Germans Sweat To Finish Chinese Maglev Project

by Rainer Apel

Ever since the Chinese-German government contract on the magnetically levitated rail construction project in Shanghai was signed on Jan. 23, 2001, the German way of looking at such big infrastructure projects has been revolutionized. The contract has also revitalized the domestic German debate on maglev projects, 11 months after the burial—in February 2000—of the Hamburg-Berlin project, which was supposed to have been the first commercial maglev track in Germany.

But an even more important effect of the Shanghai contract, is that the Germans have had to learn to do things fast incredibly fast, given the way things are done in Germany, nowadays. Seeing 10, 15, or even 20 years go by, before a short strip of highway, waterway, or railroad gets completed, has become commonplace during the past two decades. Whereas many people have their doubts about whether the ecology really benefitted from the rise of ecologism in German politics, there can be no doubt that its main effect has been a standstill in construction of public infrastructure projects. As a result, the cost of projects grows: In the case of the new high-speed rail link from Cologne to Frankfurt, construction of which took about ten years, the cost tripled from the originally projected 3.5 billion German marks, to well over 10 billion. Full commercial operation on that track will begin in 2003, at the earliest.

Well, in China, things proceed at a different pace. German politicians who visited Shanghai in March 2001, reported with amazement that the entire construction site for the maglev had already been cleared—less than two months after the signing of the contract. Construction began in April 2001, documenting that when then-Mayor of Shanghai Xu Huangdi had announced, in January, that the maglev track between the city and the international airport at Pudong (34 kilometers away) would be completed by no later than Autumn 2002, he was not fantasizing. Indeed, by September 2001, the basic hardened concrete structure of the track had been completed, although its ceremonial inauguration had to wait another two months, to coincide with the November visit of German Chancellor Gerhard Schröder.

Zhu Rongji's Deadline

This rapid process was not something that the Germans were allowed to watch from a distance: The Chinese insisted

that the Germans also speed up their work. The Chinese began asking why the Germans could not work 24 hours, in three shifts, as the Chinese did. The Chinese also asked why the parts of the maglev that were produced in Germany and had to be shipped to China, would consistently arrive late. Whenever he received visitors from Germany, China's Prime Minister Zhu Rongji made it clear that he did not care how the Germans managed to do it, but that he wanted to take his first ride on the Shanghai-Pudong maglev on Jan. 1, 2003. He warned that if it did not work by that date, the Germans could forget about follow-on projects in China. This "ultimatum" has forced the Germans to massively upgrade their staff on the construction site at Shanghai, and to speed up production of the required maglev parts back home.

The other message that Zhu Rongji sent to the German side, was that if there are more projects in China, the maglev systems would no longer be imported from Germany, as with the Shanghai project, but nearly all crucial components of the maglev trains would be produced in China, in joint ventures with Germany, with technological know-how shared on a partnership basis.

Reviving Optimism

The problem that China encounters with the "slowness" of the Germans, is a lesser one (in terms of on-time delivery, quality, and creativity in solving problems) with the smaller, Mittelstand German firms that are involved in the Shanghai project, than with the big companies like Siemens. For example, Ferrostaal, a medium-sized producer of industrial facilities and manufacturing equipment, has developed a new technology especially for the Shanghai-Pudong project, which allows the laying of cables to be done at almost the speed of a conveyor belt. Many if not most of the 300 smaller German companies that are contributing to the project, have invested a lot in upgrading of their own workforce and production capacity in Germany, to be able to produce on time. With most of German industry suffering from the shrinking of export markets under the deepening global economic depression, there is hardly any other sector that shows such optimism.

This optimism is something that the Germans almost seemed to have forgotten, after the last big industrial projects abroad came to a standstill, with the unfinished nuclear power projects in Brazil, in the late 1970s. When Chancellor Schröder visited Brazil recently, his hosts reminded him that the nuclear power project Angra III is still waiting to be built by Germany—after a freeze of more than 20 years.

Once the maglev project in Shanghai is completed, and Prime Minister Zhu Rongji has completed his first test ride on the train, the Germans not only will have won a genuine option for follow-on projects in China; they will also have relearned how to build infrastructure fast—not just in China. The wish that many Germans share with this author, that a ride on a commercial maglev train may be possible in Germany one day, may then be fulfilled even before 2010.

EIR March 29, 2002 Economics 11