

# EIR

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Israel's patriots versus Harvard's racists  
LaRouche sets tone for Democratic victory  
Cargill man nixes U.S. food reserves

**Beijing's Grand Design  
for Eurasian development**



## Beijing promotes Grand Design for Eurasian progress

by Jonathan Tennenbaum

On May 7-9, over 460 experts and leading officials from 34 countries gathered in Beijing, China, to participate in an historic International Symposium on Economic Development of the Regions along the New Euro-Asia Continental Bridge. The subject of the symposium was a grand strategy for developing the entire Eurasian landmass, by means of an integrated, transcontinental network of modern transport, energy, water, and communications infrastructure. Beijing's hosting of the conference reflected a major strategic policy thrust of the Chinese government, to promote economic development along the "New Silk Road" formed by the newly established Eurasian Continental Bridge rail lines connecting the Pacific coast of China with the Atlantic coast of Europe.

Among the prominent guest speakers at the conference was Helga Zepp LaRouche, founder of the Schiller Institute and wife of U.S. Democratic Presidential pre-candidate Lyndon LaRouche—himself the chief proponent, internationally, of the kinds of infrastructure-centered development policies, that were highlighted at the Beijing meeting. Following the symposium, Mrs. Zepp LaRouche was hosted as international leader of the Schiller Institute, at a series of seminars, lectures, and private meetings, including a memorable tour of one of China's most important high-technology projects.

We feature here exclusive coverage of the Euro-Asian Continental Bridge symposium, with texts, maps, and selected excerpts from several of the most notable papers. There is also an article by Mrs. Zepp LaRouche, reporting her personal impressions of the great changes which have occurred in China since she last visited that country, as a young journalist, 25 years ago.

### Two policy alternatives

This is material of strategic importance—an importance which is underlined, perversely, by the fact that the major Western press has not published a single word about the Beijing symposium! Studying the materials in this package, the reader may well understand why. As the London-centered financial system reels and



*The genie is out of the bottle: The convergence between Lyndon LaRouche's policies, and the Beijing government's drive for a "New Silk Road" development program, caused great consternation among British representatives at the Beijing symposium on the New Euro-Asia Continental Bridge.*

lurches at the brink of total disintegration, the fateful choice between only two, alternative policy courses, confronts the world's nations with ever greater urgency: *Either* there will emerge a cooperation among leading powers, to carry out a bankruptcy reorganization of the world monetary and financial system, and rebuild the world economy on the basis of large-scale infrastructure projects; *or* the collapse of the financial system, under conditions of Nazi-like austerity, will plunge humanity into a genocidal "Dark Age," during which the human population would be reduced from its present nearly 6 billion, to 100 million or less.

As Lyndon LaRouche has emphasized, the chance for preventing such a holocaust, rests mainly with the United States, Russia, and China. These three are the only world powers that have an intrinsic common interest, *as well as the ability*, acting in concert, to impose a financial reorganization against the opposition of a still-powerful British Empire.

Helga Zepp LaRouche placed this issue squarely on the table, in her presentation to a spellbound audience at the Beijing symposium. She emphasized Lyndon LaRouche's strategic plan for financial reorganization and establishment of "Hamiltonian national banking" methods, as well as his global economic reconstruction program, which from 1988 on has been centered on the "Productive Triangle" conception: To develop Eurasia by means of an array of "dense infrastructure corridors," combining high-speed rail and magnetic levitation, nuclear power and other modern energy systems, waterways, water management systems, and advanced communications networks, together with health and educa-

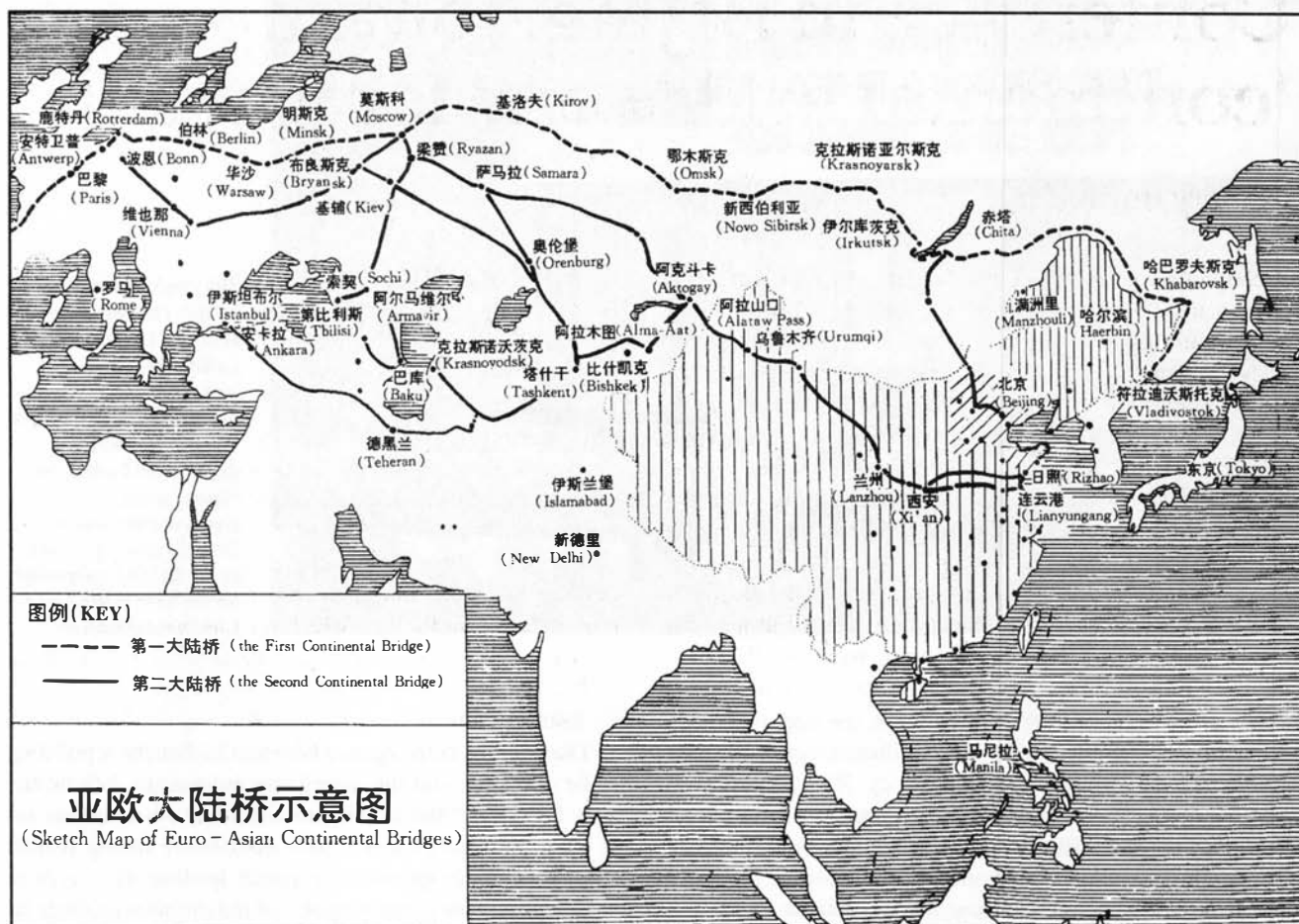
tion infrastructure.

The obvious convergence between LaRouche's policies, on the one side, and the significant momentum behind the "New Silk Road" thrust in China and some other nations, on the other, evidently caused great discomfort among British representatives. In speech after speech, leading officials from China's provinces proudly spoke of the impressive range of infrastructure construction projects, already completed or in progress in the regions along the new Eurasian Continental Bridge. Indeed, large parts of China nowadays present the astonished visitor with the image of a single, gigantic construction site, where railroads, roads, factories, and apartment complexes are springing up overnight. This, of course, is a nightmare for all those British-style racists, who—like the perpetrators of the Club of Rome's "Limits to Growth" hoax—hoped that the specter of industrialization of the "Third World" had been buried once and for all. Indeed, looking at China's "New Silk Road" strategy together with what Helga Zepp LaRouche placed on the table in Beijing, London must be terrified that "the genie is out of the bottle." Hence the thundering silence of the British-influenced international media establishment, on the subject of the recent conference.

The Euro-Asian Bridge symposium revealed some of the strengths, but also some of the important weaknesses, of China's strategic policy.

On the one side, especially since 1993, China has refused to give in to demands for the kinds of radical deregulation and privatization policies, by means of which the friends of Margaret Thatcher and Henry Kissinger have "successfully"

## The chief Eurasian Continental Bridge rail lines



Courtesy of Gao Zhengang, Editor, "A Study on the Strategic Significance of the New Euro-Asia Continental Bridge," Jinan, 1996.

destroyed the former Soviet Union and most of the developing nations. The stubborn insistence of China's leadership on maintaining China's economic sovereignty, is the most obvious cause for Sir Leon Brittan's public fit of infantile rage, during the Beijing symposium. Chinese leaders have repeatedly emphasized: With its 1.2 billion population, and an unbroken historical and cultural tradition going back over 4,000 years, China is not going to take orders from anybody.

It is relevant to note, that Lyndon LaRouche's analysis of the collapse function of the world financial system, has been the subject of numerous articles in leading Chinese economic journals. LaRouche's work is being closely studied.

On the other hand, one must ask, how is it possible, that such puffed-up bullies as Sir Leon Brittan—or London's favorite asset, Sir Henry Kissinger—could continue to be received in Beijing as "great friends of China"? Why does Beijing go out of its way to maintain overtly friendly relations with the International Monetary Fund and World Bank, whose policies are largely responsible for destroying the nations of

Africa, Ibero-America, the former Soviet Union, and so on? While Beijing insists on maintaining the economic sovereignty of China, it abstains from attacking the supranational institution and policies that are destroying the sovereignty of most other nations. And yet, what could be more dangerous to China's national security, than a potential civil war in Russia, made possible by the continued toleration of the IMF's so-called reform policies? These paradoxes bear on the axiomatics of foreign policy: the axiomatics of Chinese leaders' perception of the workings of the world outside China.

The Chinese government's promotion of the "New Silk Road" strategy for Eurasian development is more than laudable. It is a crucial contribution to the potential for mankind to survive the present crisis. However, the "New Silk Road" will not work, unless the deeper axiomatic issues are resolved—issues which bear upon the prospects for the United States, Russia, China, and other countries, which wish true development as sovereign nations, to establish a common basis for action in the immediate period ahead.



# Conference in Beijing: toward a new 'continental bridge era' for Eurasia

by Mary Burdman

A committed group of national leaders of China, Iran, and other nations along the Eurasian Continental Bridge, from Asia to Europe, presented their vision of a new, "continental bridge era" in human history and development, at the International Symposium on Economic Development of the Regions along the New Euro-Asia Continental Bridge, held in Beijing May 7-9. The meeting was organized by the State Science and Technology Commission, the State Planning Commission, and Ministry of Foreign Trade and Economic Cooperation of the People's Republic of China. It was the result of two years' effort by its organizers, to promote development of the "Silk Road" railroad connecting Asia and Europe. The United Nations Development Program, World Bank, European Commission, and Asian Development Bank, were among the co-organizers.

The symposium agenda was "the linkage between East and West," epitomized by the September 1990 "historic connection of the railway between China and the former Soviet Union." Yet, there was a "clash of cultures" at the conference, between the policy of economic development and peace, on the one side, and, on the other, the British Empire's geopolitical machinations to prevent the creation of a flourishing Eurasian continental bridge—a British policy that has launched two world wars in this century.

This was not the "clash of civilizations" of Arnold Toynbee, Bernard Lewis, and Samuel Huntington—that British imperial fabrication which is an attempt to "divide and conquer" the very nations committed to building the Eurasian continental bridge. The clash of cultures in Beijing, was that between the policies of the nation-builders and the imperial deconstructionists.

The national leaders addressing the conference presented a vision they have worked hard to realize since 1985, when the railroad into northern Xinjiang, which made the connection to Central Asia and Europe possible, was built. The concept of a "continental bridge," put forward by the Chinese organizers of the symposium, is to actually create new, man-designed, economic regions, enabling mankind to bring human society and civilization to the 80% of the Earth's surface now too desolate for such development. Using the most advanced technologies, including the maglev train and nuclear energy, all regions of Europe and Asia, Africa, and the Americas, can be brought into the "continental bridge era."

One book distributed to the participants, on the history of the Euro-Asian continental bridge, even refers to "the 'cantata' of the continental bridge" (see box).

