

Rusudan Gorgiladze was undoubtedly mindful of the purport of the Ancient Silk Road, when he said that *"The Eurasian Corridor is essential for regional security and the promotion of democratic state building and building a robust civil society ... The benefits associated with the Eurasian Corridor are truly unlimited. In fact, the corridor offers attractive opportunities for Russia, China, Japan, Turkey, Bulgaria, Romania, Ukraine, Moldova, the United States and beyond"*¹⁶.

The concept emerged in May 1993 when the three newly independent states of the Transcaucasus, Armenia, Azerbaijan and Georgia, together with the five Central Asian Republics, Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan, decided to rebuild and develop a modern version of that route as a major alternative for the transportation of goods and peoples from Asia to Europe. The Transport Corridor Europe-Caucasus-Asia (TRACECA) secured the support of the European Union through the TACIS programme.

¹³ Rusudan Gorgiladze, quoting President Shevardnadze, at a round table discussion on Thursday 23 April 1998 entitled *"Future Prospects for the Eurasian Corridor"*, Harvard University, 1998.

¹⁴ Substance of a thought expressed by Dr Jonathan Aves at the Scottish Centre for International Security (SCIS) Conference on *"Russian Security Interests in the North Caucasus"* on 21 November 1998.

¹⁵ Gavin Hambly, *"Central Asia"*, Weidenfeld and Nicolson, London, 1969, page 123, quoted in Christian, op cit, page 426.

¹⁶ Gorgiladze, *"Future Prospects for the Eurasia Corridor"*.

However, the course that is being followed by some of the promoters of TRACECA¹⁷, in attempting to avoid Russian and Iranian space, is in itself acting against what in practice came to be the overall benefit from the 'Silk Roads': the exchange of ideas, goods and people in making "*the world become smaller and better known*". An opinion expressed by Tepo Zaparidze confirmed the suspicion that the concept and objective of the project also had a slightly different agenda, as demonstrated by various remarks, such as, "*The Eurasian Corridor, is intended specifically to offset Russia's historic dominance in the South...*"¹⁸ This, perhaps, paints a different picture of the perceived need for the TRACECA project and illustrates tepid support for Russian participation in the project, despite outward expressions of welcome.

The TRACECA Route

Confirmation of the American and Western desires to avoid Iranian territory can be seen from Table 2 below, where the TRACECA route, as currently planned, avoids the Teheran-Meshed-Seraks-sectors of the Trans-Asiatic rail trunk route¹⁹ in Table 1.

Table 2 - TRACECA - The Modern Silk Road

TRACECA	TRACECA Routing
Trunk Route	Shipping from Black Sea ports including Ilichevsk (Ukraine) ²⁰ to Poti, Poti-Baku, then by ferry to Caspian eastern littoral ports of Aktau (Kazakhstan) or Turkmenbashi (Turkmenistan); for example, a Kazakh rail route Aktau-Beyney- Chelkar -Aralsk- Kzyl-Orda-Chimkent -eastwards either on Trans-Asiatic route Aktogay -Druzhba-Urumchi-Lanzhou-to port of Lyanyungan or via new line Andijan-Osh-Kashgar-Urumchi-Lanzhou.
Comment	<ol style="list-style-type: none"> 1. In Kazakhstan, new rail links are planned between²¹: <ol style="list-style-type: none"> a. Beyney and Chelkar (Aktyubinsk-Kzyl-Orda line). b. Kzyl-Orda and Dzhezkazgan. 2. "The Caucasian countries have maintained close contact with China on this project, backing construction of the Kashgar-Osh section"²². 3. Aktogay - gauge change before running on Chinese railways.

¹⁷ Glen E. Howard "*NATO and The Caucasus: The Caspian Axis*" page 163 in "*NATO After Enlargement: New Challenges, New Missions, New Forces*", edited by Stephen J. Blank, Strategic Studies Institute, US Army War College, September 1998.

¹⁸ "*Future Prospects for the Eurasian Corridor*", page 10.

¹⁹ BBC Summary of World Broadcasts (SWB) SUW/0333 WD/10 (49) of 20 May 1994 provides a brief note on the origins of the Trans-Asian (Asiatic) rail trunk route: "Japan has decided to help build the Trans-Asian railway, and is to send a delegation to Alma-Ata to discuss financial and technical help for the Kazakh section of the project. Construction of the railway, planned to run from Shanghai through Kazakhstan, Uzbekistan, Turkmenistan and Iran to Turkey, began in the 1970s, but was stopped because of problems in Soviet-Chinese relations". The Meshed-Seraks link from Iran into the former Soviet Central Asian railway system was opened in 1996.

²⁰ Kennaway, op cit, page 15.

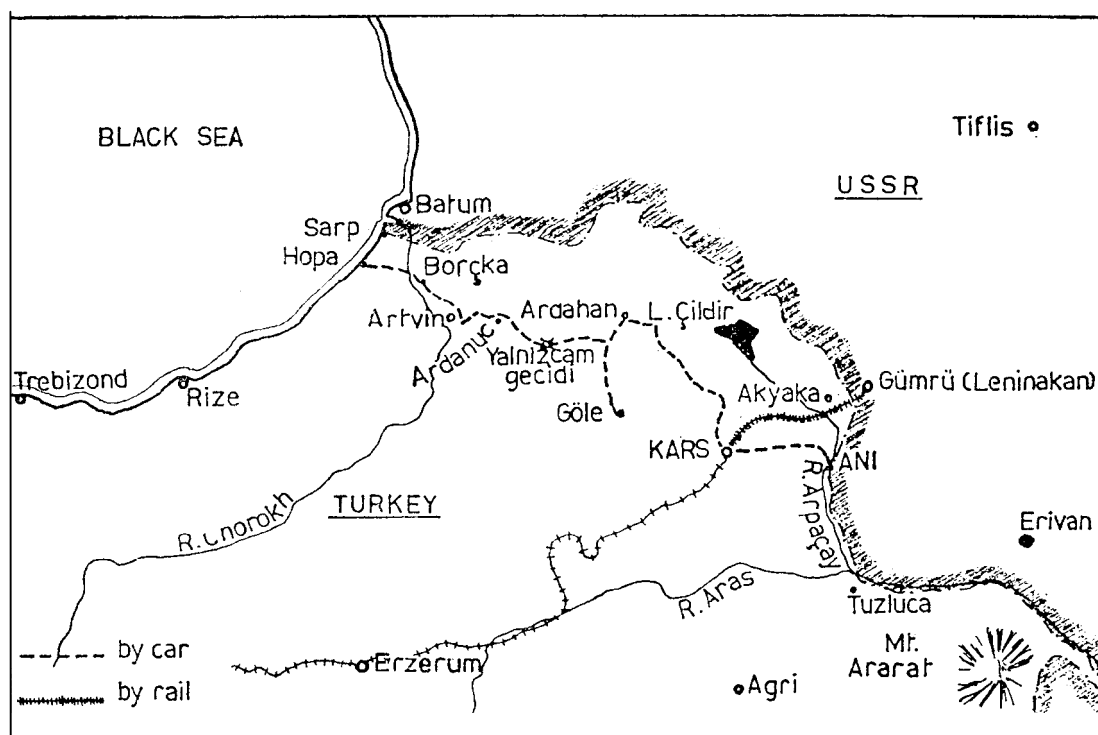
²¹ "*Railway Gazette International - Central Asian Report*" July 1998, page 472.

²² Kennaway, op cit, page 15.

Transport Modes	Shipping Black Sea	Rail/Road Caucasus	Shipping Caspian	Rail/Road Eurasia
-----------------	--------------------	--------------------	------------------	-------------------

In addition the route does not use Turkish space eastwards from Istanbul, neither utilising the Ankara-Teheran link, presumably because of the European Union's concerns over Turkey's 'Human Rights' record as well as the deep-rooted American requirements to avoid Iran. Connected with this was the marked, but not altogether surprising, show of interest and approval on the part of Turkey at the Baku TRACECA conference on 7/8 September 1998 with regard to Armenian proposals to reopen the railway route Poti (Batumi)-Tbilisi-Yerevan-Dzhul'fa (Nakhichevan)-Dzhul'fa (Iran)-Teheran, for the transit of freight to Central Asia and to the Persian Gulf, and secondly, to reopen the Kars - Gyumri (Leninakan) railway line.

Map 4 - Railway Line Kars-Akyaka (Kizilchakchak)-Gumri (Leninakan)²³



²³ John Marriner "Trebizond and Beyond", The Travel Book Club, London, 1969, page 113, Map "Inland to Kars and the Russian Border".

Box 4 - The Line from Kars to the Soviet Union Border circa 1969²⁴

“Coskun had decided to take the day off, but he drove us down to Kars Central, which had a splendid wild west atmosphere about it. It wasn't really a bad station. It consisted of a big central block housing the offices of various officials, a baggage room and a ticket office, all around it lay the tracks. There were no platforms in the sense that we know them, but it was pretty plain to the average intelligence where the train was, as there was only one at a time anyway. We bought a second-class return ticket each to Kizilchakchak (it literally means 'red money') which was we were told, the Turkish frontier station, where the train would make its last stop before pushing on into Communism. Then we went out to inspect the train itself, which was standing patiently puffing, all ready lined up for its weekly effort. To my dismay, the two passenger coaches were each labelled Akyaka, but it was explained that this was only the new name for Kizilchakchak, which we all thought was a pity, as names like that are hard to come by.

The rolling stock was of German origin, like the engine, which had a plaque on it saying it had been made in Berlin in 1924 at the Schwartzkop locomotive factory. The gauge was the same as in Europe, the standard 4' 8 1/2" (1435 mm) track being used, though I imagine that the system over the border would be broad gauge (1520 mm). Dead on time, the train gave a piercing shriek and moved slowly forward. I wondered if the permanent way, which looked elderly, would stand the strain of this weekly load. But I comforted myself with the thought that, though there might be a passenger train just once a week, there were probably freight trains more often. At last about two hours out from Kars, the train rumbled across a river bridge and a few minutes later we were in Kizilchakchak to the sound of the Turkish equivalent of “All change”. Kizilchalchak itself looked very much a frontier town. The station was much the most solid building. A few ragged streets of shanty-town houses, mostly built of mud, lay parching in the midday sun. There was hardly a tree to be seen and all around it lay a sea of indeterminate arid land...

