

# Bangladesh Revives Silk Road Concept

by Ramtanu Maitra

July 14—On July 7, the business associations of Bangladesh discussed a study, titled, “Restoring the Asian Silk Route: Toward an Integrated Asia,” and recommended to the Bangladesh government that Dhaka should only opt for restoration of the original Silk Route, connecting all the countries of the region, and to strike a comprehensive deal with New Delhi for allowing port access, even under multilateral arrangement. According to their suggestion, Bangladesh would benefit only if Nepal, Bhutan, Myanmar, Thailand, and China were connected and engaged in the process, with the aim of boosting regional trade.

The concept of linking Asia with Europe by railroads, for the purpose of enhancing trade and reducing travel time, has existed for decades. The main route of the Trans-Siberian Railway that originates in St. Petersburg, runs through Moscow and ends in Vladivostok, via southern Siberia, was built between 1891 and 1916, under the Tsars Alexander III and his son Nicholas II. Later, the Chinese Eastern Railway was constructed as the Russian-Chinese part of the Trans-Siberian Railway, connecting Russia with China, and providing a shorter route to Vladivostok. The Trans-Siberian Railway is often associated with the main transcontinental Russian train that connects hundreds of big and small cities of the European and Asian parts of Russia. At 9,288 kilometers, spanning a record seven time zones, and taking several days to complete the journey, it is the third-longest single continuous rail service in the world, after the Moscow-Pyongyang (10,267 km) and the Kiev-Vladivostok (11,085 km).

## The Schiller Institute and the Eurasian Land-Bridge

In recent years, China built a 10,900 km route from Lianyungang in Jiangsu province to Rotterdam, The Netherlands. In addition, Beijing has made known that it plans to build a third land-bridge between Europe and

Asia. Under the proposal, this third route would start from port cities in the Pearl River Delta, including Shenzhen, travel west to Yunnan province, then through Myanmar, Bangladesh, India, Pakistan, Iran, and Turkey, cross Europe, and end at Rotterdam. This land corridor, consisting of railways and highways, would boost trade and provide an alternative transport channel to safeguard China’s energy and economic safety. Qin Guangrong, governor of Yunnan province, said in an interview with *China Daily* in early July.

While the existing and proposed Eurasian land-bridges are intended exclusively as transportation linkages to carry passengers and cargo in bulk in a shortened period of time, the Schiller Institute, under the guidance of Helga Zepp-LaRouche and Lyndon LaRouche, presented, in the early 1990s, a fully-rounded Eurasian Land-Bridge concept that would create development corridors along the transportation networks to bring the vast Eurasian landmass to life. That study pointed out that such a developmental project would utilize high-speed railroads, clusters of nuclear power plants, and manufacturing corridors, to help bring long-term stability to a large highly volatile area, where more than 50% of the world’s population resides.

By contrast, the July 7 proposal made in Dhaka was modest, but it was aimed in the right direction. The panel pointed out that one of the three proposed routes of the Asian Highway Network (Mongla-Jessore-Hatiqumrul-Dhaka-Kachpur-Chittagong-Cox’s Bazar-Teknaf-Myanmar border) is designed to connect Myanmar, while others are connecting the interior towns of Bangladesh. Abdul Haq, president of the Japan-Bangladesh Chamber of Commerce and Industry, recommended that even in joining the multilateral road network, Dhaka should persuade Delhi to come to a comprehensive agreement on trade, investment, water resources, and even security, making it a precondition for allowing road connectivity.

“Since our capacity to negotiate has improved, I think, Bangladesh should properly bargain with this issue and ensure national interests. Nepal, Bhutan, Myanmar, and China should be made partners in the regional cooperation,” said Zafar Osman, president of the Dhaka Chamber of Commerce and Industry. He also stressed the importance of resolving political tensions that have hindered trade and economic interests of the peoples of regional countries, and focusing instead on economic issues. “We have to utilize the po-

tential services that we can offer to reduce the balance of payments deficit with India,” he added.