There were some 60 papers presented at the symposium, many with high-level technical content, by government officials, representatives of railroad and energy ministries and international organizations, shipping companies, and other institutions, providing detailed information on the current and potential infrastructure development of the continental bridge. One session was dedicated to projects for reclaiming desert areas, water management, and other measures to improve the terrain through which the railroad passes—which borders some of the greatest deserts and highest mountains on Earth.

During the conference, Prime Minister Li Peng announced to a selected group of delegates, that the new railway linking Asia and Europe, is the "new Silk Road for the twenty-first century," and that the Chinese government had a "cooperative attitude" to development and cooperation among the nations along the railroad.

Iranian Deputy Minister of Foreign Affairs A. Broujerdi, in his speech, proudly announced that his nation was about to celebrate the opening of the "Iron-Silk Route" railroad (Mashhad-Sarakhs-Tajan), built over the mountains between Iran and Turkmenistan. Many Chinese national and provincial officials spoke at the conference, emphasizing the economic achievements of their areas, and how the continental bridge will foster greater development.

## **Demands of 'the Empah'**

However, the imperialists also made their presence felt. Vice-President of the European Commission Sir Leon Brittan, a co-chairman of the symposium, delivered a rude diatribe, announcing that China and all other nations along the continental bridge must comply with the demands of "the market"—i.e., the current world financial system tottering on the brink of collapse—and "international obligations"—the demands of various supranational institutions such as the European Commission, United Nations, and World Bank. If not, he warned, "the market" will see to it, that the project will fail. To add insult, he then, at the opening ceremony of a conference on Eurasian railroad development, demanded that China toe the imperial line on the World Trade Organization

and the free market—issues *not* on the agenda. Another British delegate was Nicholas MacLean, of the Union of Industrial and Employers Confederations of Europe and the British Royal Society for Asian Affairs. In the old “Great Game” tradition of British manipulation, MacLean told how he had “travelled the silk route,” and gave a speech calling for the Eurasian nations to turn to roads, air routes—i.e., everything except railroads—and emphasizing the importance of “prices” in determining use of the Silk Road.

There were other anomalies at the symposium. One was the lack, outside of presentations by the delegates of the Schiller Institute, of discussion of the imminent collapse of the current world financial system—although there is certainly a group, among China’s highest-level officials and economists, aware of the dangers represented by the “financial AIDS” of the current system, including the disaster in Mexico and the Barings Bank debacle.

A second anomaly was the lack of representation of Russia, a nation obviously indispensable to the development of Eurasia. There is no question of the importance both Russia and China accord to their mutual relations, especially after the state visit of President Yeltsin to China April 23-26. This visit, Russian officials announced, consolidated Russian-Chinese relations “within the framework of constructive partnership.” During President Yeltsin’s visit, the leaders of five countries—Russia, China, Kazakhstan, Kyrgyzstan, and Tajikistan—met in Shanghai, to sign the historic, first-ever agreement on military confidence in the border areas in Asia.

That there were no speakers from Russia at the Beijing symposium, although the invitation had listed a deputy prime minister of Russia as among the four honorary chairmen, can only be attributed to the current intense and very uncertain political situation within Russia.

### The ‘continental bridge era’

Building continental bridges, will take humankind into a new era of development, independent of seacoasts, rivers, or other natural transport modes. “The continental bridge transportation that is referred to now, is none other than the international through-transport which takes the railway as its chief means, and containers as its medium, combines various modes of transportation, such as ocean shipping, aviation, highway, river transport, and pipelines, runs across a continent, and links up the sea with the land ‘pervading the whole way,’ ” states the *Study on Strategic Significance of the New Euro-Asian Continental Bridge*. The authors, a group of prominent Chinese officials and economists, endorse the use of modern transport, particularly the magnetic levitation (maglev) train, with the potential to run at 500 km an hour.

In his keynote speech May 7, Minister Song Jian, State Councillor of China and chairman of the State Science and Technology Commission, emphasized the 2,000-year-long history of the Silk Road connecting Europe, Africa, and Asia.

With the rapid development of modern science and technology, “the construction and opening of the New Eurasian Continental Bridge will once more brighten the Silk Road, which had once made great contribution to the spreading of ancient civilization and traditional friendship,” he said. Since, as the Chinese proverb holds, “Everything is difficult at its beginning,” cooperation is necessary—but, he stressed, there must be adherence to certain principles, especially respect for national sovereignty, and achieving common economic development as the way to resolve international problems. With a “strategic view focusing on the future,” and “economic development as the first priority,” the continental bridge nations should seek “common ground, while reserving differences, and common development as priority when handling the issues between countries,” Minister Song said. “A thousand-mile journey starts from the first step,” which is the purpose of this symposium, he said. At the beginning of the twenty-first century, “we should revitalize the Silk Road which stands for the essence of opening-up, civilization, evolution, and friendship.”

In his speech to the conference plenum, Rui Xingwen, chairman of the China Development and Promotion Commission of the New Euro-Asia Continental Bridge, stated: “Obviously, continental bridge transportation is just unfolding, and its rise will initiate a great revolution in the history of the world’s communications and push forward the world’s communications and transportation into a new stage. . . . It is imaginable that the future human society will neither be hindered by oceans, nor be frustrated by severe cold, altitude, or desolation any more. . . . People can take advanced civilization and prosperity to the vast, backward land-locked regions . . . to form new environments for the existence and development of human society.”

### Zepp LaRouche: man’s universal quality

To these ideas, Schiller Institute founder Helga Zepp LaRouche brought the principle, that the unique potential of human creative reason can take mankind to the level on which any conflict can be resolved. Mrs. Zepp LaRouche led her institute’s delegation of Dr. Jonathan Tennenbaum and this author, to the conference. Mrs. Zepp LaRouche and Dr. Tennenbaum, were invited speakers at two of the three, day-long workshop sessions held by the conference on May 8. The still-much-too-influential “balance of power” politics and “clash of civilizations” propaganda, is nothing other than an intelligence operation, Mrs. Zepp LaRouche said. “There is no such contradiction among world cultures, that cannot be overcome. To the contrary, it is the characteristic of man, which differentiates him from all other living beings, that he possesses the unique quality of creative reason. This is the universal quality which unites all men, and allows man to find the ever-higher levels, on which conflicts can be solved. In China, this philosophy has been well known since the contribution of the great

universal thinker Confucius.”

She described how her husband, American economist Lyndon LaRouche, “based on this thinking . . . proposed an economic program, the foundation-stone of which is that only the global reconstruction of the world economy can create a way out of the present crisis. . . . The strategic reality affecting every region, is the fact that the presently hegemonic financial system is in the end-phase, before its collapse.” She outlined how a new world economic system could be organized by sovereign national governments. “We have to decide,” she concluded, “how we ourselves want to be regarded by future generations.” Do we leave them greed and chaos, or do we face humanity’s crisis of existence, with all that is great and noble, “to win out of it the inspiration for a new renaissance?”

In his presentation on economic planning, Dr. Tennenbaum said, that it is essential to discard calculations based on

GNP, which gives a monstrously distorted picture of economic reality. Instead, he said, we must use the criteria provided by the science of physical economy. Economic planning must be based on “density functions.” The most advanced technologies must be used to build basic economic infrastructure in the most concentrated way, in the “corridors” along the continental bridges. The gigantic scale of infrastructure investments required today, he said, can only be achieved through the use of “Hamiltonian” modes of productive credit-generation by sovereign nation-states.

## The Iron-Silk Road

Another remarkable intervention, was the speech by Iranian Deputy Minister of Foreign Affairs A. Broujerdi, announcing the May 14 opening of the Mashhad-Sarakhs-Tajan railway, which he described as “this grand project of the century.”

## ‘The Cantata of the Continental Bridge’

*The following excerpt from the book A Study on the Strategic Significance of The New Euro-Asian Continental Bridge, edited by Gao Zehngang, deputy mayor of the port city of Rizhao in Shandong province, indicates the level on which Chinese officials are thinking, to develop their nation. Mayor Gao not only refers to the relations between city and hinterland development as a “cantata,” but also says, that to develop his city into a world-class port on the scale of the great port cities of Europe, it is required to free the population from peasant-like thinking, epitomized in the Chinese expression, “Do not let the wholesome water flow into others’ fields.”*

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*To do a good job in effecting “the ‘cantata’ of the Continental Bridge,” featured by the strengthening of the economic cooperation between the bridgehead and the Continental Bridge zone*

The relationship between the bridgehead and the Continental Bridge economic zone is one of mutual promotion and common development and prosperity, as the bridgehead serves as the “dragon head,” “display window,” and “pivot,” while the economic zone serves as the “backyard,” “basis,” and “backing force.” That is why the “Continental Bridge cantata” should be made a good job featured by the further strengthening of the economic cooperation of the bridgehead with the Continental Bridge zone. . . .

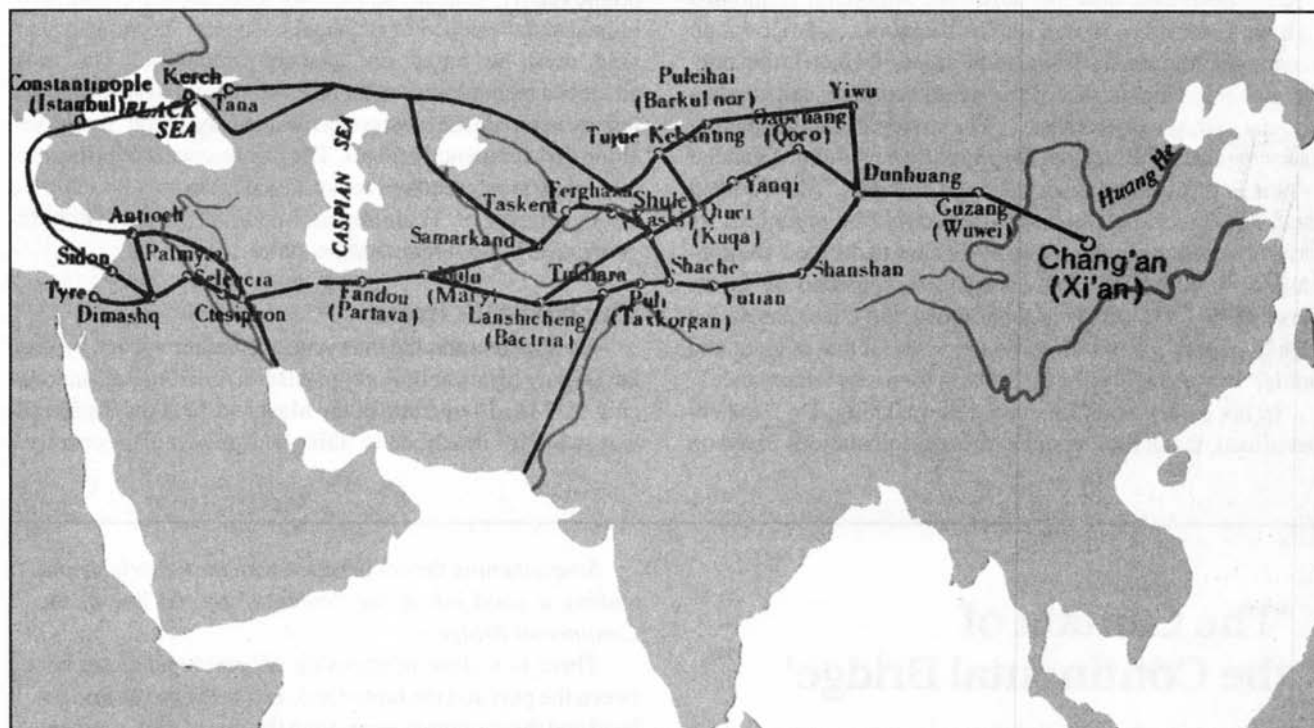
*Strengthening the cooperation with the hinterland and making a good job of the “cantata” by the line of the Continental Bridge*

There is a close relationship of interdependence between the port and the hinterland, and between the bridgehead and the economic zone along the line of the Continental Bridge. The bridgehead serves as a “door,” while the economic zone, as a “backyard,” or “base.” Therefore, the authorities of Rizhao City have set up the principle of “setting feet in the city, serving the hinterland, developing in cooperation and sharing the development and prosperity,” and have taken the creation of a fine environment of service as a measure of great strategic significance. For this reason, the following points are stressed:

*To strengthen the consciousness of service by emancipating the mind*

Efforts have to be made to lead the whole city in breaking away from the conservative, localistic idea featured by “do not let the wholesome water flow into others’ fields,” and in adopting a concept of viewing the situation as a whole featured by the idea of “the bridgehead and its hinterland share the same boat,” so that every citizen can fully realize that the city will not be able to fulfill its supposed role as the bridgehead and a port city, if they view the matter only from the angle of the city itself, and that only by cooperating with the hinterland, will it be possible to compete in both the domestic and world markets and turn, at the earliest date, the great potential held by the city as the eastern bridgehead of the the New Continental Bridge into actual productivity. And thus, the continuous emancipation of the mind, and strengthening of the consciousness of serving, will lay an ideological basis for further expanding the hinterland and enhancing regional cooperation. . . .