A good reason for Turkish interest in these two routes is that freight traffic carried by Turkish State Railways would be able to enter the TRACECA route at Tbilisi or go south via Masis to Dzhul'fa, which would be a bonus for Turkey. Furthermore, the use of both the rail routes contained in the Armenian proposals, would probably be more viable economically than the route Black Sea-Tbilisi-Baku-Caspian Sea-Kazakhstan/Turkmeniya, even if considerable capital investment was not required for repair work, construction and improvement of the four ports, Poti on the Black Sea, Baku, Turkmenbashi and Aktau on the Caspian²⁵.

TRACECA and the Establishment of Transport Corridors

The 'Great Silk Road' was not just one single route, but a series of different routes linking East to West traversing the Middle East, Asia Minor and the empty expanses of the Eurasian continent. Modern transport routes spanning this same continental space are no different. There have been a number of European sponsored conferences concerned with trans-continental trunk routes since 1991.

First European Transport Conference - Prague 1991

The first European Conference on Transport took place in Prague in 1991 in which firm decisions were established for “*the steady development of international trade,*

²⁴ Marriner, op cit, pages 132-133.

²⁵ Kennaway, op cit, page 15: “Existing train ferry terminals at Baku and Turkmenbashi are to be reconstructed because of the rise in the level of the Caspian Sea. Facilities at Aktau in Kazakhstan also have to be improved, and when this is done the train ferry to Baku can be restored. New container terminals at Baku and Poti are also planned”.

*tourism, economic cooperation and collaboration*²⁶. From a Russian point of view *“the shortest, land, sea and air routes between Western Europe, the countries of Central Europe and the Middle East cross over the territory of Russia”*²⁷, at the end of the conference the participants made a declaration which *“stressed the development of transcontinental transport lines between Europe, Central Asia and the Far East, including the Northern Sea route, the Trans-Siberian Railway Magistral with inter-links from Moscow to Novorossiysk and Astrakhan, the Caucasus and Central Asia, linking the Caspian and Black Seas through the Volga-Don canal, together with the future construction of a fast motor-route London-Paris-Berlin-Warsaw-Minsk-Moscow-Yekaterinburg”*.²⁸

Despite the participants underlining the importance of close coordination in the development of European transportation, the TRACECA project was conceived in May 1993 before the next European Transport Conference²⁹.

Second European Transport Conference - Crete 1994

The second conference took place three years later on the island of Crete. It was here that *“nine transport corridors were decided. Three of them went across the territory of Russia”*³⁰.

Table 3 - Three Transport Corridors Crossing into and over Russian Territory

Corridor No	Routes over Finland, Baltic States, Poland, Belarus and Russia
Corridor No 1	Helsinki-Tallin-Riga-Kaunas-Warsaw with offshoot to Riga-Kaliningrad-Gdansk.
Corridor No 2	Berlin-Warsaw-Minsk-Moscow.
Corridor No 9	Helsinki-St Petersburg-Moscow.
All these corridors presented themselves as a symbiosis of the different types of transport: sea, river, air, rail, road and all forms of objects in the transport infrastructure.	

Third European Transport Conference - Helsinki 1995

Next year in Helsinki the participants decided to extend International Corridors No 2 and No 9 from Moscow out to Vladivostok and Nakhodka and also to Astrakhan and Novorossiysk.

The construction and funding of all nine transport corridors, it was noted at the time, would require *“10-15 years and investment in the order of 50-70 mlrd ecu”*³¹. It

²⁶ *Nezavisimaya Gazeta* No 92 (1663), 26 May 1998, page 4 *“Chto nasha zhizn’?”* by Besik Piniya.

²⁷ Ibid.

²⁸ Ibid.

²⁹ *Krasnaya Zvezda* No 24 (22730), 23 October 1998, page 3 *“Kuda vedet “Shelkovyy Put’ XXI Veka”* by Aleksey Lyashenko.

³⁰ Piniya, op cit.

was decided to hold the next conference at St Petersburg and to call it the “Euro-Asiatic Conference”.

St Petersburg Transport Conference - May 1998

In May 1998 ministers and civil servants from transport departments and representatives of international transport and financial organisations from upwards of 30 countries all descended on St Petersburg. Representatives of the European Bank of Reconstruction and Development, the International Bank of Reconstruction and Development of the United Nations also participated in the conference.

Significance of European Transport Conferences for Russia

It should be remembered that all these European Transport conferences had a special significance for Russia, in her own planning and schedules for maintaining economic viability through the use of her transport infrastructure and rail networks in links between Europe and Asia, but most of all with such countries as Iran, Mongolia, China, India, North and South Korea and Japan. Obviously the main factors in the choice of main trunk routes were such indicators as *“transit times, costs (tariffs), quality of service facilities and border procedures”*³².

However, the concept of TRACECA does appear to compete with not only Transib and BAM (European designated Transport Corridors Nos 2 and 9), but also the Trans-Asiatic rail trunk route. It is not therefore hard to understand the lack of Russian enthusiasm and their grounds for concern, in turn exacerbated by the growing tension over Caspian pipeline routes, particularly the Baku-Ceyhan oil pipeline³³. It was against this background that the TRACECA Conference took place in Baku in September 1998.

TRACECA Conference 7/8 September 1998

At the *“Rebirth of the Great Silk Route”* conference in Baku on 7/8 September 1998, representatives of some 33 countries and 12 international organisations attended and affirmed their support for the planned revival of the Great Silk Road. Details of the Baku Declaration in the Appendix³⁴.

However, the circumstances surrounding the Baku Declaration were not all euphoric, for *“the leaders of the countries of the Transcaucasus and Black Sea basin were engaged in a tussle to extract the maximum from the international community’s commitment to a project that sidelines the tottering Russian Federation and may further undermine its tumbling economy”*³⁵. The proceedings were dominated to a large degree by *“aggressive moves from the host country”*, with Azerbaijan *“insisting*

³¹ Ibid.

³² Ibid.

³³ See Blandy, op cit, page 17.

³⁴ Signatories included the Azerbaijan Republic, the Republic of Armenia, the Republic of Bulgaria, Georgia, the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Moldova, Mongolia, the Republic of Poland, Romania, the Republic of Tajikistan, the Turkish Republic, the Republic of Uzbekistan and Ukraine.

³⁵ Liz Fuller *“TRACECA: Euphoria and Infighting”* in RFE/RL Caucasus Report Vol 1 No 29, 15 September 1998, page 1 of 5.

on the addition of a codicil which reserved the right to invalidate the main provisions guaranteeing the unrestricted transport of goods to Armenia”³⁶.

Azerbaijan also took on itself to announce publicly that the next TRACECA conference would again take place in Baku, to the understandable fury of the Georgian delegation. The final act of Azerbaijani “pushiness” was the demand that the permanent TRACECA secretariat should be situated in Baku.

Russian Grievances

In addition to the apparent competition posed by TRACECA to the other trans-continental rail trunk routes and Russian concerns, it is of interest to note that Russia was neither invited to attend nor to participate in working on and examining the agreement on the transportation of freight at two earlier transport conferences, “namely in November 1996 in Issyk-Kul and again in November 1997 at Ashkhabad”³⁷. It would, therefore, not come as a surprise that at the Baku conference, where Russia was represented by a delegation under the leadership of Yevgeniy Kazantsev, Deputy Transport Minister of the Russian Federation, the Russian side experienced a number of problems, which included, first, the rather tardy invitation, issued “only at the beginning of July”³⁸ to President Yel’tsin to attend the conference from President Geidar Aliyev of Azerbaijan. Secondly, whilst all the other states had already initialled the agreements “We (Russia) had only six weeks to study the documents”. Box 5 below contains a fuller digest of the problems envisaged by the Russian delegation.

Box 5 – Russian Problems over the Baku declaration³⁹

The agreement envisages permitting coastal transportation inside all the participating countries. According to current Russian legislation no state has the right to carry out the inward transportation of freight on the territory of Russia.

On the question opening of internal waterways⁴⁰ and the use of river ports, Russian legislation at the moment closes these to foreign fleets. Starting from 1st December next year, when the agreement on partnership and cooperation between the RF and the EU will have been signed, we will start towards a phased working out of the question concerning the opening of internal waterways:

- a. Opening 14 interior ports.
- b. Permitting the cruising of tourist vessels in the north-west massif through the lakes.
- c. One single permit on the Volga-Don canal for vessels belonging to Ukraine, Kazakhstan and Azerbaijan.
- d. One single permit for Azerbaijani vessels from St Petersburg to Astrakhan.

However, we are not ready to open waterways in general for all foreign fleets.

³⁶ Ibid.

³⁷ Lyashchenko, op cit.

³⁸ *Nezavisimaya Gazeta* No 187 (1758), 8 October 1998, page 5 “Bezrosii ne Oboydutsya” by Ye Tesemnikov.

³⁹ Ibid.

⁴⁰ See also A Kennaway, op cit, page 4, for further comments on Russian internal waterways.

Interviewed on the results of the conference and the prospects of linking Russia to the TRACECA programme Yevgeniy Kazantsev replied that *“access to this agreement is not closed, we are able at any time to make an application and be included”*⁴¹. Further remarks by him are contained in Box 6 below.

Box 6 - Further Remarks by Yevgeniy Kazantsev⁴²

1. If Russia did not sign the documents, it does not mean that Russia has moved aside from TRACECA, as the signatory countries themselves cannot move away from Russia.

2. The freight flow goes in different directions and intersects in the Caucasus; whether it is at Baku, Novorossiysk, or Astrakhan is not important. It is important that TRACECA does not reduce the flow of freight anywhere within Russia.

3. However, whether transport of freight along the TRACECA trunk route will be exposed to the north, time will show. **Calculations show that our variants, which are in use today are cheaper and quicker**⁴³. **For instance in a pilot project which we carried out in April of this year, the transport of freight from Nakhodka to Brest took less than nine days [216 hrs]**⁴⁴.

4. Within the framework of TRACECA the ferry crossing from Aktau and Turkmenbashi on the Eastern Caspian is linked to Baku, where in the transshipment of freight Baku gets its share, however, the customer/client is forced to make payment for several transshipments.