## Changing Bangladesh

In many ways, such a proposal, which seeks out greater participation of Bangladesh in world trade and development, is extraordinary. Described at its inception in 1971 by former U.S. Secretary of State Henry Kissinger, who also tried his best to ensure that Bangladesh did not separate from Pakistan, as a “basket case,” Bangladesh is now almost self-sufficient in food. It has successfully developed its food security, within the past 35-odd years, despite the fact that it has a population of about 154 million and the highest population density among the world’s nations, with about 1,060 people per square kilometer. By contrast, population density in the United States is 31 per square kilometer.

Moreover, since its inception, Bangladesh, a weak, impoverished nation, has been the target of the British-Saudi imperial nexus, whose main objective was to use Bangladesh as a “thorn” in the flesh of the Indian Subcontinent. The British geopolitical scheme was to use an “Islamic” Bangladesh to fuel tensions, exemplified by the frequent religious riots within India between Hindus and Muslims, as a means to bleed and break up India. Its partners-in-Muslim-affairs, Saudi Arabia and Kuwait, were ready to exploit Bangladesh’s poverty, to finance, through madrassah schools and importation of migrant workers under contracts, Bangladesh’s extreme orthodox Wahhabi form of Islam, virtually non-existent otherwise in this part of the Subcontinent.

While the British-based “jihadi” Bangladeshis, under protection and control of both the British MI5 and MI6, had set up arms-training centers inside Bangladesh, the Saudi money attracted other mischief-makers from Pakistan, Nepal, and elsewhere. As a result, Bangladesh became a highly unstable nation, increasingly falling under the influence of British- and Saudi-run terrorists, dressed up as jihadis.

Following the overwhelming electoral victory of the Awami League and its allies in late December 2008, this terrorist faction, with direct links to Britain and Saudi Arabia, tried to grab power in early January by trying to slaughter the Bangladeshi Army leadership and assassinate Prime Minister Sheikh Hasina Wazed. The plot failed, and in the months that followed, Sheikh Hasina’s government unearthed a number of arms-training centers, linked directly to U.K.-based Bangladeshis, and a number of terrorist groups, which are

funded by the Saudis, and were masquerading as “religious” outfits.

It is evident that Bangladesh has now become less unstable politically and socially, and Sheikh Hasina’s government is now capable of carrying out programs to stabilize and bring long-term prosperity to the country. The business community’s aspiration to become a part of the New Silk Road, linking Bangladesh with the rest of Asia, is indicative of such a positive outlook.

During the discussions in Dhaka, Japan-Bangladesh Chamber of Commerce president Haq called on Delhi to cooperate with Dhaka in developing Bangladesh’s trade and investment, because the country is already one of the largest markets for Indian goods. Another speaker pointed out that India must also bear the some of the costs of transportation infrastructure building. In conclusion, the executive director of the Centre for Policy Dialogue, Mustafizur Rahman, said that Bangladesh might benefit from trade with India, if constraints could be overcome through political negotiation. “Certainly there are pending issues, but there are ways to overcome them if the political leadership wants to take a decision taking into account maximum economic interests....”

## Necessity for India To Move Forward

There is no question that Rahman hit close to home. It is the lack of political leadership in New Delhi that has prevented India, which is now capable of turning the tide of instability in the Subcontinent, from asserting itself as a strategic power. On the other hand, the necessity of moving ahead with the Eurasian land-bridge has already been discussed in-depth in India; and yet, neither the previous government, nor the present one, has made any commitment to such a development project, which would integrate the area and improve India’s dilapidated physical infrastructure.

In fact, in 2007, the Research and Information Services (RIS), an autonomous research institution, established in New Delhi with the financial support of the government, issued a policy brief in preparation for the 14th South Asian Association of Regional Countries (SAARC) Summit. The policy brief was titled: “Towards a New Silk Road in Asia.”

In that paper, the RIS pointed out that in the old days, South Asia was a key hub on the ancient Silk Route connecting Central Asia, China, and the Far East. However, those transport links have since been disrupted. Pointing out that South Asia can regain its position as a hub among Central Asia, the Middle East, and East Asia, in



**Eurasian Land-Bridge Network Plan Showing Main Rail Lines**

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addition to facilitating intra-regional trade, the brief made a case for “restoring the Afghanistan-Pakistan-India-Bangladesh-Myanmar (APIBM) transport corridor that could become a new Silk Road facilitating the emergence of South Asia as a hub for pan-Asian trade besides bringing substantial revenue as transit fees and making the sub-continent more interdependent.”