## Main land routes of the silk trade, circa 1100 A.D.



Source: *The Silk Road on Land and Sea*, China Pictorial Publishing Co.

The “Iron-Silk Route,” Minister Broujerdi emphasized, was the result of the collaborative work of nations, not international agencies. It “was finished by our experts and with the help of the brotherly country of Turkmenistan, without any international assistance,” he said. “We have now constructed the missing link in Euro-Asian railway network.” He took the opportunity, “to express our appreciation for the cooperation of the government of China in constructing segments of the railway network, to make possible the first running of a train from Lianyungang port to Tashkent in November 1995. The nations of the region and the world will now see the fruits of collective and regional effort for greater economic prosperity and well-being.”

Plenum speakers included Ling Syargei, deputy prime minister of the Republic of Belarus, who emphasized “achievements in establishing a market economy,” and integration of Belarus with the “European transport corridor,” from Germany and Poland, to Belarus. Mr. Yongjian, United Nations Under Secretary-General for Development Support and Management Services, stated that, for the nations of Europe, Central Asia, and other countries belonging to the Community of Independent States (CIS), and East Asia, “the basic need is the construction of the New Euro-Asian Continental Bridge.” He noted that “the United Nations can act as a facilitator and communicator, but it cannot substitute for the com-

mitment of individual states and their international partners.”

During the conference, official representatives of Mongolia, Kazakhstan, and the Democratic People’s Republic of Korea, announced their ongoing, or planned, cooperation with the continental bridge. Kazakhstan and China, among many other agreements, have agreed to joint use of the Chinese Pacific port of Lianyungang, a great benefit to landlocked Kazakhstan. Razdak Sandalkhan, minister of infrastructure development of Mongolia, said his nation is “interested in . . . connecting to the New Euro-Asian Continental Bridge. Jong U Kim, chairman of North Korea’s Committee for Promotion of External Economic Cooperation, said that, “by beginning, we are already halfway there.” North Korea, he said, “will actively cooperate with the Eurasian Bridge plan.”

The impact of the Schiller Institute presence was made clear on the last day of the conference. In the final general meeting, reports were given on the three programs of the day before. The rapporteur on the “Trade and Economic Cooperation” workshop told the assembled 400 delegates: “We had many helpful suggestions on the conference. . . . One was that there should be more contributions by women. It was the sense of the leaders of our workshop, that the best contributions were by women. These included by the president of the Schiller Institute, and the director of the Development Research Center of the State Council.”



## Sir Leon's diatribe

The speech of Sir Leon Brittan, the representative of the European Commission, to the conference plenum, was outrageous. Sir Leon has had previous conflicts with the Chinese government. In March 1994, during a visit to Beijing in his role as then-EC Trade Commissioner, he demanded that China comply with the British Empire's free-trade (looting) policies in order to join the future World Trade Organization (WTO), something China has refused to do. Sir Leon was then subjected to a frosty public reprimand by Mme. Wu Yi, China's minister of foreign trade, when she noted at a joint press conference, that Sir Leon was acting as a "native of the United Kingdom," when he threatened that the *entire* European Community would retaliate for any attempts by China to "discriminate" against trade with Britain. At issue were British machinations against Beijing in its Crown Colony of Hongkong. Sir Leon was incensed; the press conference was shut down.

At the continental bridge symposium, Sir Leon retorted to Minister Song Jiang's principles of national sovereignty and common development, with the demand that the international private sector be in charge. "It is clearly important to ensure that infrastructure planning is *soundly market-based*. . . . The critical mass of funding *cannot* be based on government contributions. . . .

"To put it bluntly, demand to use a land-bridge between Europe and Asia will only be high if certain political conditions are met: . . . there must be stability and a prospect of continued peace, there must be sound *independent* economic structures that allow transporters and economic operators to get on with their business free of the fear of *arbitrary* or *discriminatory* government attention. *Only if these conditions are met* will foreseeable demand for use of a bridge grow to a level where the necessary capital can be attracted," he threatened. He then proceeded, yet again, to raise the issue of the WTO, claiming that "Chinese negotiations for the WTO are not, I fear, a subject for optimism today. . . . WTO is a rules-based organization, and we cannot engineer China membership on false terms." Sir Leon, the guest of the Chinese government, went on menacingly: "If China were a WTO member, then the prospects for continued economic liberalization and development would be surer and a land-bridge would be more attractive as a result" (emphasis added).

Sir Leon's behavior angered conference participants from Europe and Asia. The European Commission, and Sir Leon directly, had acted, more than once, to delay the symposium, which was rescheduled several times since late 1994. His motivation could be accounted for by the desire of his imperialist circles to hold first the Asia-Europe Meeting, designed by the EC, at least, on the theme of Europe and Asia *without* Eurasian development (see *EIR*, March 22, p. 52). Sir Leon began his speech by noting that the Beijing conference "has come to fruition at exactly the right time, just eight weeks after the historic Asia-Europe summit meeting" in Bangkok

in March.

However, it should be noted, that Asian nations, especially the Republic of Korea, put building the Eurasian railroad on the agenda in Bangkok.

It is possible, that Sir Leon's offensive behavior caused reactions among China's government leaders as well. The Beijing symposium, the invitation announced, had been scheduled to take place in the Great Hall of the People, "the most important center of political, economic, cultural, and diplomatic activities in P.R. China." While there is no question of the view of the Chinese government, as to the strategic importance of the continental bridge, it is possible that the symposium was moved to the Beijing International Conven-

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*The conference was the scene of a "clash of cultures" between the policy of economic development and peace, on the one side, and, on the other, the British Empire's geopolitical machinations to prevent the creation of a flourishing Eurasian continental bridge—a British policy that has launched two world wars in this century.*

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tion Center, in reaction to the unacceptable rudeness of the European Commission's representative.

But the British imperialists got their comeuppance. Not only were Helga Zepp LaRouche and Jonathan Tennenbaum able to place Lyndon LaRouche's name and policies before the conference, but delegate Mary Burdman also spoke from the floor in one workshop, on the political battle in the West—especially the United States—between the nation-builders, and the free-trade looters. She said that, while she is always impressed, on coming to China, with the commitment of its people and leaders to national economic development, nevertheless the people of China and Asia, in order to understand the current world situation, must also understand that there are two, opposing traditions in the West. One, is the American System tradition that built the United States, Germany, Japan, Russia, into industrial powers, and was the inspiration for Dr. Sun Yat-sen. Lyndon LaRouche is now the leader of this tradition. Opposing this is the oligarchical, free-trade policy, centered in the City of London, which has, among other things, utterly destroyed the economy of Russia. Britain's MacLean, who was in the workshop audience, turned red, at these words, and was barely able to maintain his aplomb.

# Secure peace through common development

by Song Jian

*The following is the speech at the opening ceremony at the International Symposium on Economic Development of the Regions along the New Euro-Asia Continental Bridge (May 7-9) in Beijing, by Mr. Song Jian, State Councillor of the People's Republic of China, chairman of the State Science and Technology Commission, and chairman of the State Environmental Protection Commission.*

Mr. Co-Chairmen, distinguished delegates, ladies and gentlemen, I am honored, as the chairman of this symposium, to announce the opening of the International Symposium on Regional Economic Development along the New Eurasian Continental Bridge. I would like to take this opportunity to sincerely thank Your Excellency Mr. Leon Brittan, Mr. Jing Yongjian, Mr. Ling Syargei, and Mr. James Gustave Speth for your support and co-chairing of this conference. At the same time, I would like to extend my warm welcome and sincere greetings to all participants attending the symposium.

We have a long history of economic and trade cooperation as well as cultural exchanges between Europe and Asia. Dating back to over 2,000 years ago, during the Hanwu Emperor's reign in the Han dynasty, when the only land transportation corridor, namely, the Silk Road, was opened, which connected Europe, Africa, and Asia, groups of commercial "camel forces" crossed mountains and traveled in areas amidst China, Central Asia, West Asia, South Asia, Europe, and North Africa, and spread the seeds of civilization and friendship among the countries along the road. With the revolution of the traditional international transportation pattern, resulting from the rapid development of modern science and technology and international trade, which expedited the express, highly efficient, and reliable multicontinental system of integrated transportation taking shape, and hence, pushed the civilization of mankind into a new stage, the world is becoming small and the distance between east and west is becoming shorter and shorter.

The brand-new era for the people in every country has come, in terms of cultural exchanges, trade, and economic and technical cooperation between one another. On Sept. 12, 1990, the historic connection of the railway between China and the former Soviet Union was accomplished at Alatau Pass, which marked the completion of the new comprehensive transportation line connecting the Pacific and the Atlantic, and crossing Europe and Asia. The construction and opening of the new Eurasian continental bridge will once more

brighten the silk road, which had once made great contributions to the spread of the ancient civilization and traditional friendship, and will offer new opportunities and provide a strong base for the expansion of economic cooperation, trade relations, and technical exchanges among the countries along the bridge.

Today, we gather in Beijing to discuss the regional economic development along the new Eurasian continental bridge, to seek new channels and forms of cooperation on economy, trade, and technology between Europe and Asia, to shoulder the task created by our predecessors, and to make our contribution to the mutual prosperity of Europe and Asia.

## Some principles

Now, the regional economic development along the new Eurasian continental bridge is faced with good opportunities. The Euro-Asia summit meeting held this March in Bangkok reflects the common wishes and requirements of Eurasian countries to establish a new type of partnership in facing up to the twenty-first century, as well as to strengthen dialogue, deepen economic relations, and expand cooperation in order to adapt to the historical trend. However, the development along the new Eurasian continental bridge is still at a primary stage, and there are some problems and issues caused by economic and non-economic factors yet to be solved. As mentioned by a Chinese proverb, "Everything is difficult at its beginning," we need cooperation of all countries and regions along the bridge and the international communities to address these issues and to solve these problems. In this respect, we advocate some principles as follows:

- Identify economic development as the first priority and respect national differences. Different countries along the bridge possess different features of geography, cultural tradition, religious belief, and customs, and have different political and economic systems at different levels of development. We advocate sticking to the principles of seeking common ground, while reserving differences and common development as a priority when handling the issues between countries, so that the dynamics and prospective future of the regional economic development along the new Eurasian continental bridge can be secured.
- Adhere to the principle of reciprocal benefit, complementarities, and common development. The countries along the new Eurasian continental bridge have their own advantages with complementary characteristics in the formation and development of the land bridge economy. Europe possesses developed economy, advanced technology, and sufficient capital, while Asia has seen fast and dynamic development of its economy in the recent couple of years, marked with large markets as well as high investment returns. Therefore, it is possible for the countries and regions along the bridge to carry out bilateral or multilateral economic and trade cooperation to achieve mutual benefits.
- Adhere to the development strategy of facing up to the future and development in sequence. The new Eurasian

continental bridge goes across the midwest part of China, Central Asia, and West Asia, and at the current stage it is necessary to strengthen the coordination on the operation and management of the land transportation channel already connected. I hope that the countries along the bridge take a strategic view focusing on the future and take a down-to-earth attitude for partial implementation.

### Comprehensive planning

The Chinese government attaches great importance to the good opportunities resulting from the development of the new Eurasian continental bridge, and is willing to expand Eurasian economic cooperation, and secure the peace, stability, and prosperity of Europe-Asia and the world as a whole. The Chinese government has mapped out a series of measures and taken actions to push the development, opening-up, and construction of the China section along the new Eurasian continental bridge in recent years. With respect to the soft environment, China has projected the guidelines for the development pattern of the cities and towns along the bridge; completed the remote-sensing research on the 4,131 kilometer-long and 200 kilometer-wide area in China along the bridge, and conducted initial analyses on natural resources and environment; placed the sustainable development of the area of China along the bridge on the priority list of the China Agenda 21; in 1996, the Chinese government incorporated the construction of the Eurasian Continental Bridge Economic Zone into the Ninth Five-Year Plan and the Outline of the 2010 Long-Term Development Target, in order to make planning comprehensive and to quicken the development pace.

With respect to the hardware construction, China has successively completed the construction of some double-tracking railways, the expansion and rehabilitation of relevant harbors, and the construction of Euro-Asia optical cable communications engineering in the China part, and other major infrastructure projects. The high-level highway from Lianyungang to Hurgos/Xijiang is under construction. The gradual perfection of such major infrastructure will play its positive role in the course of the regional economic development along the new Eurasian continental bridge.