Kazantsev went on to make the following points: first, *“in Baku the freight needs to be loaded onto railway wagons and transported to Poti”*; second, *“once at Poti it has to be loaded into ships for crossing the Black Sea to Europe. It is a complicated variant”*⁴⁵. At the same time, with the opening of the Volga-Don Canal to external traffic the client can expect to pay for only one transshipment in Astrakhan and the vessel then proceeds without further transshipment into the Black Sea. Together with this is the main question, which is being worked out under the aegis of TRACECA, namely the transportation of Caspian oil. For the survey of oil deposits in the Caspian Sea large-scale equipment is required which can only get there by way of the Russian Federation and through the Volga-Don Canal⁴⁶. Map 5 illustrates the movement of a drilling rig from the Baltic to the Caspian Sea.

⁴¹ Tesemnikova, op cit.

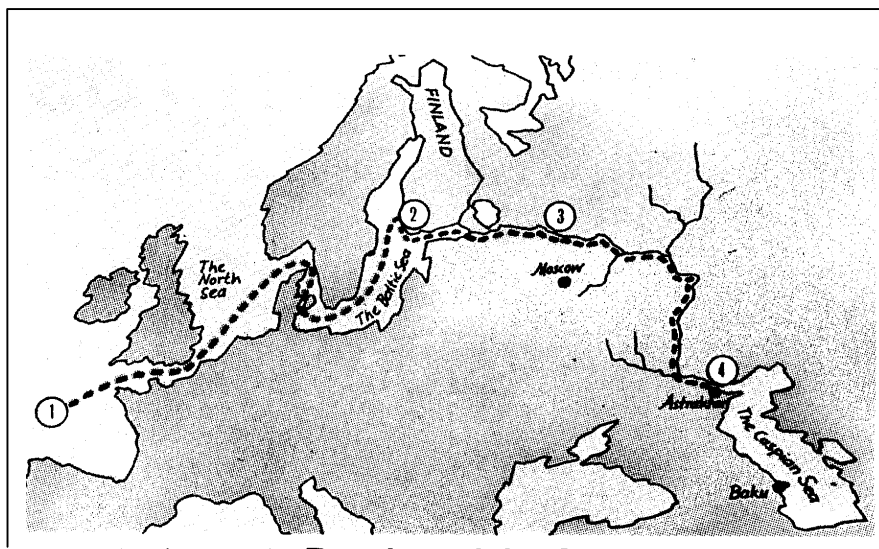
⁴² Ibid.

⁴³ According to SWB SU/3328 F/1 [1], 10 September 1998, Kazantsev also said, “In particular, calculations show that, in equal conditions, tariffs for the transport of grain, cotton and 20-ft containers using Russian railways would be over 40% less than on TRACECA routes. For oil and nonferrous metals, the figure is about 17% less”. See also Lyashenko, op cit.

⁴⁴ See also Kennaway, op cit, page 14 for comments on journey times.

⁴⁵ Tesemnikova, op cit.

⁴⁶ *Bol'shaya Sovetskaya Entsiklopediya* Third Edition Volume 5, 1971, page 301. The Volga - Don Shipping Canal is 101 km in length. From the Volga within 20 km, 9 locks lift vessels (limit 5,000 tonnes) 88 m and then 4 locks lower vessels 44 m over 80 km to the Don, then Taganrog Gulf in the Sea of Azov to the Black Sea. The Canal cannot take vessels fully laden.

Map 5 - Transportation of Oil Rig from the Baltic to the Caspian Sea⁴⁷

During this interview, Yevgeniy Kazantsev was asked whether Russia had any proposals for cooperating with the TRACECA project. His reply covered some general aspects of Russian railway strategy which with minor variations has already been mentioned above.

Box 7 - Russian Railway Strategy⁴⁸

In 1994 nine transport corridors were confirmed which determined the general direction of the main freight flows. In Russia two main corridors were earmarked⁴⁹:

Corridor No 2: Berlin-Warsaw-Minsk-Moscow. Today we intend to extend it to Nizhniy Novgorod, later to Yekaterinburg and then to push out to the Trans-Siberian magistral' and from there to the Far East. It would also be a main connecting link.

Corridor No 9: Helsinki-St Petersburg-Moscow. Later it would extend to Kiev and Odessa. Today, Russia is occupied in developing the corridor sector up to Moscow and later our Ukrainian colleagues must carry on the work.

Part of Corridor No 1 - Trans-Baltic Magistral "Via Baltika": Tallin-Riga-Kaunas, Kaliningrad and Warsaw.

Therefore at a transport ministers conference we put the question concerning the extension of this corridor from Moscow to the south of Russia, to Rostov-on-Don, Novorossiysk, Astrakhan: in fact a TRACECA corridor already traverses the southern regions of Russia. We want our freight to flow in this direction. Today's strategic task is to pass freight traffic from the East to Europe, to Saint Petersburg or to Moscow. I think that we will soon manage to finally formulate our proposals. Thus, two main large transport schemes will be drawn, the right of a client to choose a trunk route through China to Central Asia, the Caspian or by the Transib.

We wish to put right [and establish] the very closest cooperation with the TRACECA programme through its special control organ, the secretariat in Baku. Meanwhile we intend

⁴⁷ "Neftegaz" Gazprom '97, Highbury House Communications, London, Aker Marine advert page 9.

⁴⁸ Tesemnikova, op cit.

⁴⁹ *Moskovskiye Novosti* No 26, 5-12 July 1998, page 2 "Start vtorogo BAMa" by Vladimir Yemel'yanenko provides details of rail routes planned for modernisation in Russia.

to participate as observers, so that we have the opportunity to analyse all the material. I also believe that Russian freight traffic will be inserted into this trunk route.

Kazantsev also dismissed the notion that the principle aim of the TRACECA initiatives, being developed under the control of the leadership of the EU was to carry out the project behind Russia's back, despite the conclusions of several analysts that TRACECA included a whole series of programmes, the aim of which was to remove Russia from the Caspian. Whilst Kazantsev was fairly restrained and diplomatic, an article by Anatoliy Baritko touched on the TRACECA project before devoting time to the "Super Magistral" and was much more forthright: *"One is emboldened to express a personal point of view on this trunk route. It is absolutely without any prospects for the following reasons"*, some of which are contained in Box 8 below.

Box 8 - Further Russian Views on TRACECA⁵⁰

The course of the route involves two changes of railway gauge. Several changes of transport mode are required: rail - water - rail. On this route there are more than 10 countries with their own laws and customs regulations. Junctions even in one mode of transport create additional problems which lead to:

- a. The slowing down of freight movement.
- b. A rise in transportation costs.
- c. The greater likelihood of loss and damage.

The change of transport mode considerably increases the effect of these factors. Customs formalities and internal problems of all the countries en route are superimposed on all these transportation problems.

Baritko also felt that the most important factor concerning TRACECA, was that the project did not have an objective, economic prerequisite for profitability, as a huge capital expenditure would be required for the creation of an unbroken transport direction with no hope of any favourable financial return. The costs of TRACECA are not commensurate with the transport and tariff rates along Russian railways, also including along the Trans-Siberian magistral. The transfer of freight on Russian railways is carried out in a considerably shorter time on account of there being only one form of transport, the absence of borders and customs and the higher speed of rail transport in comparison with that of maritime transportation. Furthermore, the chances of preservation and safeguarding of cargo and freight involving fewer countries is significantly enhanced. Therefore:

*"One would wish to warn our former Soviet Union colleagues not to rush to invest in means to bypass Russia. Instruct your transport economists to carry out in-depth research and produce the factors for and against, **"before ravaging the tightly stuffed purse of your fellow citizens"**"⁵¹.*

Before examining the concept of a Russian Super-Magistral, it is expedient to look at some of the developments in and around the Caspian at the present time.

⁵⁰ *Nezavisimaya Gazeta* No 184 (1755), 3 October 1998, page 5 *"Al'ternativy proyektu TRACECA"* by Anatoliy Leonovich Baritko, Chief of the Internal Freight and Transshipment Section, Department of Freight Transportation Control.

⁵¹ Ibid.

Underlying Factors in Economic Development

From two principal participants in the TRACECA project, namely Georgia and Azerbaijan there is much euphoria and optimism about the future development and prospects for TRACECA, clearly illustrated in the name given to the new 'Red Bridge' - the 'Bridge of Friendship and Peace'⁵² which was opened amid much ceremony on 7 October 1998⁵³. However, within the whole ambience of anticipatory optimism and general hype, apart from countries trying to extract the maximum from the international community's commitment to the project at the Baku Conference 7/8 September 1998, in the open press, particularly in a country such as Azerbaijan, it is difficult to find any objective comment on the problems and difficulties which lie ahead in the development of TRACECA. Perhaps the sentiment expressed by Oleg Maksimenko, on the question of oil pipelines with regard to Azerbaijan, signifies a degree of complacency: "*no problem: the West will help us*"⁵⁴, contains more than one grain of truth? There is, however, the pall of an overhanging, dark shadow in which are hidden a number of negative factors. To name but one: "*In the natural resource rich economies, the state will dominate exports. Most exports will be oil and gas from the state and foreign companies in partnership with the state. The local private sector, on which Western governments are spending millions of dollars in aid and loans, will be marginal and as dependent on the state as the private sector is in Saudi Arabia*"⁵⁵.

Box 9 below provides a pessimistic Western digest which outlines some of the negative factors prevailing in the "natural resource-rich" economies of Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan in the Caspian-Central Asian region.

**Box 9 - Key Points of "Natural Resource Rich-Economies"
of Azerbaijan, Kazakhstan, Turkmenistan and Uzbekistan**⁵⁶

These economies are moving from one form of economic distortion to another.

1. Economic reform is faltering and is not well entrenched.
2. Resource endowment is not as large as the government believes, and can only be exploited if oil prices recover and there are commercially viable pipelines.
3. In looking ahead these economies are going to move from the distortions of the Soviet era to economies distorted by a dependence on natural resources.
4. Economies dependent on: mainly oil exports, but Turkmenistan dependence on oil and gas; Uzbekistan dependence on cotton and gold; in next 5 years, 50% of Kazakh exports will be oil.

⁵² "Bakinskiy Rabochiy" No 196 (23368) of 9 October 1998 page 1 "*Torzhestvennoye otkrytiye novogo mostana Azerbaidzhano-Gruzinskoy granitse*" by Azertadzh.

⁵³ Blandy, op cit, page 9.