In proposing the APIBM Transport Corridor, the RIS study said that “a regional overland road link from Kabul to Yangon via Dhaka can be revived for regional trade with minimal effort.” If the cross-border linkages are reopened, a distance of about 5,272 km from Kabul to Yangon via Lahore, Delhi, Kolkata, Dhaka, and India’s North East Region (NER), can be covered within about 12 days, the study said. Therefore, the RIS concluded that the APIBM Transport Corridor deserves a high priority. It went on to point out that “the importance of the APIBM corridor is not only for the trade. It would also facilitate investments in the infrastructure sector in Southern Asia. It will also bring many rich rewards for bordering regions by bringing investments in them.”

It can make Pakistan and Afghanistan serve as hubs for India’s trade with Iran, the Middle East, and Central Asia, although that would require an upgrading of infrastructure and Land Custom Stations (LCSs) at Afghanistan’s border with the Central Asian countries (Turkmenistan, Uzbekistan, and Tajikistan). Similarly, Bangladesh will become a hub for India’s trade with Myanmar and other Southeast Asian countries, besides serving as a transit for India’s NER. Myanmar itself will become a transit hub for India’s trade with other members of the Association of Southeast Asian Nations (ASEAN). Sri Lanka is already well placed to be a maritime hub in South Asia, with a good part of India’s trade transshipped through the port of Colombo, the RIS said in its policy brief.

According to the RIS study, once transit between India and Bangladesh is allowed, Bangladesh can earn revenue (over US\$ 1 billion per annum) as transit fees from Indian vehicles plying to and from NER, to the rest of India, cutting through Bangladesh in the process.

Similarly, transit agreements among India, Pakistan, and Afghanistan will fetch significant revenues for Pakistan for movement of vehicles between India and Afghanistan, over its territory.

In this regard, the RIS pointed out that South Asia should seek to emulate the success of the Greater Mekong Sub-Region (GMS) Cross-Border Transport Agreement (CBTA), which has been successful in im-

plementing single-window customs clearance at all border crossings in the GMS. (This system enables cross-border traders to submit regulatory documents at a single location.) Specifically, Mae Sai-Tachilek is one of the seven pilot points selected under the CBTA, which came into force in December 2003, to streamline regulations and reduce non-physical barriers by introducing the single-window customs clearance. By the end of 2006, 13 border points in the GMS were expected to become operational. A single-stop, single-window system has been put in place in the Dansavanh (Lao PDR)-Lao Bao (Vietnam) border crossing point since June 30, 2005. This is an important area for regional cooperation, to evolve an agreement providing the basis for adopting a single-window system at all the border crossings in South Asia.

While both the RIS policy brief and what the business councils in Dhaka pointed out will help integrate the area and benefit all the participating nations, such transport networks’ utility cannot be maximized unless the main carrier of bulk items are relatively high-speed cargo trains. All of South Asia, including India, is short of transportation fuel. All South Asian countries import oil, remaining vulnerable to fluctuations in oil prices. Developing a large transportation network based on imported oil will make these countries even more vulnerable.

Moreover, transportation of bulk material by road is the one of the most inefficient and expensive ways of carrying cargo. By contrast, railway transport, simply because of its economy of scale, comes out significantly cheaper and much faster over a long haul, than road transport. It is for that reason that China, another large nation dependent on imported oil, has developed its connection to Europe by railroad, and is now planning to set up the third transport corridor, also utilizing its railroads.

But most important of all, is the fact that while a consensus is forming within South Asia to develop such a network, neither New Delhi nor Islamabad has unveiled any plan to make it happen. What New Delhi must come to accept now, is that it will have to take the leadership in building this network. Businessmen in Dhaka and, earlier, the RIS policy brief, made that clear. South Asia has the manpower, and, among India, China, Russia, and Japan, there exists no dearth of technology to make the land-bridge a huge success. What is in short supply in New Delhi are leadership and vision. It is time that India’s Manmohan Singh government take the cue from its smaller neighbor.