### Aim to reach agreement

"A thousand-mile journey starts from the first step." This conference is a good beginning. I would like to suggest that discussion concerning the following issues will be conducted at this conference so as to reach consensus and make decisions, and thus enable the conference to be fruitful and productive.

- Firstly, to conduct study on the measures to quicken the construction of infrastructure facilities in which railways are emphasized. The precondition for the formation and development of the New Eurasian Continental Bridge Economic Zone is the smooth operation of the railway, while the target is to secure the safety, punctuality, and swiftness of the transportation lines, and this can be reached through the fast

construction of railway infrastructure and the strengthening of the coordination concerning the mechanism, management, and services of the multinational railways. Furthermore, the multinational network incorporating telecommunications, highways, civil aviation, pipelines, and ports in accordance with railroad transportation, should be set up accordingly, thus to make full use of the efficiency and effectiveness of the transportation.

- Secondly, to strengthen policymaking and coordination on the improvement of the investment and trade environ-

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*At the threshold of the twenty-first century, we should revitalize the Silk Road, whose essence stands for opening-up, civilization, evolution, and friendship.*

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ment. The new Eurasian continental bridge should not be regarded merely as a transportation line, but also an important tie linking the commodities flow, technical exchanges, cultural communication, and the friendship between the people of Euro-Asia. It is necessary to carry out the pre-feasibility studies on the managerial system of transportation, the customs, and trade, as well as investment risks and intellectual property, so as to facilitate the bilateral or multilateral cooperation and coordination.

- Thirdly, to carry out activities of poverty alleviation, focusing on improving the environment and tapping manpower resources. The central part of the new Eurasian continental bridge is endowed with rich resources and has large potentials for development. But the eco-environment is fragile and some people are still very poor. The construction and development of the continental bridge provides the new opportunities of employment for these people which are conducive to poverty eradication. Farsighted politicians and entrepreneurs will also be paid off from this cause.

Ladies and gentlemen, I believe, in the near future, with the further development of the regional economy along the new Eurasian continental bridge, and through the concerted efforts made by the peoples of each country and the international communities, a dynamic economic corridor along the new Eurasian continental bridge, supported by the large- and medium-sized cities alongside it, will take shape. The corridor will be outstandingly characterized by the integration of the east and the west, two-way development, mutual promotion, and common development. At the threshold of the forthcoming twenty-first century, we should revitalize the Silk Road, whose essence stands for opening-up, civilization, evolution, and friendship.

I wish the conference great success, and sincerely hope that every delegate will enjoy your stay in Beijing.

# China must play by 'free trade' rules

by Sir Leon Brittan

*The following remarks by the Rt. Hon. Sir Leon Brittan, vice president of the European Commission, were delivered in Beijing, on May 7 under the title, "Economic Development along the Euro-Asia Continental Bridge."*

The European Commission is pleased to be able to support this important symposium, and I am grateful to our chairman, Mr. Song Jian, for inviting me to take part. The task of creating an adequate infrastructure for cooperation between Asia and Europe is indeed immense. At the end of the century of space travel and space age telecommunications, it is perhaps ironic that we are struggling to recreate something of the land-based connection that existed 500 years ago. But if we can recreate them, with the full benefits of modern technology, the stimulus to growth and well-being in China and in the European Union will more than justify our efforts.

## Asia-Europe cooperation

This symposium has been carefully planned over a long period. But like all the best projects, it has come to fruition at exactly the right time, just eight weeks after the historic Asia Europe Meeting [ASEM] that was held in Bangkok in March. Heads of state and government from China, the European Commission, the European Union member states, and a large number of other East Asian countries met to give their personal commitment to the strengthening of ties between our two regions.

The dialogue in Bangkok was concrete and constructive. We have agreed a forward program: There will be not only further meetings at the highest level, but a wide range of follow-up actions to be implemented in the interim by ministers and senior officials. Unlike APEC [Asia Pacific Economic Cooperation forum], which concentrates on economic issues, ASEM deliberately covered both economic and political issues, and follow-up will be the responsibility both of economic and of foreign ministers.

What is the relevance of the Bangkok platform to the objectives of this conference? I am not suggesting that every country along the continental bridge must participate in ASEM, if ASEM is to be useful. But the fact that countries at both ends of the bridge are turning their attention at the highest level to closer cooperation suggests that there is a real need

for the connections which this symposium is setting out to build. It is therefore not by accident that the Bangkok meeting referred in positive terms to both the concept of multicountry economic development strategies within the Asia region, for example, in the Mekong region, and the need to study the prospects for land connections between the two ends of our continent.

The political will is there. But what needs to be done? This symposium is rightly focusing on three issues: how to build the necessary infrastructure, how to provide a framework for cooperation and to ensure sustainable development among all the partners along the continental bridge.

## Infrastructure

Turning first to infrastructure, it is clearly important to ensure that infrastructure planning is soundly market-based. We in government must ensure that businessmen are brought into our planning process from the start, so that the infrastructure we build is the right infrastructure. This need not rule out pump-priming contributions from central government, but the critical mass of funding cannot be based on government contributions. As we are discovering in Europe, where we are trying on a smaller scale to build Trans-European Networks, we cannot escape the market, but must rather work with it.

This emphatically does not mean that big projects are impossible. Already in Asia, as in Europe, Build-Operate-Transfer contracts are a familiar tool. They are particularly suited to transport links, where user fees can generate the necessary revenue during the initial operating period to attract private funding for even dauntingly large projects of the sort that this symposium must address. The problem will not be the techniques, but the prospects for a healthy rate of usage.

## A framework for cooperation

And that brings me to the second point—the need for a sound legal framework for inter-regional cooperation. To put it bluntly, demand to use a land-bridge between Europe and Asia will only be high if certain political conditions are met: There must be peace along the land-bridge, there must be stability and a prospect of continued peace, there must be sound independent economic structures that allow transporters and economic operators to get on with their business free of the fear of arbitrary or discriminatory government attention. Only if these conditions are met will foreseeable demand for use of a bridge grow to a level where the necessary capital can be attracted.

On this score, the picture so far is mixed. I would pay tribute to the great strides made by the government of China, by the countries of eastern Europe, and by many of the independent states which grew out of the former Soviet Union. Their governments are tackling with courage and determination a Herculean task of economic reform and regeneration. This is necessarily a long-term exercise, with ups and downs along the way. In the industrialized countries, we have found

it helpful to make a common front against protectionist pressures from special interests by joining together in international commitments to sustain open economic policy. That is the real value of membership of the World Trade Organization, or of the OECD [Organization for Economic Cooperation and Development]. That is why I have favored consistently in my role as vice president of the European Commission, the fastest possible negotiations for Chinese membership of the WTO, for example, or of eastern European accession to the OECD.

Chinese negotiations for the WTO are not, I fear, a subject for optimism today. Very few observers believe that the prospects of an early breakthrough in talks are great. I continue to believe that China wants to be in the WTO as much as we want China to be a member. But WTO is a rules-based organization, and we cannot engineer China membership on false terms. There is good will on both sides, but we must look carefully at the details of the deal. What the WTO members need from a new applicant is a clear indication of the applicant's commitment to accept the rules of the WTO, all the rules.

Once that is clear, there is very wide discretion for the WTO to allow transitional periods, which can be substantial, in which a new member can adapt its economy to the requirements of WTO. We certainly need a substantial down-payment of commitments by China at the moment of entry, combined with an agreed timetable to meet these commitments during the transitional period. But the changes that this process will require are in China's interest, and are not a series of one-sided concessions being sought by foreign interests at the expense of the Chinese people. If this is accepted on both sides, I believe we ought to be able to do a deal on this basis.

It is often put to me, that in fact China does not need to join WTO at all costs, because the process of economic reform is irreversible and will continue in future, irrespective of WTO membership. That may be, but the governments of western Europe have themselves found that it is not always easy to sustain the right policy trends, in the absence of international obligations. Nor is it easy to get credit for domestic reforms if they are not bound internationally. And I think that in the development of a land-bridge, the absence of certainty for the future and the absence of international recognition for Chinese reform would be real handicaps. If China were a WTO member, then the prospects for continued economic liberalization and development would be surer and a land-bridge would be more attractive as a result.

In case anyone in this room believes that to advise membership of the WTO is to advise perfection, let me add that the picture of WTO progress in recent months is at best patchy, particularly in the transport and infrastructure sector. Last week I was in Geneva with the ministers of the European member states, so that we could be on the spot to finalize, successfully as I thought, the WTO negotiations to liberalize worldwide provision of basic telecommunications.



*European Commission Vice President Sir Leon Brittan arrogantly demands that "certain political conditions" be met, as a precondition for support for the Euro-Asia Continental Bridge: namely, that British free-traders run the show.*

As this conference is taking place in China, I venture to remind the audience how important a liberal and least-cost telecom network is to support not only a vibrant national industry, but also for all our countries' efficiency on worldwide markets.

Indeed, telecommunication is a key part of the land-bridge we must build. As you all will know by now, we failed to conclude the negotiations.

For Europe, this was a surprise and a disappointment. We had consulted closely at the political level with the U.S., Japan, Canada, and other trading partners. I was pretty sure that others would share Europe's unambiguous conclusion that the offers on the table for telecommunications were enough to close the deal, even if we would continue to work for improvements of those offers in the years ahead. The U.S. administration decided at the last minute that the offers on the table were inadequate, and that the talks would have to continue into next year before a successful conclusion could be envisaged. We have managed to save what was on the table, at least for the moment, because we have set ourselves a new deadline of next February and agreed that we will all seek to improve the position by then.

I take this as a worrying sign that the momentum of multi-lateral liberalization may be dropping. I would also draw the broader lesson that rules are needed and are difficult to draw up where many countries are involved and vested interests are great. For a land-bridge to work, the rules must be in place before the prospectus is issued. And among those rules must be the most liberal rules possible for access by transport opera-



tors to a land-bridge network, and a guarantee that those willing to operate over the network will have pay a reasonable but not an exorbitant fee to those who run the network, particularly because those running the network are likely to be the commercial companies that build the network rather than the governments of the states along the line. . . .

As part of its new policy toward Asia, the European Commission has developed a long-term strategy for our relationship with China. This was deliberately called a long-term strategy, in order to take account of temporary hiccups which have occurred in China's rush toward the future and which may well continue to occur in the coming years. The basic premise of our strategy is that China has taken major, positive, and irreversible steps to alter its economy and society, and that Europe must cooperate with China in its continued development. . . .

In conclusion, I believe that we are at a critical moment in discussion of the land-bridge project. If we can make it marketable, if we can clearly demonstrate that the legal framework for economic activity along the land-bridge is in place and that the prospects for sustained growth are real, then I believe the project will become a reality.

Mr. Chairman, I would wish you and your colleagues here every success in the discussions ahead. I will look forward to studying closely the results of this important symposium.

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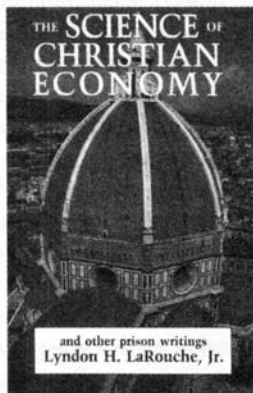
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## The start of a new economic era for a new civilization

by Rui Zingwen

*A report by Mr. Rui Xingwen, chairman of the China Development and Promotion Commission of the New Euro-Asia Continental Bridge, to the plenum of the International Symposium on Economic Development of the Regions along the New Euro-Asia Continental Bridge, on May 7.*

Respected chairman and vice chairmen, distinguished guests and friends, ladies and gentlemen, the International Symposium of Economic Cooperation in the Regions along the New Euro-Asia Continental Bridge has been opened successfully in Beijing. The theme of the symposium is to accelerate the economic development and cooperation in the regions along the new Euro-Asia continental bridge, as we are on the threshold of the twenty-first century. The convening of the symposium raises the curtain on the economic development and cooperation in the regions along the new Euro-Asia continental bridge. The symposium is also an important event of Euro-Asia economic development and cooperation following the Bangkok Euro-Asian Summit, on March 1, 1996. Leaders of China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan signed the Agreement on Strengthening Military Trust along the border areas on April 26, in Shanghai, which will also have a positive impact on the symposium and the development of the regions along the land-bridge. On behalf of the China Development and Promotion Commission of the New Euro-Asia Continental Bridge, I would like to express my warmest congratulations to the opening of the symposium. . . .

My topic is: Start the new economic era of the continental bridge for a new human civilization, which falls in four parts.