⁵⁴ *Nezavisimaya Gazeta* No 220 (1791), 25 November 1998 "*Sodruzhestvo NG Noyabr'-98*" No 10 (11) November 1998 pages 9 and 10 "*Novyy neftyanoy poriyadok neminuyemo privedet k geopoliticheskim izmeneniyam*" by Oleg Maksimenko (Chief Editor of the journal "*Muzhchiny*" (Yerevan) and Vitaliy Vyacheslav Naumkin (President of the Russian Centre for Strategic and International Research).

⁵⁵ "*Future Prospects for the Eurasian Corridor*" pages 41-42, digest of statement by Andrew Apostolou of the Economist Intelligence Unit.

⁵⁶ Ibid, pages 40-43.

5. Industrial base is narrowing. The region has neither the skills nor the infrastructure to produce manufactured goods.

6. In 1996, Uzbekistan underwent a balance of payments crisis caused by the government's inability to adjust to world-wide drop in price of cotton.

7. It is believed that Turkmenistan and Uzbekistan will compound the distortion by relying on commodity exports through a policy of 'import-substituting industrialisation', which in essence

means adding to uncompetitive Soviet industries with yet more uncompetitive industries.

8. Agricultural decline is another factor, for instance, in Turkmenistan agriculture is 44.3% of total employment but only contributed 17.5% to GDP in 1996. Most titular peoples, Kazakhs, Azeris, Turkmen and Uzbeks are dependent on agricultural employment.

Economic Reform has been superficial

9. Some stabilisation, reduction of inflation and restoration of output, but little structural reform.

10. Closure of firms that are not viable and privatisation has ranged from slow and fitful in Kazakhstan to almost non-existent in Azerbaijan, Turkmenistan and Uzbekistan. Slowness of structural reform is seen through low levels of recorded unemployment, small numbers of bankruptcies, high levels of inter-enterprise arrears and bad debt in banking systems.

11. None of the Presidents in power, Aliyev, Karimov, Nazarbayev and Niyazov, has shown a genuine commitment to economic reform. However, in states such as Armenia, Georgia and Kyrgyzia that there is more of a genuine commitment to reform.

12. Corruption will also assist in undermining economic reform.

Natural Resources

There is one further point to make which concerns the question of hydrocarbon resources in the states of the Caspian-Central Asian region. Both the Western and Russian press have queried over a period of some time now the actual quantity of oil that is realistically available and realisable from the Caspian shelf⁵⁷, for in all probability *"the amount is not as large as has often been claimed⁵⁸ and can only be exploited if oil prices recover"*⁵⁹.

It is vital that the economies of all the natural resource-rich states are diversified into other sectors to avoid the problems inherent in a downturn of an economy dependent on revenues from hydrocarbons and minerals.

Secondly, agriculture *"has great potential for all three Caucasus countries. If you look right before the break up of the Soviet Union, agriculture comprised 25-40% of the GNPs ...there is real potential for immediate revenue, and there is a huge potential market. While we talk about oil, we forget that apple concentrate is just as much of a commodity and it doesn't need 15 years to develop"*⁶⁰. With the increasing

⁵⁷ Maksimenko and Naumkin, op cit: "all of today's available oil prospecting data does not support the view of the Azerbaijani leadership which maintains that the potential of their deposits is more in the region of 12 mlrd t, but in general, either the oil is not there or it is 10 times less than the volume announced".

⁵⁸ Andrew Apostolou *"Future Prospects for the Eurasian Corridor"*, page 43.

⁵⁹ BBC Monitoring *Inside Central Asia*, Issue 261, 8 Feb-15 Feb 1999, page 5, in an article referring to the Azeri consortium AIOC: "Oil Consortium announces deep spending cuts" as a result of "the crisis on world oil markets which has seen oil prices tumble". For a discussion of this issue see Blandy, op cit.

⁶⁰ Irakli Rukhadze *"Future Prospects for the Eurasian Corridor"*, page 48.

development of an oil and gas based infrastructure leading to a greater influx of people from other countries coming in to the region, there may be a growing demand for locally produced high quality agricultural and horticultural items with the same standards of quality enjoyed in everyday living in the West⁶¹. TRACECA could become an eastward flowing conduit of such produce. Thirdly, there is the factor of trade flows and trade partners, in particular, concerning the present trade partners of two of the Transcaucasus states.

Table 4 - Trade Flows in the Transcaucasus⁶²

State	1st Trade Partner	2nd Trade Partner	3rd Trade Partner
Azerbaijan	Iran	Russia	
Georgia	Russia ⁶³		Iran

Obviously, this last factor is a crucial matter for Georgia and the TRACECA project. It will be interesting to see whether the trade pattern will change over time or increase between Azerbaijan and Iran in view of other transport and rail traffic developments. This also underlines the fact that the shortest and quickest route from Russia to Armenia is through Georgia and the quickest route from Turkey to Azerbaijan lies through Georgia.

Trans-Caspian Transport Trends and Developments

Creation of a Permanent Secretariat in Baku

The creation of a permanent secretariat with its headquarters in Baku to a considerable degree blocks the participation of Armenia in the TRACECA project and its main ally Russia. This turn of events is bad for Iran as well, which is not exactly “*rushing to strengthen Azerbaijan’s influence in the region*”⁶⁴, but has reason to be concerned about its northern territories which are populated in the main by Turkic tribes.

In the view of Oleg Maksimenko, the number of economic considerations being presented are unlikely in practice to result in the realisation of the TRACECA project by-passing Iran and Armenia. It is well known that in ancient times that the ‘Silk Road’ crossed this region but it “*never called by the present day territories of*

⁶¹ Simon Stone and Oliver Weeks “Prospects for the Georgian Economy” CACP Briefing No 15 March 1998, Royal Institute for International Affairs, Russia Eurasia Programme, page 2, column 3, although it should be noted that “Traditional exports of tea, wine and citrus fruits have declined considerably because of the disruption of transport links to traditional markets in Russia; shortage of working capital and new investment... Much of the decline is permanent and the scale of production is unlikely to recover to former levels”.

⁶² Thomas Dibenedetto “*Future Prospects for the Eurasian Corridor*”, page 44.

⁶³ Stone and Weeks, op cit, page 5 column 1. “Yet Russia is still the most important export market and, when energy is included, the major source of imports”, and “Transit trade with Armenia, Azerbaijan and Russia is crucial and a growing generator of income”.

⁶⁴ Maksimenko and Naumkin, op cit.

Georgia and Azerbaijan", remembering also that *"The Caspian is dreadfully capricious and the road is hard through the spurs of the Great Caucasus"*⁶⁵.

Increase in Number of Ferries in the Caspian

One indicator that might herald a degree of growth in the Caspian Basin, over and above the question of oil reserves, justifying a modicum of mild optimism is the fact that five ferries belonging to the Caspian Steamship Company since *"the beginning of the year (1998) have supplied 3,500 wagons of freight to the eastern shore of the Caspian Sea"*⁶⁶. In 1999 more than a threefold increase is expected in the volume of freight carried by ferries in the Caspian on an east-west crossing. With this in mind some 2,500 empty wagons have been supplied to Baku from the Central Asian Republics. During the recent period the freight exchange between the east and western shores of the Caspian has grown dramatically on account of the transportation of oil⁶⁷ and soya bean⁶⁸. It is expected that two ferries belonging to the Caspian Steamship Company which are currently working in the Black Sea will be transferred to the Caspian and be delivered to Baku. Thus, it is hoped that freight traffic will undergo a 4-5 fold increase in the future⁶⁹. One of the measures being implemented, according to the head of Azeravtonaglyiat, Guseyn Guseynov, under the TRACECA project in Azerbaijan was the *"radical reconstruction of the Baku-Kazak-Georgian border motorway, 460 km in length, with an estimated construction time of five years"*⁷⁰.

⁶⁵ Ibid.

⁶⁶ *Bakinskiy Rabochiy* No 193 (23365), 6 October 1998, page 1 *"Paromy sluzhat Shelkovomu puti"* by AzerTAdzh.

⁶⁷ SWB SUW/0573 WD/1 (3), 29 January 1999, text of report in Russian by Azerbaijani news agency Turan: "Baku, 18 January 1999, Caspian Shipping Company tankers transported 5,305,000 tonnes of crude oil and oil products in 1998... This is 1,055,000 t more than the forecast amount and 1,310,000 t more than in 1997. About 1,804,000 t of crude oil from the Tengiz deposit (in Kazakhstan) was transported via the Aktau (Kazakhstan) - Apsheron (Azerbaijan) route, which is more than forecast and 1,016,000 t more than in 1997".

⁶⁸ SWB SUW/0573 WD/1 (2), 29 January 1999: "Vessels of the Caspian Shipping Company transported 1.6m tonnes of various dry cargoes in 1998. Of this cargo, 1,286,000 t was transported by ferries plying between Baku and Turkmenbashi (in Turkmenistan), which is 88,000 t more than in 1997. At the same time 1,055,000 t of various cargoes was transported by the company's vessels between the ports in the Sea of Azov, the Black Sea and the Mediterranean. This exceeds the forecasted level by 105,000 t and the figures for 1997 by 176,000t".

⁶⁹ SWB SUW/0563 WD/1 (3), 13 November 1998, text of report by Azerbaijan TV station ANS on 5 November 1998: "The volume of motor freight transport across the countries of the Great Silk Road has quadrupled annually since 1996, according to the president of the (Azerbaijani) Azeravtonaglyiat state concern, Guseyn Guseynov. He said that about 4m tonnes of freight would be transported via this corridor in both directions by the end of the year".

⁷⁰ Ibid, additionally "agreement has been reached ... about the allocation of long-term soft credits for the reconstruction of the Alyat-Kazi-Magomed road. Negotiations are taking place for the allocation of a credit for reconstructing the Kazi-Kyurdamir and Kyurdamir-Yevlakh roads".

A further point that Guseynov made was that the Silk Road had a number of serious advantages compared with roads in the Russian Federation, stemming from, first, less favourable climatic conditions further north in Russia and secondly that “*many crimes are committed on the northern roads*”⁷¹. Historically, whilst:

*“Mongolian conquests were destructive, they also created for some 75 years a huge zone of relative stability... The journey from the Black Sea to Khanbalik (modern Beijing) was never easy, to be sure, even at the height of the Mongol Empire. Balducci Pegolotti’s manual, written just before the Black Death, suggests that it took at least 300 days, but it was ‘perfectly safe, whether by day or by night’”*⁷².

