Egypt Links Peace to Economic Development

by Muriel Mirak-Weissbach

Despite the darkening clouds on the horizon in the Middle East, Egypt has maintained a firm commitment to what it calls its strategic option for peace. Convinced that, whether this year, or next, or in ten years, peace will be achieved, the Egyptian government has embarked on several infrastructure projects, aimed at developing its own internal transportation arteries, and linking them up to neighboring countries. The thinking is that Egypt, in this way, will be in a position to reap the benefits of peace, by having established infrastructure connections, especially through the Arab world, but also into Central Asia and Europe.

Transportation Minister Dr. Ibrahim El Demeiry briefed a select group of German industrialists on his country's perspective, during a short visit to Berlin on March 2. He outlined what the country has achieved in this area over the past 20 years (Egypt signed a peace treaty with Israel in 1978), and what it intends to do over the next 20-30 years, focussing on highways, railways, subways, waterways and ports, and airports.

Roads and Rail Lines

Take the road network, for example, which has been increased 300% in the last 20 years: Dr. El Demeiry estimated that within 30 years, Egypt will have as extensive a system as Germany's autobahn highway network. The future network of freeways is to extend from Egypt's western borders, along the Mediterranean coast, eastward to Rafah, in Palestine; if peace comes, the roadways will be extended through Israel, into Europe. At the same time, roughly parallel lines will run north to south on the western and eastern sides of the Nile River, connected by four east-west bridges. The major participant in the project, outside of Egyptian groups, is the Bin Laden Saudi construction firm (not to be confused with the terrorist). Egypt has made an arrangement whereby the Saudi group will gain rights to land alongside the road routes, which it can develop industrially, in order to recover the costs of its initial investment.

The rail plan is articulated in phases, whereby existing lines will be electrified, beginning with the Alexandria-Cairo link, to be completed this year. The existing network, of 1,400 kilometers double, and 3,600 km single track, will be expanded to establish modern links from Cairo, through Rafah,

to Israel, Lebanon, Syria, and Turkey, eastwards, and westwards, to Rabat. A new line is being built west of the Nile, from Alexandria to Giza, with a high-speed train, which will reduce travel time to 40 minutes. The second phase of the high-speed train lines will connect to Assout and to Aswan, within ten years. The German electromagnetically levitated Transrapid is among the high-speed trains under consideration. An executive director of Transrapid, present at the Berlin briefing, raised the issue, and heard from the Minister that he was most interested in such a technology for connecting the satellite cities, which Egypt has built in the last decades, with the capital. From there, the Transrapid could be extended further, west, east, and south.

In addition to the lines, Egypt plans to upgrade its facilities to produce rolling stock and coaches, for domestic use as well as for export, with the cooperation of Japanese and other groups. Saudi Arabia, Libya, and Syria are already engaged in improving Egypt's railways.

The importance of rail connections, both economically and politically, was stressed in the Berlin discussion, with reference back to Egyptian President Hosni Mubarak's statements in March 2000, on the "Railway of Peace," in which he reiterated his country's "strategic option." It was also mentioned, that, although it has not been publicized, Israeli and Palestinian negotiators had been discussing these rail links for the past two years, and that former Israeli Prime Minister Ehud Barak had indicated there had been agreement reached with the Palestinians on how to establish rail connections. Furthermore, it was reported that the connections envisioned with Lebanon, Syria, Turkey, Iran, and Iraq are already being completed. Syria and Lebanon, for example, have just signed an agreement to build a Beirut-Homs line.

Obviously, the extension of railways along these routes, means that Egypt would be able to link up with the transcontinental line, the Eurasian Land-Bridge, or New Silk Road, going to China. One initiative being launched to promote this connection, will be a rail caravan in May next year, which will travel from from Spain to Alexandria, to Cairo, and on to Amman, Syria, Turkey, Iran, ending up in Samarkand, Uzbekistan.

Within the major cities of Cairo and Alexandria, urgently needed subway systems are being constructed. Cairo, which will expand its two lines to six, plans to be able to transport 60,000 passengers per hour, which will greatly alleviate the legendary traffic in the city, with its 1.5 million cars.

For maritime travel, which is extensive for Egypt, there are plans to expand East Port Said, to make it into a modern port, like Hamburg, to be able to handle 3.6 million containers per year, three times current capacity. The Al-Sukhna port, on the Gulf of Suez, is also nearing completion.

Finally, air transportation is to be expanded, with the construction of numerous new airports, not only to service the immense tourist traffic, but also to make it possible for Egypt to export its agricultural produce.

EIR April 13, 2001 Economics 7