### I. Start the new economic era of the continental bridge

The economic development and cooperation in the regions along the new Euro-Asia continental bridge is an inevitable trend and result of the land-bridge economic law. It will, on the one hand, develop with the development of world's land-bridge economy, and, on the other hand, powerfully push the world's land-bridge economy forward.

The land-bridge economy, based on the emergence and development of the world's land-bridges, is a newly developed economic pattern in the world. Its emergence and formation will broaden the ways of solving common problems of

existence and development faced by human society, usher human society into a new era, i.e., an economic era of the continental bridge.

The term “continental bridge” is a figurative one. It should be defined as a new, modern, transcontinental, and international ocean-land corridor, which connects ocean transportation with land transportation directly by means of railways, as well as highways, aviation, ocean shipping, water transport, and pipeline transportation, and is equipped with fiber optics communications facilities. It is developed on the basis of various kinds of advanced transport facilities, which are brought up by modern industrial civilization, and science and technology, and is a combination and unity of various kinds of advanced transportation facilities. With the rapid advancement of science and technology since the 1950s, man’s ability to utilize nature, create inventions, etc., has been largely increased. The development and utilization of microelectronics, nuclear energy, biotechnology, and so on, enhanced production quality. The distance between people is also sharply narrowed, by means of both the manufacturing of high-speed, spacious, and high-capacity means of transportation, such as locomotives, cars, airplanes, and ships, and the emergence of pipeline transportation and fiber optics communications. The invention of container transportation, like glue, conglomerated the above-mentioned various transportation means into a unified one, and thus, enabled the formation of the land-bridge communications and transportation system.

Following the internationalization, grouping, and regionalization of the world’s economy, and the integration of economy and technology, international and transcontinental transportation, besides connection via oceans, requires more access directly toward land. This calls for a new process that links continents with oceans, and can combine production, circulation, markets, and consumption to achieve better efficiency. Thus, continental-bridge and land-bridge transportation come into being, e.g., the America continental bridge in the 1950s, the Euro-Asia continental bridge from Nakhodka to West Europe via Siberia, and the current new Euro-Asia continental bridge, which draws worldwide attention.

Now, some countries are considering establishing a Euro-Asia-Africa continental bridge across South Asia, Southeast Asia, and West Asia, ending in Europe and Africa, and the Euro-Asia-America continental bridge, by means of building a dam or tunnel across the Bering Strait.

It is imaginable, that future human society will neither be hindered by oceans, nor be frustrated by severe cold, altitude, and desolation any longer. Transcontinental high-speed trains and expressways will circle the globe, and bring unprecedented new opportunities for existence, development, and prosperity to human society. It will further promote the reciprocity and cooperation of the regional economy, integration and opening of the market system, joint development and comprehensive utilization of resources, development and sharing of science and technology, construction and operation

of transcontinental energy, transport, and communications networks, and improvement and enhancement of the regional environment. All these aspects will help the land-bridge economy become prosperous; hence, human society will enter into a new era—the continental bridge era, which is the third development era of human society.

Ever since human existence, there have been two periods in terms of development activities. First, people availed themselves of the conveniences of rivers and lived there, generation after generation; thus, the ancient civilizations of the Yellow River and the Nile River were created. This was the natural economic period, from the primitive to the commodity economic period. After that, there was the industrial period, especially the great industrial times which is dominated by the commodity economy. When the steam locomotive and the electric motor were invented, oceans became the main channel to exchange commodities among the continents. Man started to gather along the seashore, and he built cities, especially where rivers empty into the sea. That was the start of modern civilization.

Up to now, 60% of the world’s population lives in areas along rivers and near seas, which only accounts for 19.2% of the total land, now the prosperous and developed regions. We call the previous period “rivers economy time,” while the latter can be regarded as “seashore economy time.” Meanwhile, some serious social and economic problems crop up:

1) the resources in the developed regions along seashores become exhausted, while the population is still growing at an exceeding speed;

2) the economic gaps between the developed coastal cities and the underdeveloped land-locked cities become wider and wider; and

3) owing to the shriveling of markets and the deterioration of the ecological environment, people’s existence space and the development of civilization are threatened.

However, the emergence of the land-bridge brings about not only hope for us, but also a new concept, i.e., the coming of the land-bridge economy time. People could take the advantages of communications of the land-bridge, to convey advanced civilization and prosperity to the vast, backward, landlocked regions, to develop the undeveloped or underdeveloped areas taking up 80.8% of the total land area, and to exploit new development areas, discover new materials, make new cultivation, and form new environments for the existence and development of human society.

There is an old saying in China: “Pan Gu (creator of the universe in Chinese mythology) separated heaven and earth.” Undoubtedly, the construction of the land-bridge is a great project, inheriting the “Pan Gu separated heaven and earth.” It takes a long time for the “land-bridge economy time” to come into being. For example, it took thousands of years for the “rivers economy time” to come into being, hundreds of years for the “seashore economy time.” Therefore, it will take at least a couple of centuries for the “land-bridge economy



*China's next generation. "It is imaginable," says Rui Zingwen, "that future human society will neither be hindered by oceans, nor be frustrated by severe cold, altitude, and desolation any longer. Transcontinental high-speed trains and expressways will circle the globe, and bring unprecedented new opportunities for existence, development, and prosperity to human society."*

time" to come into being. Mencius, an ancient Chinese philosopher, said: "One only becomes modest after travel afar, and becomes humble upon climbing high." If we walk forward consistently, our goals will finally be reached. The great mission to promote the economic development and cooperation of the regions along the new Euro-Asia continental bridge and construct a comprehensively prosperous international economic corridor across Europe and Asia, will have the possibilities and potentials to become the pioneer toward the third era, i.e., the land-bridge time, and to promote the world's land-bridge economic development.

## **II. Construct a comprehensively prosperous international economic corridor across Europe and Asia**

Regional economic development and cooperation is a trend of the world economy. The new Euro-Asia continental bridge economic region, starting east from Lianyungang and Rizhao port in China, ending west in Rotterdam, the Netherlands, with a total length of 10,900 kilometers across Europe and Asia, is a new international economic region, connected by the giant international corridor. To the east, it links up with Northeast Asia and Southeast Asia, through numerous seaports in China, and can further connect with the western coastal cities of the U.S.A.; to the west, after track-transfer at the Alataw pass, in Xinjiang, China, it joins the Central Asian railway network in the border station in Kazakhstan, extends westward further to Aktogay, and from there, via three routes,

namely, the northern one, the middle one, and the southern one, can join the European railway networks and reach Europe.

The northern route: connecting Aktogay in Kazakhstan, or Bishkek in Kyrgyzstan, northward via Siberian railways and onward to West Europe and North Europe.

The middle route: starting from Kazakhstan via Russia, Belarus, Ukraine, Slovakia, Hungary, Austria, Switzerland, transship from Germany and France to the ports of the English Channel. Or it can go south from Aktogay, Kazakhstan, along the border of Kyrgyzstan, through Tashkent, Uzbekistan and Ashkhabad, Turkmenistan, west to Krasnovodsk, via the Caspian Sea to Baku, Azerbaijan, then to Tbilisi, Georgia, the Black Sea, Varna in Bulgaria, Romania, Hungary, thus reaching the Central European countries.

The southern route: starting from Ashkhabad, Turkmenistan, south down into Iran, then from Mashhad go west via Teheran, Tabriz, to Turkey, through the Strait of Bosphorus, and via Bulgaria and Yugoslavia, reaches Central Europe, West Europe, and South Europe. It can even go south, and reach the Middle East and North Africa via Turkey.

In view of the above, the Euro-Asian continental bridge links up more than 40 countries and regions: China, East Asia, Central Asia, West Asia, the Middle East, Russia, East Europe, Middle Europe, South Europe, and West Europe. This accounts for 22% of all the countries of the world, and covers 39.7 million square kilometers, equivalent to 26.6% of the total land area, with a population of 2.2 billion, amount-

ing to 36% of world population.

The most distinct characteristic of the region of the new Euro-Asia land-bridge, is that it links, from east to the west, the Pacific and Atlantic economic centers, which fundamentally belong to the developed region, but lack space capacity and natural resources.

Except for some countries, most countries located in the vast, long, and narrow middle region belong to the least-developed or underdeveloped region, especially the mid-west part of China, Central Asia, West Asia, the Middle East, and South Asia. These regions are stricken with inconvenient transportation and bad natural environment, yet they are rich in land capacity, resources, including all the natural resources needed by human society, and thus have good prospects and great potential for development and for becoming suitable places for a flourishing human society. . . . Energy resources are also abundant in this region. . . . We can call it the home of energy resources of the world. Because of this characteristic, the new Euro-Asia land-bridge region has a very strong nature of interdependence and advantage complementarity, which foretells a promising future of cooperation.

Asia and Europe have a long history of economic and cultural exchanges and cooperation. Two thousand years ago, the ancient Silk Road linked the two continents. Economic cooperation and cultural exchanges along the ancient Silk Road had a great impact, not only on the splendid ancient civilization achieved by human society, but also on the formation of modern civilization. Up to now, it is still one of the most important spiritual ties that links Asia and Europe. The new Euro-Asia continental bridge is developed on the basis of these ties, and therefore is also called the Modern Silk Road. It will be bound to play a more important role in promoting the modern Euro-Asia economic and cultural exchanges and cooperation, and in enhancing the development of modern Euro-Asia civilization.

With the achievement of modern science and technology, and the dreadful lessons learnt from the two world wars, human society has acknowledged interdependence as a common discipline from which it shall not depart. Promotion of Euro-Asia economic cooperation and expansion of Euro-Asia economic exchanges, is not only the need of the least-developed and underdeveloped countries and regions, but also the need of developed countries and regions. On one hand, development of least-developed and underdeveloped countries and regions mainly depends on self-reliance, but also requires capital and technical support from developed countries and regions. On the other hand, developed countries and regions require the development of the least-developed and underdeveloped countries and regions to be the supplementary aid to their self-adjustment to recover from crisis, avoid stagnation, and maintain prosperity.

At the present time, the least-developed and underdeveloped countries and regions are facing great exploitation, construction, and development, whereas the developed

countries and regions are facing new challenges and new crises. Therefore, cooperation based upon defending state sovereignty is the basic objective required for both sides to achieve mutual benefits. . . .

### **III. The strategic plan of China's construction of the new Euro-Asia continental bridge economic corridor**

The Chinese government will always be positive on constructing, exploiting, and utilizing the new Euro-Asia continental bridge, and also on forwarding the cooperation between Asia and Europe by the bridge. . . .

The Proposal for the Ninth Five-Year Plan and the Long-Term Targets for the Year 2010, was raised at the fifth session of the 14th CCP's [Chinese Communist Party] congress in September 1995; the Outline for the Ninth Five-Year Plan of National Economic and Social Development, also for the 2010s Long-Term Targets, was passed at the fourth session of the Eighth Peoples' Congress in March 1996. These two papers formed the grand blueprint of China's socialist modernization structure for going beyond this century. . . .

For realizing the great plan, the Chinese government has made the corresponding policies and measures, in which the government mapped out plans to develop several economic circles or corridors, depending on the main city and traffic road. The circles and corridors include: the corridor of the Yangtze River delta and area along the river, with Shanghai as a key city; the economic zone of the southwest coastal area, mainly in the Pearl River delta and southeast of Fujian; the Bohai coastal economic circle, mainly formed by the Liaodong peninsula, Shandong peninsula, Beijing, Tianjin, and Hebei province; and the corridor tied by the Euro-Asia bridge, Jingjiu railway, and the other main railways.

For solving the imbalance of development between the east and central-west of China, it has been pointed out in the Proposal and Outline, that the government should adopt powerful measures to support the development of the mid-western underdeveloped areas, the ethnic areas, and the poverty-stricken areas. . . .

The new Euro-Asia bridge is continuous over 4,131 kilometers in China. It connects 10 administrative regions in the east and midwest of China. . . . The region is very important for Chinese social and economic development. . . .

Since the founding of the People's Republic of China, the government has invested substantively and improved the infrastructure conditions along the continental bridge. The total length of the rail along this bridge is 30% of the overall railway across China. . . . There are 16 large and medium-sized cities, half of the total number of that of the country, with the civic population of over 1 million. . . . Ever since 1949, the Chinese government has put emphasis on the layout of industrial sectors along the bridge, and has already set up a group of main industrial enterprises which are playing an important role in national economy. . . .

The China section of the bridge is the cradle of Chinese nationality. The northern river of the Chinese people, the Yellow River, runs parallel to the bridge. . . .