Railway Developments and Proposals

Kazakhstan The Kazakh government is planning to build three new lines totalling 650 km to integrate the three former Soviet railway networks and to electrify around 800 km.⁷³ The integration could be an important factor in helping to develop the additional links required for the TRACECA project, but it could also favour the Russian railway system because a large number of these routes are orientated northwards via Aktyubinsk, Chelyabinsk, Kurgan, Kulunda and Barnaul. Table 5 below sets out these developments.

Table 5 - Kazakhstan’s Railway Development and Construction of New Lines

Serial	From	To
1.	Beyney (on line from Aktau)	Chelkar (Aktyubinsk-Tashkent line)
2.	Kzyl-Orda (Aktyubinsk-Tashkent)	Dzhezkazgan (to Karaganda line)
3.	Ust’-Kamenogorsk	Zhangiz-Tobe (Semipalatinsk to Aktogay link to Druzhba & China)

Iran is completing at an extremely fast rate railways from Kerman-Zakhedan and Kerman-Chkhar-Bkhar. The first will join the Iranian railway network to that of Pakistan, allowing Iran to lock in to all the goods traffic heading to and originating from the port of Karachi. The second route, Kerman-Chkhar-Bkhar, gives Iran an unrestricted outlet to the Arabian Sea and effectively reduces its vulnerability to the military-political situation in the Persian Gulf. For around five years a free economic zone has been operating in Chkhar-Bkhar and as a consequence the staging and passage of imports and exports has been simplified and made easier. There is already a railway link between Iran and Turkmenistan, namely the Meshed-Saraks link of 137 km (part of the Trans-Asiatic rail trunk route) which in effect also provides a link between the Caucasus railway system and that of Iran. In all probability, if economic considerations are the prime criteria, as opposed to political ones, the transit through Iran will become more favourable than the Azerbaijan proposal of ferries across the Caspian.

⁷¹ Ibid.

⁷² Christian, op cit, page 426.

⁷³ “*Railway Gazette International - Central Asian Report*”, July 1998, page 472.

The Armenian Railway Proposals As mentioned above, Armenia at the Baku conference made two proposals which were to reestablish the railway route from Poti (Batumi)-Tbilisi-Yerevan-Dzhul'fa (Nakhichevan)-Dzhul'fa (Iran) - Teheran and to unblock the rail way line Kars-Gyumri (Leninakan). If these two rail routes were brought into service, the need for a "*new line between Kars and Alkhkalaki*"⁷⁴ would be obviated, saving a considerable amount of money.

Position of Russia, Iran and Armenia in Caucasus-Caspian Region

Clearly in response to the political ambitions of the authors of the TRACECA project and "*against the bluff of the Azerbaijani leadership on the occasion of the inevitable passage of the TRACECA route over the territory of Azerbaijan, there are economic responses from the side of Russia and Iran*"⁷⁵. Put simply, Russia is in a position to lower tariffs for the Transib transit. Iran furthermore can not only reduce the cost of transit but could also induce other countries to prefer rail to road transport. Today, Russia occupies a holding position, in this waiting game, clearly conscious of and recognising those advantages which she possesses⁷⁶. First, one way or another any transport route through Turkmenistan does not necessarily avoid Russian transport arteries. Secondly, in the event of adopting the Armenian proposals it sets out a very favourable configuration for a main route through Russia, Georgia, Armenia, Iran and the Persian Gulf for the countries of West and North Europe. At the present time it is the cheapest and shortest route between these regions. Thirdly, these initiatives do not contradict the TRACECA project but complement and supplement it naturally.

⁷⁴ See also Kennaway, op cit, page 15.

⁷⁵ Maksimenko and Naumkin, op cit.

⁷⁶ Blandy, op cit, page 37, "The analysis carried out shows that both the opposing sides in Caspian affairs, Russia and the USA, have strong geopolitical trump cards. The fact of the matter is how to play them".

RUSSIAN CONCEPT OF A SUPER MAGISTRAL

The Baritko Proposal

Having noted Anatoliy Baritko's position as Chief of the Internal Freight and Transshipment Section, Department of Freight Transportation Control, the point can be made that this man is a "professional mover"⁷⁷ and therefore probably has more than a nodding acquaintance with his subject, possessing vision as to the potential advantages that the Russian land mass could offer provided the necessary investment is forthcoming. Baritko makes the point from his perspective that freight traffic from South East Asia to Europe and return actually gravitates naturally towards a land-transport mode, and in keeping with such a deduction it is expedient to connect railways of this whole region with Russian railways. The transfer to Russian railways can be carried out either through Mongolia or through Kazakhstan. For Russia these lines are desirable but not obligatory. Baritko continues: *"I make bold to offer an overall railway transport artery for our country and not only for it, the combination of direct railway communication of the whole of Europe with Japan over a distance of 20,000 km, where more than 12,000 km is travelled over Russian railways"*⁷⁸.

Box 10 - An Overall Railway Transport Artery⁷⁹

A very real possibility exists to take all freight traffic connecting powerful economic regions, Europe and Japan by rail transport and also to travel from Dublin to Tokyo by railway. Such a railway line is completely realistic. All that remains is to join separate links of existing railway lines. A decision on a rail tunnel link of 56 miles between Ireland and England has already been taken; construction has been determined as 6 years. The Channel Tunnel link exists. An existing direct line of 12,000 km to Komsomol'sk-na-Amure is available. It is planned to build on Russian territory a railway line of some 400 km along the Amur River to the narrowest place [Nevel' Straits] which separates the mainland from the Island of Sakhalin. From Lazarev a tunnel of some 6-7 km in length is needed under the Nevel' Straits. Construction work has almost finished on the Severomuysk tunnel; it might be possible to use those qualified specialists on the building of the tunnel under the Nevel' Straits, between the mainland and Sakhalin. On Sakhalin it is proposed to construct a line of a little more than 100 km to the original Sakhalin railway [just south of Al'ba], next the Straits of Laperuz. From Sakhalin to Hokhaido is 40 km of mirror-surfaced water.

Map 6 illustrates the general concept of a Super-Magistral from Belfast to Tokyo.

It is a well known fact that Japan is interested in creating a firm transport link with the mainland and to form a general public organisation which will be known as the "Japan-Trans-Eurasia Combine"⁸⁰. In this, it is also well to remember that even during the time of the Soviet Union in 1971 *"Sakhalin was one of the thresholds beyond which Japan's contribution in trade, investment or expertise can - or must - henceforward spread. For all these reasons it may be useful to bear in mind, besides*

⁷⁷ But see also Kennaway, op cit, page 17.

⁷⁸ Baritko, op cit.

⁷⁹ Ibid.

⁸⁰ Russian wording is "Za soyedineniye Yaponii s Yevroaziatskim materikom".

the intrinsic importance of Sakhalin to the Soviet Union's internal development planning, its implications for the new relationship which is maturing with Japan"⁸¹.

Map 6 - The General Concept of the Super Magistral⁸²



Key: Existing routes
 Proposed routes

Two possible variants to link Sakhalin with Hokkaido are currently under discussion with the Japanese: tunnel or bridge? Judging by the information available, the Japanese have expressed a preference for a bridge crossing. A project of creating a combined rail-road bridge spanning 22 km has been worked on, and in the opinion of Japanese specialists this is technically possible. Between the Japanese Islands of Hokkaido and Honshu a railway tunnel of 55 km is already in existence. *“Thus, having carried out this construction work, we hit the heart of Japan by railway, its capital Tokyo”*⁸³.

In the opinion of Baritko, with the active assistance of Eurasian cooperation, the idea of creating such a railway line has real foundations. First and foremost, railwaymen and business people of both continents are interested in such a programme. For the railwaymen of Europe and Asia it is an additional volume of work on railway lines that for far too long have had insufficient railway freight traffic⁸⁴. For business people it could provide a fast delivery of goods from supplier to consumer, and without the hazards of pilfering and damage in the transfer of freight during the journey. All the freight from Japan to Europe can be taken

⁸¹ E. Stuart Kirby *“The Soviet Far East”* Macmillan, 1971, page 213.

⁸² Ibid.

⁸³ Baritko, op cit.

⁸⁴ Ibid. “Suffice it to say on the Baikal-Amur main line even in the period when debate was being carried on about its closure, means were found to continue it. If such a magistral is created, the question automatically no longer arises concerning the fate of BAM. In reality it will receive regular loads of freight and not only will pride in our construction ability be paid in the next years but also economic, political and moral expenses”.

directly from a dispatcher's railway spur and delivered to the recipient's railway spur. In the transport of freight from Japan to Europe and return by sea, four loading-unloading operations are carried out. In each freight operation the possibility of damage to freight exists, expenditure of power supplies is necessary, the availability of cranes, work resources and other factors, lead to a rise in transportation costs and in the final analysis to the increased cost of products to the customer.

He notes that Russia is extremely interested in the creation of this magistral. It expects to be at the centre of transport communications between Europe and Asia, where 12,000 km of the route will cross Russian territory and offers the possibility of earning more money from the transit of freight. Besides the switching over of a large volume of transit freight to Russian railways in communication with Europe-Japan-Europe, Russia needs urgently to decide its own internal problem on the creation of a firm transport link between the mainland and Sakhalin, without which it is not possible to begin the exploitation of its richest resources. The railway ferry crossing Vanino-Kholmsk and other ferries do not provide satisfactory answers to the demands of time, they are too slow in comparison with rail traffic.

He goes on to say that the creation of a new line would provide the opportunity to effect the direct railway transport of Russian exports to Japan and import of goods from Japan, making the freight transfer operation in ports redundant. Thus the *"transport of more than 15,000,000 tonnes of freight annually provides the opportunity to do away with 50,000,000 tonnes of freight transloading work"*⁸⁵.

Finally, Baritko waxes lyrical: besides using the magistral for freight transport, favourable conditions could be created for tourist journeys as well, when:

*"Such a journey from Tokyo to Dublin will flash by within two weeks, achieving 10 countries in two continents. See unique contemporary building, travel through 150 km underground, of which 100 km is under water, view the waters of the Laperuz Strait from low level flight"*⁸⁶.

⁸⁵ Ibid.

⁸⁶ Ibid.