Due to historical reasons, generally speaking, although the area along the bridge is endowed with rich resources and saw great social and economic development, the economic level still lags behind. . . . Therefore, the opening and development of this area has received the attention of the Chinese government, and relevant policies and measures have been adopted and implemented. The whole line of the new Euro-Asia continental bridge was connected in 1990 and put into operation for international use in 1992. Subsequently, the area along the bridge was decided for opening to the outside in 1993, and, in 1994, the Chinese government determined to regard the opening and development of the region along the bridge as the practical action for China to actually implement the decision reached at the United Nations Environment and Development Conference (1992), and it put related activities on the list of the first priority projects of the "White Paper for China Agenda 21—Population, Environment and Development in the Twenty-First Century of China," and recently, in 1995, identified and determined to set up the China New Euro-Asia Continental Bridge economic corridor.

The strategic policies and special measures made by the Chinese government show that the area along the continental bridge has great potential and prospects for development. We are confident that the further development of the "International Steel Corridor," which crosses China's east-middle-west part and opens toward both the west and the east, will become the new growth corridor of China's economy, and will develop into an international and outward-oriented corridor of transportation and economy. Hence, we will take such measures as follows:

- adopt and implement the opening-up policies in the region along the bridge as implemented by the coastal areas, and continue to set up various kinds of development zones and bonded zones;
- experiment on the model of setting up natural resources development zones. To set up resources and resources-processing enterprises according to the requirements of a high starting point and integration with the world. To facilitate the industrialization and urbanization of the area along the bridge;
- use foreign funds to set up a China West Part Agricultural Cooperation and Development Zone, and to establish a Euro-Asia Agricultural Products Wholesale Trading Center;
- set up several economic development zones along the bridge based on centered cities, taking into account transportation, resources, and geographical location. For example, the Huaihai Economic Zone is based on Xuzhou, the Zhongyuan Economic Zone is based on Zhengzhou (including the north part of Hubei province), the Guanzhong Economic Zone is based on Xilan (including the northwest of Sichuan province), the Northwest Economic Zone is based on Lanzhou, and the West Economic Zone is based on Urumqi, and etc. And to

make Urumqi the center of international finance, commerce and trade, industry, and agriculture in the west of China, and foster the development and prosperity of the market of China's west and central Asia;

- develop Lianyungang, the east end of the new Euro-Asia bridge, into an international container pivot port with some functions of a free port, and also identify special access to the sea for inland countries. At the same time, to establish the ports along the east coastal area (including Tianjin, Qingdao, Shanghai, Ningbo, Guangzhou, and Shenzhen, etc.) as the entrance and exit connecting the hinterland of Euro-Asia and the Pacific region;

- construct the pipelines of oil and gas connecting East and Central Asia and establish the petrochemical industry corridor, in accordance with needs and requirements;

- develop tourism of the new Silk Road, tap the potentials of the culture of Yellow River and western regions, and foster the development of tertiary sectors;

- implement the policy of supporting the development of midwest regions in the area along the bridge as a top priority in accordance with the construction emphasis of the government;

- accord foreign enterprises national treatment status.

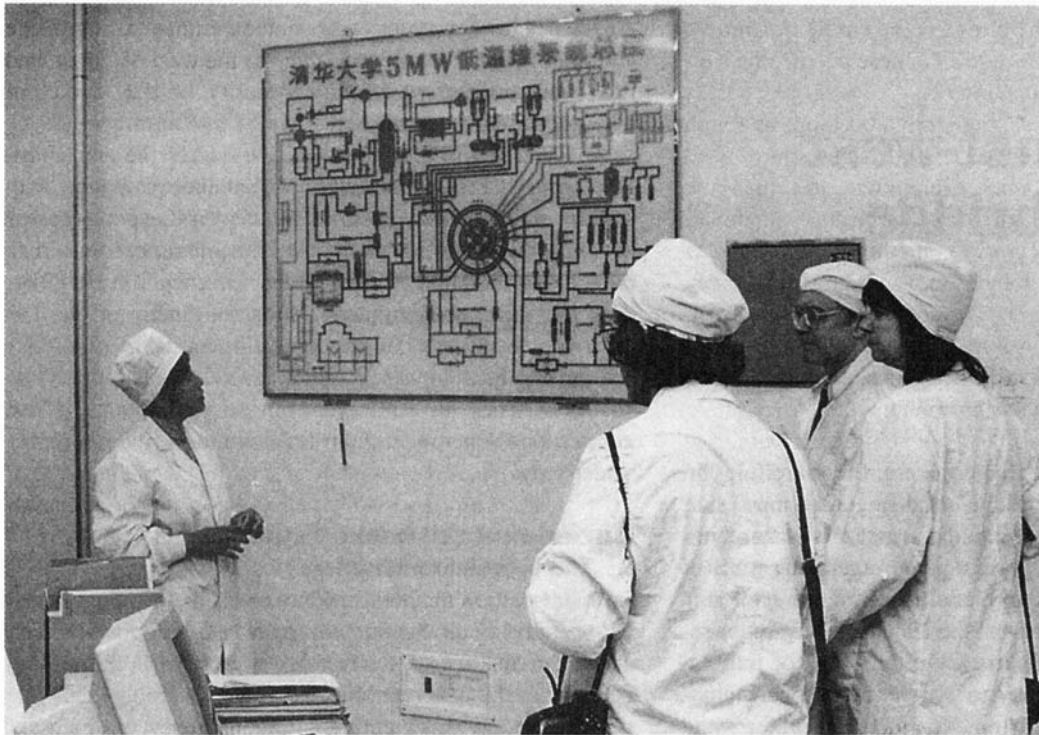
We believe that through the hard work of the Chinese people, the golden area will soon be developed, and we will take our best efforts to contribute to the prosperity and development of the Euro-Asia economic corridor. We warmly welcome friends from every country of the world, and friends from the circle of real estate, finance, and enterprises to jointly develop the area. We will take positive attitudes toward cooperation.

#### **IV. Suggestions on the promotion of economic cooperation in the regions along the new Euro-Asia continental bridge**

Promoting the economic development and cooperation in the region along the new Euro-Asia continental bridge requires the joint effort of the two continents. It falls within the line of the Euro-Asia Bangkok meeting, and will be further supported by the European and Asian countries and the international organizations concerned, with more and more concrete actions and steps coming forthwith. To our gratefulness, before this conference, many countries and international organizations carried out in-depth researches on expansion of the continental bridge, removal of obstacles in continental bridge transportation, and regional economic development. Many good suggestions and proposals were made and some agreements have already been endorsed after bilateral and multilateral negotiations. Some are as follows:

- In October 1994, the ministers of railway (or transportation) from China, Russia, and the five countries of Central Asia attended the multilateral conference in Beijing. The minutes were written and the project of "Development of the International Railway Artery Passing through Youyi Pass-





*Schiller Institute representatives (right to left) Helga Zepp LaRouche, Jonathan Tennenbaum, and Mary Burdman tour the Nuclear Technology Institute of Qinghua University, where the first Chinese High Temperature Reactor is being built. Here, a project leader explains the construction of another project, a reactor for room heating and desalination applications.*

Alataw Pass on the Border of China" was approved.

- In September 1995, the governments of the People's Republic of China and Kazakhstan jointly endorsed "The Contract on Development of Loading, Unloading, and Transporting the Transit Goods of Kazakhstan via Lianyung Port."

- The Industrial Ministry of Japan entrusted its Engineering Consulting Firm Association with studying the development of the new Euro-Asia continental bridge. The association proposed a cooperation plan known as the "Twenty-First Century Silk Route." The Japan Federation of Economic Organizations has decided to take the development of the regions along the new Euro-Asia continental bridge as an important international cooperation project.

- In 1995, the European Union Commission determined its strategy toward the Asia-Pacific area and its new strategy toward China. Organizations concerned have proposed a Euro-Caucasus-Asia Transportation Corridor project.

- In September 1994, on the 49th session of the UN Assembly, the UN secretary general presented a report on "Transit Transport Systems in the Newly Independent and Developing Landlocked States in Central Asia and Their Transit Developing Neighbors: Current Situation and Proposals for Future Action."

- In June 1995, the Second Meeting of Governmental Experts from Landlocked and Transit Developing Countries and Representatives of Donor Countries and Financial and Development Institutions, was held by UNCTAD [UN Conference on Trade and Development] in New York, with the Proposals for the Development of a Global Framework for

Transit Transport Cooperation proposed;

- In November 1995, UNCTAD conducted a "Central Asia External Trade and Transit Transport Initiative" technical meeting in Ankara, where the issue of a Euro-Asia corridor was again discussed;

- Recently, many international organizations put forward some related projects, such as UNESCAP [UN Economic and Social Council for Asia and the Pacific] with the project of a New Iron Silk Route, ADB [Asian Development Bank] with the project of an Asian Expressway, and the GIF [Global Infrastructure Fund of Japan's Mitsubishi Research Institute] with the EATTS [Euro-Asia Terrestrial Transport System] project.

- Not long ago, the President of Korea proposed the plan of Euro-Asian railway network at the Euro-Asia meeting in Bangkok, and was praised by many heads of countries concerned.

All these sound development activities and initiatives clearly indicate the great potential of economic development and cooperation within the new Euro-Asian continental bridge region. We can highly expect, after this international symposium, the Euro-Asian continental bridge regional economic development and cooperation will achieve rapid progress. . . .

Hand in hand, let us march together and develop a flourishing Euro-Asian international economic region, reach a splendid future of human society. May the flower of cooperation, friendship, peacefulness, development, and prosperity be ever-blooming, be everlasting!

# Iran: an east-west strategic bridge

by A. Broujerdi

*The following is a speech by Mr. Broujerdi, Deputy Minister of Foreign Affairs of Iran, on May 7.*

In the name of God, the compassionate, the merciful: Mr. Chairman, distinguished participants, dear guests, may I start by expressing my appreciation to the organizers of this symposium for holding this important gathering. In the wake of the Soviet Union's dissolution, and political and economic developments in the latter part of the 1980s, the new independent Central Asian republics became the focus of international attention. This was due to a number of reasons, including the immense economic potentials, fertile plains, and mines, in these republics. The republics have come under the spotlight of international firms from the East and the West, and over the past two years, have been witness to major investments by large multinational corporations. With the breakup of the Soviet Union and the formation of the new republics, good opportunities became available. Two international phenomena occurred. First, the Islamic Republic of Iran became the hub of global economic and political relations of Central Asia and the Caucasus. This role of a linking hub has its roots in Iran's geographical location, as well as its pragmatic foreign policy.

All Central Asian republics, except Georgia, are landlocked, and should pass through Iran for direct and indirect economic connections with the rest of the world. Those countries that see economic ties with the republics of Central Asia and the Caucasus have no alternative but to use the land and air routes of Iran, China, and Russia. Among these countries, Iran and China enjoy, uniquely, a very advantageous position.

China borders a part of Central Asia in Kazakhstan, Kyrgyzstan, and Tajikistan, and has various land and air routes to Central Asia. Iran also borders the region of Central Asia and the Caucasus, and its land and sea routes are linked to Central Asia, the Caucasus, and Russia. An international study on Iran's connection routes to Central Asia would be very constructive.

The emergence of these new republics brought about great cooperative relationships with the Islamic Republic of Iran. In addition to geographical contiguity with the Central Asian countries and the Caucasus, the two sides have many things in common, including shared faith, culture, and his-

tory. They have since time immemorial enjoyed strong bonds of amity that have withstood the test of time and the ordeals and tribulations of the past decades. Iran warmly welcomed the independence of the republics by embarking on an all-out and relentless effort to expand mutually beneficial and reinforcing political, commercial, economic, cultural, tourist, oil, and marine relations. To this end, and for greater regional solidarity, Iran welcomed the joining of these countries to the Economic Cooperation Organization (ECO) as new members, and proposed the establishment of the Caspian Sea Economic Cooperation Organization (CSECO), comprising Russia, Iran, Azerbaijan, Kazakhstan, and Turkmenistan. They have all agreed in principle with this new cooperation scheme, and the final formalities are currently under way.

## Euro-Asian rail hookup completed

The geopolitical advantage of the Islamic Republic of Iran, its position as a regional and continental linking bridge between the Central Asian countries and the open sea, have made the linkage of its railway system with the railway network of the new republics and Russia a reality. This new railway linkage will greatly facilitate transport of goods and trade between Central Asia and destinations in other parts of the world, and contributes to better understanding of the culture, religion, and history of these nations. Construction of the 300-kilometer Mashhad-Sarakhs-Tajan railway, which complements the 700-kilometer-long Bafq-Bandar Abbas railroad, has been finally materialized. This railway network will be inaugurated on May 14, 1996, before heads of state and dignitaries of more than 30 countries.

This grand project of the century, that was dubbed by ESCAP [UN Economic and Social Commission for Asia and the Pacific] as the Iron Silk Route, was finished by our experts and with the help of the brotherly country of Turkmenistan without any international assistance. We have now constructed the missing link in the Euro-Asian railway network.