THE PROBLEMS OF THE SUPER MAGISTRAL

The Problem of Siberia

Before taking a look at some of the problems associated with the development of the Super Magistral, it is worth recalling the inaccessibility of Siberia, whose very name *"Siberia conveys to the mind of the whole world vastness, loneliness, hardship, unendurable cold, with great wealth perhaps in such things as gold and furs, but inaccessible, except at great human cost"*⁸⁷.

Box 11 - Siberia - The Climate⁸⁸

The coldness of Siberia is proverbial. The temperatures range down to world records in winter, though -30 to -40 degrees Centigrade are more typical. In the brief summers the temperature rises to 20-25 degrees or more above zero. It must be stressed that the winter cold is more bearable than is widely supposed, because of the extreme dryness of the air. Again high cost is the most obvious economic consequence, with additional building and heating requirements, the difficulty and slowness of all operations in winter.

Duration of Summer

Chukotia (Far North-East) 8-10 weeks; Kamchatka 10-12 weeks; Aldan-Okhotsk 16-18 weeks; Amur Basin and Maritimes 20-26 weeks; Sakhalin 20-22 weeks and in the Kuriles 24-28 weeks.

In summer perhaps the sharpest curses are for mosquitos, leeches and other insect pests. Then there is the monsoon; 60 percent of the precipitation in the SFE (now Russian Far East) is in the warmer half of the year, bringing disastrous floods.

The Permafrost

The thaw is mostly very partial; over much the greater part of the area the soil is always frozen, often to great depths (600 metres in the north). This is the permafrost - which in places has been there for centuries - patchy and unstable, but generally in process of secular 'degradation'. Extending as far south as the frontier in Chita Province and a little north of the Amur in Khabarovsk Province, permafrost underlies a good half of the SFE. It greatly complicates all building and civil engineering works, raising all construction costs by a good 30 percent. As forests are cut, towns extended, dams built, permafrost is expanding under them, rather than contracting; or the alternation of thawing and hardening is accentuated, hence the instability of structures.

Ravages of Climate compounded by Neglect

Typical of the problems encountered in Siberia on account of the climate is the question of damage to and consequent deterioration of engineering structures such as gantries and railway bridges. For instance on 2 February 1994, at an emergency collegium of the Russian Railways Ministry it was stated that *"there are over 80,000 railway bridges in Russia. Of these, one in 10 has serious defects and on the Trans-Baykal' Railway, where as a result of the soil getting warmer, the permafrost has been and is deteriorating, every third bridge is now under special supervision"*⁸⁹. Furthermore, if the new Russian programme, as it was then, for improving engineering structures on the railways, *"continued to be financed as it currently was*

⁸⁷ E. Stuart Kirby, op cit, page 1.

⁸⁸ Ibid, page 3.

⁸⁹ SUW/0139 WD/12, 11 February 1994 [52].

*at that time, it could only be realistically implemented by the year 2018; by that time all bridges built in tsarist times will have crumbled and those built in the sixties will have finally disintegrated*⁹⁰, the deputy railways minister told the meeting. Another example was a problem associated with the construction of the railway bridge over the Amur River at Khabarovsk, *“where the construction work should have begun several years earlier, because, after 80 years of ‘irreproachable service’, many parts of the bridge were nearing the end of their potential”*⁹¹.

Financial and Strategic Contexts

It is important to view this Super-Magistral within the context of other planned expenditure for railway development work, including port improvement schemes which are also scheduled to take place in Russia, particularly when the Trans-Siberian routes *“look as if their development will be severely restricted. However, they are of prime importance for bulk freight, therefore the authorities will probably give their condition a high priority and not allow them to deteriorate significantly”*⁹². Not only this, but the Trans-Siberian routes are of national strategic importance, as confirmed by Anatoliy Zaytsev, RF Minister of Communication Routes (MPS) in November 1996: *“BAM brings us losses of 120 million roubles every month. But to close this line which has an important strategic-state significance, we have no intention”*⁹³. Zaytsev said that whilst they had not stopped the monthly loss of 120 million roubles, they had significantly reduced it: *“We are investigating getting money under future projects for developing resources in the zone of the magistral passing along the richest larders of Siberia. We are relying on government support. BAM will still serve Russia, if not us, then our children and grandchildren”*⁹⁴. However, as Table 9 below shows, development could also be limited by the demands of other routes, in particular, those of high profile, such as the *“ambitions for improvement between Moscow and St Petersburg”*⁹⁵.

⁹⁰ Ibid.

⁹¹ Ibid.

⁹² Kennaway, op cit, page 18.

⁹³ *Rossiyskaya Gazeta* 221 (1581), 19 November 1996, page 3 *“Snyat’ s koleasa halogovyy tormoz”* by Nikolay Cherkashin.

⁹⁴ Ibid.

⁹⁵ Kennaway, op cit, page 3.

Table 6 – Planned Russian Railway Upgrading Routes and Estimated Reconstruction Costs⁹⁶

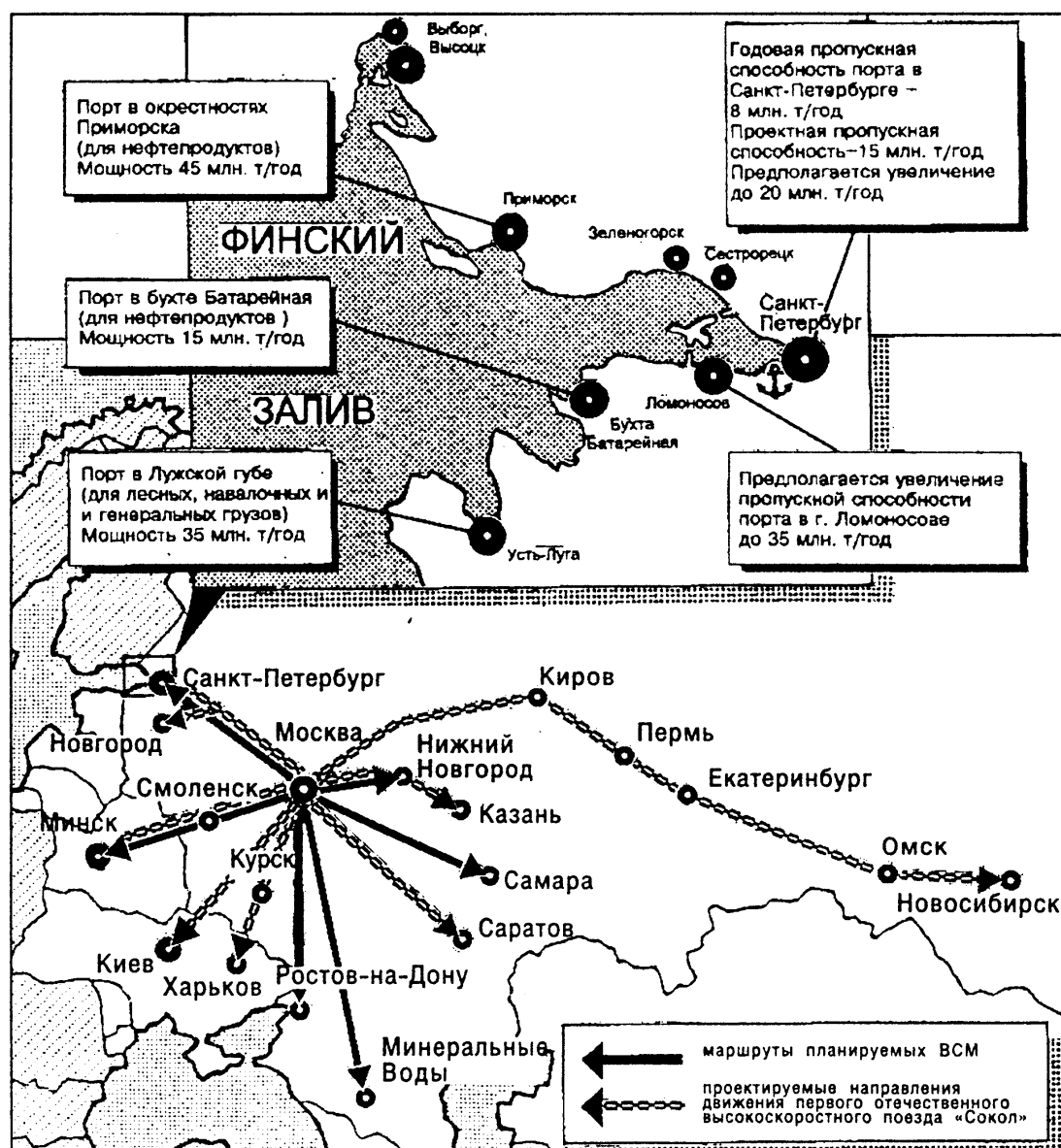
Serial	Route and Distance ⁹⁷	Costs \$	Remarks
1.	Moscow-St Petersburg (650 km)	1.20 mlrd	VSM/S ⁹⁸
2.	Moscow-Smolensk-Minsk (747 km) ⁹⁹	1.65 mlrd	VSM/S
3.	Moscow-Kiev (872 km)		‘Sokol’.
4.	Moscow-Kursk-Kharkov (781 km)		‘Sokol’
5.	Moscow to Rostov-na-Dony (1238 km)		VSM
6.	Moscow-Mineralnyye Vody		‘Sokol’
7.	Moscow-Saratov (851 km)		‘Sokol’
8.	Moscow-Samara		VSM
9.	Moscow-Nizhniy Novgorod Nizhniy-Novgorod-Kazan’	1.30 mlrd	VSM ‘Sokol’
10.	Moscow-Kirov-Perm-Yekaterinburg-Omsk- Novosibirsk- Irkutsk (5191 km)		Transib Magistral & Russian Far East
11.	Piter to Ust’-Lugye	2.3 mlrd	Suburban complex

⁹⁶ *Moskovskiye Novosti* No 26, 5-12 July 1998, page 2 “*Start vtorogo BAMa*” by Vladimir Yemel’yanenko.

⁹⁷ Distances from *Atlas Zheleznykh Dorog SSSR* Moskva 1988, pages 137-144.

⁹⁸ VSM = High speed trunk route; ‘S’ or ‘Sokol’ = First national high speed train ‘Sokol’.

⁹⁹ Continuing to Warsaw-Berlin-Paris.

Map 7 - Russian Railway Development¹⁰⁰

¹⁰⁰ *Moskovskiye Novosti* No 7, 22 February-1 March 1998, pages 10-11 "Doroga vobkhod zakona" by Vladimir Yemel'yaneko.

Table 7 below sets out the specifications for upgrading ports in the Gulf of Finland which are, of course, relevant not only to Corridor No 1 but are also relevant, because of being situated at the western end of the Trans-Asian Trunk Route A.

Table 7 - Upgrading Port Specifications¹⁰¹

Port and Location	Type of Freight	Increase in Handling Capacity-Mln/t pa
Primorsk area	Oil products	to 45 mln/t per year
St Petersburg		From 8 mln/t per year to 15 mln/t per year, further increase to reach 20 mln/t per year.
Lomonosov		Increase capacity to 35 mln/t per year.
Port in Bukht Batareynaya	Oil products	Increase capacity to 15 mln/t per year.
Ust'-Luga/Lizhskaya Guba	Timber, bulk and general cargo.	Increase capacity to 35 mln/t per year.

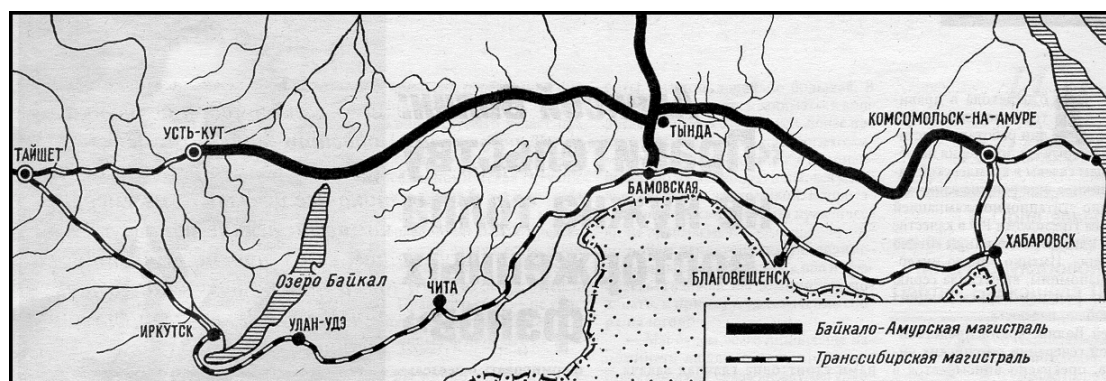
Problems concerning the Baykal-Amur Magistral

The Baykal-Amur Magistral carries the following soubriquet: “*BAM for Russia is like a chest without handles: heavy to carry, but pitiful to abandon*”¹⁰². BAM, with a length of 3,500 km, underwent construction, in accordance with the decision of the party and government, over the period 1974-1989 between Ust' Kut and Komsomolsk-na-Amure as a strategic back-up to the Transib railway which was becoming choked and oversubscribed through the transportation of freight consisting of a multitude of different ores, gold, coal, gas, semi-precious stones, wood products and the settlement of people in the northern zone of the Far East. The military took part in the construction, marking and responding to the fact that the Transib went along the border with “*the then not-so-friendly China*”¹⁰³. As Map 8 below shows, BAM branches off from the Transib at Tayshet and proceeds to Komsomol'sk, terminating at Vanino; the sectors of Tayshet-Ust'-Kut and Komsomolsk-Vanino were constructed earlier by Stalin. Details of a major obstacle, the Severomuyskiy tunnel between Tayshet and Ust'-Kut are in Box 12 below.

¹⁰¹ Ibid.

¹⁰² *Moskovskiye Novosti* No 22, 7-14 June 1998, pages 6 and 7 “*Vsem - spasibo! Vse svobodny!*” by Dmitriy Pushkar’.

¹⁰³ Ibid.

Map 8 - Baykal-Amur Magistral'¹⁰⁴

Key: BAM: (Thick line) Tayshet, Ust'-Kut, Tynda, Komsomol'ske-na-Amurye
 Transib: (Dotted line) Irkutsk-Ulan-Udz-Chita-Bamovskaya-
 Blagoveshchensk-Khabarovsk

Box 12 - The Severomuyskiy Tunnel
Situation on 29 October 1997

"On 16 June (1997) the government of the Russian Federation passed a resolution concerning "Urgent measures for the stimulation of the economic development of the zones of the Baykal-Amur Magistral" and a certain enlivenment began on the "Magistral of the Century". The main news: up to the gallery of the largest transport tunnel in Russia, the Severomuyskiy, one of the largest in the world, (only) metres remained. This will be for the time being only the union of the drainage-exploratory drilling gallery, that is a small diameter mineworking going parallel to the main tunnel (up to the face of the main one only 400 metres remained).

Nevertheless, after drift working in the gallery it will be possible "to dry the sweat from the brow". For us the most important things now are the clear mountain-geological conditions, especially complications and possible cataclysms like the unstable, 300 metre height of water of the rock break, which we encounter for 27 metres before the face.

The join-up is planned for 18-20 November 1997. After this the possibility arises of opening two additional galleries on the main tunnel and to plan the termination of drift working next year. Galleries provide reliable ventilation, allowing a significant improvement in working conditions. The drifters work in the mountain massif, where the concentration of radon is high, releasing from the bowels of the earth radio-active gas, the inhalation of which leaves no trace."¹⁰⁵

Although completion is planned for later 1999, work on the tunnel has not been without its human problems, resulting from a lack of pay. For example, "Two hundred drifters of the 15 km Severomuyskiy tunnel on the Baikal-Amur magistral are continuing to stay underground, demanding payment of roubles 78,000,000 debt for wages. Since 3 November five shifts of No 21 Tunnel Detachment of the joint-stock company Bamtunnel'sstroy have remained in the tunnel and since 5 November have completely stopped work"¹⁰⁶.

¹⁰⁴ Ibid.

¹⁰⁵ *Komsomol'skaya Pravda* No 200 (21694), 29 October 1997 "Svet i Ten' v kontse tonnelya" by Nikolay Divisenko.

¹⁰⁶ *Nezavisimaya Gazeta* No 210 (1781), 11 November 1998, page 2 "Prokhodchiki BAMA protestuyut" by Sergey Berezin.

The Bam line goes north via Tynda to the coal mining town of Neryungri, *“where our maximum is 6 million tonnes per year, whilst in the Asian-Pacific region Australia sells up to 85 million tonnes of coking coal in a year”*¹⁰⁷

Box 13 - Transib and BAM

BAM started to be built in the pre-war years, however, at the time of the deteriorating situation at the front 1942-1943, rails were lifted from BAM and sent to Stalingrad, where they were not only laid for a railway, but also for the construction of anti-tank obstacles and fortifications. At the present time rails from the BAM double track are repeatedly taken away for the repair and maintenance of the Transib. “BAM exists, BAM works” says Salman Babayev, the last head of BAM, “only, the railway was calculated to carry 14-16 million tonnes of freight per year, but today transports 2-3 million tonnes”.¹⁰⁸

“There is a fall in the volume of transport, also freight and passengers. Over the last five years the freight turnover has fallen more than twofold. However today the situation has deteriorated as never before: in June freight transport decreased by 4.2%, in July by 7.8%, in August by 9.2% and by this time in September by 12.7%”¹⁰⁹. However, when fully operational BAM is expected to transport 35 mln tonnes of bulk freight annually from east to west in unit trains of up to 9,000 tonnes weight. Special importance is attached to BAM's potential as a land bridge for Far East European container movement.

“We have divided this line into an administrative section between the Eastern Siberia and Far East Railway. That is BAM itself, rails, termini, station settlements are going nowhere. Only administering the railway will not be done from Tynda but from other towns”¹¹⁰. Tynda has almost no industry, it was built as a large-scale railway centre. Therefore in the town there is unemployment and nothing for people. 11,600 people live in ‘Shanghais’, temporary shelters used only during the period of construction of BAM which had stood for a quarter of a century. 600 families have already moved out from Tynda, this year another 200 families, candidates for migration to western areas, and a further 100 families to the southern areas of Khabarovsk.

¹⁰⁷ Pushkar', op cit.

¹⁰⁸ Ibid.

¹⁰⁹ *Rossiyskaya Gazeta*, 30 October 1998, page 6 “*Rubl' noka pozadi paravoza*” by Nataliya Yachmennikova.

¹¹⁰ Cherkashin, op cit.

CONCLUSIONS

As sure as rain has the ability to penetrate, percolate, drip and finally to stream through the canvas of a tent, so the exchange of trade between continents, countries and regions under normal circumstances will follow the cheapest, easiest and shortest route. What must be one of the main aims of the New Silk Road, “*an intensified exchange of ideas, goods and people*”¹¹¹, appears to be suffering a degree of artificial restriction for political reasons, thus dampening the full development of trading exchange in the region and beyond.

It may perhaps be splitting hairs, but it is interesting to note that no main variations of the ancient Silk Roads on an east-west axis went through the Transcaucasus, for they either went north of the Caspian or south of it, but not across the sea, remembering “*the Caspian is dreadfully capricious*”¹¹². In ancient times the ‘Silk Road’ crossed this region but it “*never called by the present day territories of Georgia and Azerbaijan*”¹¹³. However, it is true that there is a vestige of a connecting route from Tiflis (Tbilisi). Again, one of the main routes from Trebizond on the Turkish Black Sea coast followed a southeasterly direction, probably keeping to the south of the Araks River, passing to the south of the Caspian, through Alamut located at the entrance to the ‘Valley of the Assassins’, but leaving that valley and the southern ridge of the Elburz mountains to the north and east, then proceeding eastwards in the direction of Merv. The map in the *Bol'shaya Sovetskaya Entsiklopediya*¹¹⁴ shows the southerly Silk Road which, in the main, is now followed by the Trans-Asiatic rail trunk route, so it can probably be said, that the Trans-Asiatic Route, as shown in Table 1 and Map 1, bears a closer resemblance to the Ancient Silk Road than the current concept of TRACECA.

Not only are the East-West trunk routes of great importance, but the development of communication infrastructures, particularly those being planned in Iran, provide the potential for important strategic rail trunk routes on a north-south basis, from Helsinki to Karachi, or from Helsinki to an Iranian port on the Arabian Sea via Russian, Transcaucasian and Iranian space, perhaps even recalling in part a reverse configuration of the ancient Spice Route from the Arabian Sea.