With the operation of this railway, Lianyungang port in east China will be connected to Bandar Abbas at the Persian Gulf via the cities of Urumqi, Almaty [formerly Alma-Ata], Tashkent, Sarakhs, Mashhad, and Teheran, providing access to the open seas for land-locked Central Asia nations, on one side, and linking this railroad to Rotterdam via Teheran, Istanbul, and Europe, on the other side.

I should seize this opportunity to express our appreciation for the cooperation of the government of China in constructing segments of the railway network to make possible the first running of a train from Lianyungang port to Tashkent in November 1995. The nations of the region and the world will now see the fruits of collective and regional effort for greater economic prosperity and well-being. The length of this railway reaches 2,750 kilometers, as outlined below:

## Central Asian rail link to Persian Gulf port is now complete



Bandar Abbas-Teheran	1,500 kilometers
Teheran-Mashhad	950 kilometers
Mashhad-Sarakhs	170 kilometers
Sarakhs-Tajan (Turkmenistan)	130 kilometers

Implementation of this project is of international economic significance and can provide the best and safest transportation and transit routes to the CIS states, particularly in Central Asia, and China. Starting in Xi'an, China, this route will revive the historical Silk Road, that has been called the East-West bridge. The Silk Road had been in existence 1,800 years. This ancient route was the most important trade and travel road in the past centuries, with a travel distance of 8,000 kilometers. A branch of this road began in Xi'an, crossed the Pamir Plains, and passed through Marv, Samarkand, and Balkh in Transoxania. This route contributed to consolidation of trade and cultural interaction among the nations on its path.

Mr. Chairman, linking of the Silk Road land connections from Central Asia to the Persian Gulf and the Indian Ocean in the south and west, to China and the Pacific coast in north and east, and subsequent connection of sea routes from the Persian Gulf and Indian Ocean to ports in Canton [Guangzhou], Shanghai, and Lianyungang via the Malacca Strait, will create a new cycle of exchanges of raw materials, fin-

ished products, and technology between west and south Asia. With this new development, cooperation between the two regional groupings of ECO and ASEAN [the Association of Southeast Asian Nations], and China, will be of special importance, as it will consolidate economic and political independence, and will help restore the cultural identity of Central Asian people.

### Other projects planned

As I have explained in my presentation, Iran has always occupied an important strategic position for its location as a continental bridge between Asia, Africa, and Europe. The revival of the Silk Road will enhance this advantageous position. In addition to this project, the Islamic Republic of Iran plans to implement other important railway and road projects to enhance its strategic capacity. Among these projects, mention can be made of the grand Kerman-Mashhad Railway. With this project completed along the Iran-Pakistan border, the distance of rail travel from Sarakhs to Bandar Abbas will be reduced from 2,750 kilometers to 1,850 kilometers, which is 900 kilometers shorter.

Excellency, it has become possible once again for Iran to benefit from new communication possibilities and historical and cultural bonds, to promote amicable relationships and consolidate economic, technical, and spiritual ties with a vast part of Asia and the Far East. The road network from Central Asia to China, and shipping lanes from the Indian Ocean to the Pacific, herald a prosperous future and greater friendly and fraternal relationships among nations of the region. In this very connection, we have had constructive talks with Bangladesh, India, and the Philippines. These countries will use this transit route for transport of their goods to be traded beyond their region.

As you are all aware, economic development of any region depends, most importantly, on its communication and trade routes. I want to seize this opportunity to state our support and appreciation for the constructive decision at the ASEAN Summit in Bangkok in March 1996 to construct the Singapore-Thailand railroad, which complements the historical Silk Road. It is indeed a good step for the development of countries in the region. When this grand project is materialized, the railway network of Singapore and Malaysia will be linked to Thailand and China, and will pave the way for much greater commerce and economic exchanges between the member countries of ASEAN, China, Iran, and the Commonwealth of Independent States. It will also impart fresh momentum to commerce and industry, promotion of tourism, and cultural and technological exchanges, and will ultimately lead to the creation of a powerful trade and industrial bloc.

To conclude, I want to thank the organizers of this symposium and wish them success and happiness. I should also express my sincere appreciation to the government and people of China for their warm hospitality.



## LaRouche Campaign Is On the Internet!

Lyndon LaRouche's Democratic presidential primary campaign has established a World Wide Web site on the Internet. The "home page" brings you recent policy statements by the candidate as well as a brief biographical resumé.

**TO REACH** the LaRouche page on the Internet:

<http://www.clark.net/larouche/welcome.html>

**TO REACH** the campaign by electronic mail:

[larouche@clark.net](mailto:larouche@clark.net)

Paid for by Committee to Reverse the Accelerating Global Economic and Strategic Crisis: A LaRouche Exploratory Committee.

# Building the Silk Road land-bridge

by Helga Zepp LaRouche

*Mrs. LaRouche is the president of the Schiller Institute in Germany and the chairman of the Schiller Institute Board of Directors in the United States. Her speech, delivered on May 8, was titled: "Building the Silk Road Land-Bridge: The Basis for the Mutual Security Interests of Asia and Europe."*

Although the opening of the east-west European borders in 1989 brought to an end, irreversibly, the postwar order defined by the Yalta agreement, and the world, since the end of the Soviet Union, is no longer defined by bipolar constellations, the old ideas of "balance of power" politics are, unfortunately, still having an effect in many places. This school of thought considers a nation's "interests" to be defined by such criteria as the struggle for control of resources, and "spheres of influence." In recent years, a well-known Ameri-

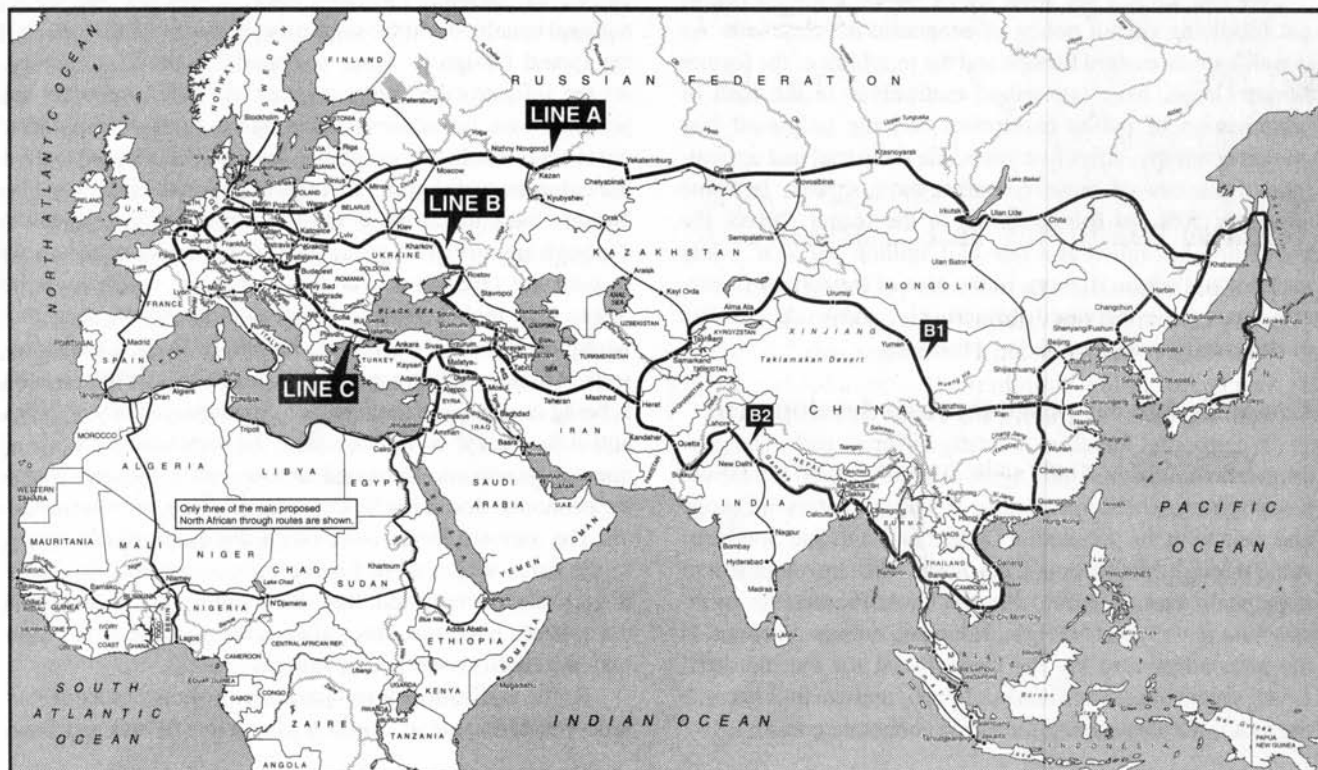
can author put into circulation a "thesis" about the coming "clash of civilizations," namely that supposedly unbridgeable differences between the different cultures of the world, would cause the launching of new waves of military conflicts.

It were tragic, if we were to fall for such nonsense, which is nothing more than an intelligence operation, fed by geopolitical motives. There is no such contradiction among world cultures, that cannot be overcome. To the contrary, it is the characteristic of man, which differentiates him from all other living beings, that he possesses the unique quality of creative reason. This is the universal quality which unites all men, and allows man to find the ever-higher levels, on which conflicts can be solved. In China, this philosophy has been well known since the contribution of the great universal thinker Confucius.

Based on this thinking, American economist Lyndon LaRouche proposed an economic program, the foundation-stone of which is that only the global reconstruction of the world economy can create a way out of the present crisis. The development of the Eurasian land-bridge, and the integration of the Eurasian continent, must play the central role in this program.

LaRouche made the first proposal in this direction, in a press conference in Berlin in October 1988, and it was shortly thereafter presented to the U.S. public in a nationally

## The Schiller Institute's Eurasia Rail Plan





broadcast television show. In November 1989, after the Berlin Wall had fallen, LaRouche proposed a program for the "Productive Triangle," in which he defined the guidelines for East-West cooperation, in the development of western Europe. The essential concept, was to use the industrial and technological potential of the economic region, defined by the cities of Paris-Berlin-Vienna, via a system of "corridors," for the development of all Eurasia.

The opening of the land-bridge between China and the CIS [Community of Independent States] nations in 1992, represented a first important breakthrough. Since then, a number of conferences and publications on this theme, in China and other countries, shows that the impulse to overcome the economic crisis in this way is very much alive. A few years later, European Commission President Jacques Delors presented a similar plan, named for him. This is, however, restricted to Europe, and, because of the "logic" of the Maastricht Treaty, has not even begun to be realized.

Any competent economic consideration, must start from the point that already today, three-fourths of the world's population, 4.4 billion people, live in Eurasia, and that, given normal "development," without catastrophe, that population will grow to 7-10 billion.

If, in the next years, we are to prevent seismic economic and demographic collapses, it would be urgently required to overcome the current underdevelopment of vast parts of the former Soviet Union, China, India, South and Southeast Asia, in basic infrastructure (water supply, modern transport networks, energy production and distribution).

We can already see what would be the consequence of not following such a policy of economic development: As is well known, eastern Europe and the republics of the former Soviet Union, have committed themselves to the path of privatization of public enterprises and the unlimited free market economy. After five years, the industrial and agricultural capacities of those countries have shrunk, in some areas, by 50%. In Russia alone, in the recent period, the population has fallen at a rate of 1 million per year, while national and ethnic tensions in the area of the former Comecon states have increased dangerously, above all, because of drastically worsened living conditions.

### **Grand design for peace through development**

We propose, therefore, a totally different path. The governments of Eurasia should agree on an integrated infrastructure program, which connects the industrial centers of Europe and Asia with the population centers in South and Southeast Asia, through "development corridors." The development of those main axes of traffic, through Great Projects for infrastructure in transport, energy, water, and communications, is the precondition, to lay the groundwork for the industrial development of the Eurasian land-mass, and can thus become the motor for overcoming the world economic crisis.

At the same time, only this form of economic cooperation, in the interests of all participating nations, can represent the basis for a durable peace for the twenty-first century. The concept is: "Peace through Development."

The central aspect of this program, is an Eurasian network of high-speed trains for transport of persons and goods, in which the three main lines indicated on the map, connect most of approximately 60 big cities with each other. This infrastructural integration will mean an enormous increase of the economic efficiency of the connected economic area of more than 1 billion people living alongside these lines. In connection with this rail network, internal waterways must be modernized and extended. The construction of new ports will lay the foundation for a dramatic expansion of maritime trade, the which can be anticipated, given the expected growth of the population of the Pacific-Indian Ocean Basins, in the coming century. At the same time, long-delayed water projects, like the regulation of rivers and flood control, must be realized.