TRACECA

The course of the TRACECA route involves two changes of railway gauge, one change from European to Broad Gauge for the Georgian, Azerbaijani, Kazakh, Turkmen, Uzbek, Kyrgyz or Tajik railways and then from Broad Gauge back to European Gauge for the Chinese railways.

Several changes of transport mode are required: water-rail-water-rail: Black Sea, Transcaucasus, Caspian Sea, then by land over Central Asia to China. These changes involve additional expense and time. Junctions or choke points even in one mode of transport create additional problems and lead to the slowing down of freight movement, a rise in transport costs and a greater likelihood of loss and

¹¹¹ Christian, op cit, page 426.

¹¹² Maksimenko and Naumkin, op cit.

¹¹³ Ibid.

¹¹⁴ *Bol'shaya Sovetskaya Entsiklopediya*, Vtoroye Izdaniye, Moscow, 1957, page 655.

damage. The change of transport mode increases the effect of these factors significantly.

On this route there are more than 10 countries: the countries on the northern and western littorals of the Black Sea, Ukraine, Moldova, Rumania, Bulgaria; and then, Georgia, Azerbaijan, Kazakhstan, Turkmenistan, Uzbekistan, Kyrgyzia or Tajikistan, each with their own laws and customs regulations. These formalities and internal bureaucratic procedures of all the countries en route are superimposed on all the problems arising from changes in transportation mode.

TRACECA does not make use of the Trans-Asiatic trunk route, but avoids the Tehran-Meshed-Seraks section, preferring the use of shipping between Baku and Aktay or Turkmenbashi, adding cost and journey time. The Armenian proposals advocating the opening of the Kars-Leninakan rail route and the route through Armenia-Nakhichevan-Iran would not only provide a bonus for Turkey but could well help to provide a cheaper and quicker alternative than a sea crossing of the Caspian.

A completely new railway line has to be built from the Fergana Valley area, from Andizhan and Osh to China, when there are already other routes in operation from East Kazakhstan, namely, Aktogay-Druzhba-Urumchi (China), but because the "*northwest provinces of China are fast growing*"¹¹⁵, this new link is probably necessary.

One cannot but come to the view that in the fullness of time the TRACECA route may well cross the Transcaucasus, and it will take advantage of the rail connections offered by Iran, not only the Teheran-Meshed-Seraks link into Central Asia, but also the possibilities soon to be available of rail links into the Indian sub-continent and Iranian ports on the eastern littoral of the Arabian Sea.

European-Trans-Siberian Trunk Routes

First and foremost, it is important to recognise that the Transib and BAM are not only rail trunk routes for the bulk transport of freight and passengers, but they also, perhaps more importantly, fulfil a political, strategic and national function, a symbolic cord holding the vast, ramshackle political entity of the Russian Federation together, epitomising the doggedness of the Russian spirit against great hardships suffered by reason of climate, lack of funds and social resources. Trains using the Transib or BAM from St Petersburg in the west, via Moscow to Vladivostok or Komsomolsk-na-Amure in the east, have no need to undergo any bogie changes due to the fact that there are no differences in railway gauge.

Whilst no mention has been made in the body of this paper concerning Russo-Japanese relations, the future of these relations will depend on solutions to outstanding problems which have cast a shadow in the past, for example the question of the Kurile Islands. In order for the Russian Super-Magistral concept to come into being, there must be an agreement with the Japanese. Japanese agreement may well be forthcoming at some future time, but the price for Russia may well be a negotiated arrangement over the status of the Kuriles and a transfer of some of the islands back to Japan. Without Japanese agreement the whole concept is void. Without Japanese investment the concept is stillborn.

¹¹⁵ Kennaway, op cit, page 14.

The Trans-Siberian Railway has been in place and working since 1905; the Baikal-Amur Magistral will soon be working throughout its length from Tayshet to Komsomolsk-na-Amure; the creation of the Super-Magistral with rail trunk routes joining Japan to Sakhalin and Sakhalin to the mainland, would carry the certainty that it will be possible in the future to transport bulk freight from Tokyo to Helsinki and vice-versa; this last named will inject new purpose into both the Transib and BAM. However, there is a need for a note of caution to be attached to the claimed journey times.

There is one further development factor: for some time now, there have been discussions and feasibility studies with regard to a rail link between Russia and Alaska with a tunnel under the Bering Straits. Should this ever come about, this in turn would add additional stimuli to the Transib and BAM.

As in the past, the Ancient Silk Road consisted of many different variations of route, so it is not strange if there are in modern times a number of routes between East and West, the Russian northern routes and the southern Central Asian routes, particularly if the North-South orientation of routes is also borne in mind. There is substance to the TRACECA dream, it is not a myth, but the routing of TRACECA must be unrestricted to realise its full potential, making full use of the complete diapason of opportunities from routes already in place and operating with the addition of routes that are planned for the future. Furthermore TRACECA must not be artificially restricted by route for political reasons when economic ones provide a sounder basis for trade exchange and future prosperity.

APPENDIX

TEXT OF BAKU DECLARATION OF 8 SEPTEMBER 1998¹¹⁶

The heads of states, governments and heads of delegations - participants of the International Conference on the restoration of the Silk Route, later called the 'Sides',

expressing the striving for a fruitful and mutually beneficial, economic and commercial cooperation,

acknowledging the important significance of the development of national and transport infrastructures for the widening of cooperation in the regions of Europe, the Black Sea, the Caucasus, the Caspian Sea and Asia,

emphasising their general interest in the development of a transport corridor Europe - Caucasus - Asia, including the transport routes of the Black Sea region, on the basis of the revival of the ancient route of human civilisation of the 'Great Silk Road',

noting the importance of the principles and aims of the Brussels Declaration of 7 May 1993 (Brussels Declaration), and furthermore the adherence of universally accepted principles and norms of International Law,

emphasising the important significance of the realisation of the TRACECA programme for ensuring a firm access for a trans-European and trans-Asian transport network of the countries of the Caucasus and Central Asia, having no access to the sea,

noting the positive role of regional and sub-regional coordination and cooperation in establishing international peace and security, the growth of confidence and stability, state the following:

1. The sides support the initiatives and efforts undertaken in the interests of developing a transport corridor Europe - Caucasus - Asia and express satisfaction at the way of realising the main aims of the Brussels Declaration.
2. Noting the included deposit by the European Union (EU) into the realisation of the TRACECA programme, the Sides welcome the determination of the EU and later to take the agreed actions on the advancement by the above mentioned programme and development of the corridor Europe - Caucasus - Asia.
3. The Sides especially emphasise the importance of ensuring peace, security, stability and confidence, the settling of regional conflicts on the basis of the existing resolutions of the Security Council of the United Nations Organisation (UNO), the principles and decisions of the Organisation for Security and Cooperation in Europe for the successful realisation of the project within the framework of the TRACECA programme and the stability of the functioning of the corridor Europe - Caucasus - Asia.

¹¹⁶ *Sodruzhestvo NG Sentyabr'- 98* No 8 (9), 23 September 1998, page 10 "Transportnyy koridor bez Rossii? - V stolitse Azerbaydzhana pri fakticheskoy otsutstvii Moskvy delili mir".

4. The Sides emphasise the significance of the corridor Europe - Caucasus - Asia in the context of international cooperation for the development of countries of the region of the Caspian Sea and Central Asia and express their readiness to present to these countries free access to sea ports. Noting the special role and place of the region in the formative architecture of Euro-Asian integration, the Sides have stated their support for the regional states' efforts, directed to closer integration in the international commercial and transport system, and for the widening of cooperation in the sphere of rehabilitation and optimisation of the existing initiatives and cooperation in the creation of new ecologically secure and economically favourable infrastructures for the transportation of cargoes, including energy carriers to world markets.

5. The Sides with satisfaction form a growing interest in the rebirth of the Great Silk Road, in particular by way of the implementation of the TRACECA programme and invite all the interested states to unite material and human resources for contributing to mutually-favourable cooperation with this project.

6. The Sides express the intention to carry out cooperation on the development of the transport corridor Europe - Caucasus - Asia with the Economic Commission of the UNO for Europe and for Asia and the Pacific Ocean, with other related institutions of the UNO system, with the Organisation of Black Sea Economic Cooperation, with the Organisation of Economic Cooperation and with other international organisations and financial institutions.

7. The Sides are agreed with the fact that the strengthening of the institutes and of the legal basis of cooperation on the development of the transport corridor Europe - Caucasus - Asia will enable the raising of the effectiveness of coordination between the participating states. In this connection the Sides welcome the signing of the Basic multilateral agreement concerning international transport on the development corridor Europe-Caucasus-Asia (the Basic agreement) as an important institutional mechanism for assisting with the development and with the regularisation of international communications, the creation of a commission and the institution of its permanent secretariat, and furthermore the establishment of permanent representatives of the permanent secretariat in each of the states - participants of the Main agreement will enable the effective realisation of the positions of the Main agreement.

8. The Sides note the importance of coordination mechanisms in participating in carrying out the programme TRACECA, created at the national level and furthermore within the framework of the EU.

9. The Sides confirm the intention to use the dynamism and potential of private ownership for the raising of effectiveness of cooperation initiatives and the realisation of investment projects, answering the aims of developing the transport corridor Europe-Caucasus-Asia.

10. The Sides express their satisfaction with the results of the Baku International Conference on the revival of the historic Silk Road, which has become an important stake in the institutional strengthening and widening of cooperation on the further development of the transport corridor Europe - Caucasus - Asia in the interests of the economic progress of the participating states.

11. The Sides evaluate highly the initiative of the President of the Azerbaijan Republic Geidar Aliyev and the President of Georgia Eduard Shevardnadze and the

support of the European Union by the idea of holding an International Conference on the restoration of the historic Silk Route.

12. The Sides express their gratitude to the President of the Azerbaijan Republic for the holding in Baku of this International Conference and the high level of its organisation, and furthermore the cordiality and hospitality offered by the government and people of Azerbaijan.

For the Azerbaijan Republic

For the Republic of Armenia

For the Republic of Bulgaria

For Georgia

For the Republic of Kazakhstan

For the Kyrgyz Republic

For the Republic of Moldova

For Mongolia

For the Republic of Poland

For Rumania

For the Republic of Tajikistan

For the Turkish Republic

For the Republic of Uzbekistan

For Ukraine

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