Production of electricity should be central for the necessary production and distribution of energy, which should first occur in the main "corridors." To make possible, in all of Eurasia, an electricity consumption for households and industry on the level of the industrial states, there is a deficit of over 5,000 gigawatts, five times today's capacities.

It is important, that the governments of the nations of Eurasia, first come to agreement on a unified plan, since, only in this way, can the optimal development of the region be realized. If such a Eurasian Grand Design exists, then any partial realization in its construction, brings not only direct national benefit, but at the same time, is a step toward realizing the Grand Design to shape our world in the 21st century. As the infrastructure program sketched here represents the preconditions for economic and agricultural development, but is not immediately profitable, but is rather oriented toward the common well-being, the right to generate credit must be brought back under the control of sovereign governments. Through appropriate legislation, national banks must be able to generate credit lines for these projects, which must be oriented in their scope, to the requirements of productive workplaces and the workforces employed in these great projects. As these credits are related to future production, wealth is being created, and they are not inflationary. They are even anti-inflationary; on the one side, the unproductive costs of unemployment are eliminated, and, secondly, the real costs to the economy, due to the lack of infrastructure, are eliminated.

The national banks issue credit through regional banks, to the firms which work for the various projects. It can be historically documented, that the resulting tax revenues, in the western countries, have always been, ultimately, bigger than the credits issued in the first place.

As the realization of infrastructure projects of this magnitude—in China alone, 100,000 kilometers of new rail lines,

1 million kilometers of modern roads, and several thousand kilometers of new waterways are needed—will require all available industrial capacities of the participating nations, and, as new capacities have to be created, the different countries should work in a division of labor, and thereby balance existing three-way trade flows through so-called clearing-houses. A newly founded Eurasian Development Bank could take over this task.

This conference in Beijing is taking place in an extraordinarily important historic context. The strategic reality affecting every region, is the fact that the presently hegemonic financial system is in the end-phase, before its collapse. If this system, bankrupted through decades-long mistaken economic and financial policy, is not reorganized through an orderly bankruptcy procedure, and replaced by a new system, the entire planet is threatened with a new dark age, best compared to the collapse of civilization in the fourteenth century. The threatening global collapse, can be compared to the collapse of earlier dynasties.

Ultimately, any solution for the crisis, must include a central aspect: that the American President, as leader of the currently most influential nation, pursue this reorganization. He

must use the emergency powers of the Presidency, and put the U.S. Federal Reserve into bankruptcy receivership, and under the supervision of the U.S. Treasury. According to Paragraph 1 of the U.S. Constitution, the President can obtain the right from Congress to issue, in the tradition of the late President Franklin Roosevelt, several trillion dollars worth of credit for financing well-defined infrastructure projects to overcome economic depression. The administrations of George Washington and James Monroe are precedents for establishing a National Bank.

At the same time, the President must convene an emergency monetary policy meeting, of the principal nation-state powers, for the purpose of establishing a new international monetary system, based on stabilized parities of currencies, to the purpose of fostering a global revival and expansion of agricultural and industrial production, based upon capital-intensive, energy-intensive modes of investment, in scientific and technological progress.

### **The Renaissance ahead of us**

These problems cannot be solved at this conference, but we can and must consider how the economic reconstruction

## **Tennenbaum presents LaRouche's economics**

Schiller Institute representative Dr. Jonathan Tennenbaum, in his presentation to the international symposium, called for the creation of a system of infrastructure development corridors from the Atlantic to the Pacific. He stressed that in planning Eurasian land-bridge development going into the 21st century, we must discard "GNP" and related statistical methods which—especially given the huge speculative "bubble" in the world economy today—give a monstrously distorted picture of economic reality. Instead, we must use the criteria provided by the science of physical economy.

Tennenbaum presented the concept of "density functions," illustrating them by a comparison of the United States, West Germany, and Japan (before the present depression) in terms of per-capita and per-square-kilometer energy requirements. By concentrating on combined development of basic economic infrastructure within the 100-150 kilometer-wide corridors defined by the "Eurasian bridges," we obtain the relatively greatest rate of increase in the physical productivity of the Eurasian economy as a whole. The same criterion of "density functions"

applies also to the choice of technologies for infrastructure development. Tennenbaum stressed the importance of building chains of new, nuclear-powered industrial cities along the Eurasian bridges, emphasizing the role of the High Temperature Reactor (HTR) technology. We also need to develop high-density, automated freight transport systems based on magnetic levitation, he said.

Tennenbaum attacked the Thatcherite policies of indiscriminant privatization as "irresponsible and dangerous." The gigantic scale of infrastructure investments required today, can only be achieved through the use of "Hamiltonian" modes of productive credit-generation by sovereign nation-states. The fact is, that large-scale investments in basic infrastructure—with emphasis on increasing levels of technology—are the most profitable form of investment which exists for a national economy as a whole. Well-designed investments of this type will be paid back many times over, by the resulting expansion of the tax base. Multilateral trade agreements, with emphasis on the development and sharing of advanced technology, will play a crucial role in development of the Eurasian "infrastructure corridors," providing favorable conditions for tapping the capabilities of the military-industrial complex in the former U.S.S.R., for example. But to clear the way for this, we urgently require a reorganization of the presently bankrupt world monetary and financial system, Tennenbaum concluded.

should look, under the much more favorable conditions of a new financial system. If we look to the future optimistically, and begin from the assumption that the renaissance connected to the development of the New Silk Road will be successful, in the next 50 years, thousands of new cities, with 300,000 to 1 million people each, will have to be built. Many of these cities should be nuplexes, in which inherently safe HTR [high-temperature reactor] nuclear plants produce electricity and process heat for regional industry and agriculture.

As these cities are planned, completely new and conceptualized in their entirety, the whole infrastructure can be built underground, in modular form. City-building is not only oriented to potential expansion, but also so that the best traditions of the cultural diversity of Eurasia, can be expressed in their architecture. Many of these new cities should be "science cities," which serve multidisciplinary, fundamental research and teaching.

In the Renaissance ahead of us, the thinking that, through non-proliferation treaties, so-called "dual use technologies" will be kept from the majority of the world's people, will be an issue of the past. We can only positively create the future of the one human species, if we think at least as modernly, as Nicolaus of Cusa, the founder of natural science, thought in the fifteenth century. This great universal thinker was convinced that every scientific invention was so precious for all humanity, that all nations must have immediate access to it, so that no one's development would be held back. He proposed a "science pool," in which all discoveries should be collected for universal benefit. The new science cities in Eurasia could realize this ideal.

If we meet the historic challenge before us, then let us remember that growing markets and growing purchasing power for all, are in the interests of all involved, because the source of general wealth, is not the possession of raw materials and the right to "buy cheap, sell dear." The only source of wealth is the creative reason of the individual, which enables each to make new discoveries, and therefore to make scientific and technological progress. The resulting increase in productivity of the workforce is what creates wealth.

We have to decide, how we ourselves want to be regarded by future generations. Do we wish that they look upon us with contempt, because we did not leave behind anything but an "every man for himself" society, the manifestations of limitless personal greed, and a world in chaos? Or, do we want that our grandchildren and great-grandchildren, proudly and lovingly remember us, because in the face of humanity's crisis of existence, we brought together everything that universal history has brought about that is great and noble, to win out of it the inspiration for a new renaissance? Then, perhaps, our next generations will say about us: Yes, they were like the people of the Italian Renaissance and the Sung dynasty. Yes, perhaps they will even say, they even were a little better.

# History of the new continental bridge

by Ma Hong

*The following introduction to the book, A Study on the Strategic Significance of the New Euro-Asian Continental Bridge, was written by one of China's most famous economists.*

## An epoch-making choice

While the Northern Xinjiang Railway was under construction, I put forward a proposal in 1985 that the Northern Xinjiang Railway connect the New Euro-Asian Continental Bridge. At a symposium on economic development of the zones around the New Euro-Asian Continental Bridge, I predicted that, "This Bridge would not only be a railway for transportation, but also an economic belt that would have bright prospects, greatly promote commodities circulation, and converge and blend east-west economic development." The past ten years saw the realization of our long-cherished ideal, for a series of major events were recorded in the annals of the Euro-Asian Continental Bridge.

- On Sept. 12, 1990, our Northern Xinjiang Railway connected the Tuxi Railway of the former U.S.S.R., which marked completion of the 11 kilometer-long New Euro-Asian Continental Bridge. CPC General Secretary Jiang Zemin cut the ribbon at the opening ceremony.

- On Dec. 1, 1992, the New Euro-Asian Continental Bridge was opened to containerized transit traffic, marking the start of trial operations of the Euro-Asian Continental Bridge.

- During the 11 years from 1985 to 1996, our enormous investments were put in for renovation of railways in connection with the Euro-Asian Continental Bridge. The 2,000-plus kilometer-long Lanzhou-Xinjiang Railway was double-tracked and the 500 kilometer-long Baoji-Zhongwei Railway started operations. . . .

- In 1994, Premier Li Peng visited four Central Asian countries. During his visit, Premier Li Peng and leaders of the four countries reached a consensus of opinion with regard to connecting the New Euro-Asian Continental Bridge and constructing a modern Silk Road.

- With the Houma-Yueshan Railway completed on Nov. 20, 1994, a new transportation artery of the Rizhao-Xi'an Railway came into existence that runs parallel with the Longhai Railway. Thus, a railway artery in parallel with the eastern part of the New Euro-Asian Continental Bridge, with Rizhao and Lianyungang as terminuses, came into existence. On Dec. 26, 1994, the Houma-Yueshan Railway started trial operations.

- From Oct. 26 to Oct. 28, 1994, a meeting was held in

Beijing attended by ministers of railway transportation from seven countries concerned. At the meeting, Minutes of Talks on Developing International Railway Passenger and Freight Transportation were signed, that paved the way for transportation by the New Euro-Asian Continental Bridge. On Sept. 8, 1995, railway experts from the seven countries concerned signed an agreement on opening the Alatau Pass-Druzhba (Friendship) international passage.

- In 1995, the first and second phase of the world's greatest ecological systems engineering—three northern shelter forest belts—were brought to completion. These forest belts prevent 10% of moving deserts and 40% of loess erosion, which created favorable conditions for the railway artery that passes through northwestern China.

- In 1995, the laying of the Chinese section of Euro-Asian telecommunications cable was completed.

- In July 1995, the State Scientific and Technological Commission, the State Planning Commission, and the Ministry of Foreign Trade and Economic Cooperation formally approved in a document, Rizhao of Shandong Province and Lianyungang of Jiangsu Province as the eastern terminus of the New Euro-Asian Continental Bridge.

- In January 1996, the Xi'an-Baoji Expressway was opened to traffic, and the first phase of electrifying the Houma-Yueshan Railway was completed, which was a key construction project in the Eighth Five-Year Plan (1985-1990). The railway has started trial operations.

In recent years, the CPC Central Committee and the State Council have adopted a series of strategic measures to promote developing and opening the New Euro-Asian Continental Bridge. In the international arena, they proposed that a modern Silk Road be jointly constructed and exchanges between Europe and Asia be expanded. They received positive responses from the countries concerned. Domestically, the Fifth Plenary Session of the Fourteenth CPC Central Committee ranked the Euro-Asian Continental Bridge economic zones as one of five economic zones for key construction and development, following the inclusion of [the statement] "zones around the Chinese section of the New Euro-Asian Continental Bridge will develop sustainably" in "China Program of Priority Projects on Agenda 21." In May 1996, the two State Commissions and the Ministry aforementioned will jointly sponsor an International Symposium on Economic Development of Zones around the New Euro-Asian Continental Bridge.

That large-scale development and opening up of the zones around the Euro-Asian Continental Bridge have been placed on the agenda of our times, is of strategic significance in transforming the situation, in which the vast central plain and western and northern China are relatively lagging behind in development and opening, in promoting sustained and coordinated development of southern and northern China, eastern and central and western China, narrowing gaps in economic development between different regions, enhancing solidarity between nationalities and in maintaining long-

term peace and stability. . . .

As the world is approaching toward the twenty-first century, developing relations between Asia and Europe are necessitated by world peace and economic development. In October 1994, Singaporean Prime Minister Goh Chok Tong proposed convening a meeting for Asian and European heads of state to discuss cooperation between Asia and Europe, and received positive responses. After serious preparations for a year, the first Asia-Europe Meeting was just convened in Bangkok, Thailand, March 1-2, 1996, which was attended by leaders from seven Asian countries, China, Japan, R.O.K., 15 European Union countries and the European Council. Chinese Premier Li Peng attended the grand meeting and delivered an important speech at the meeting. The meeting will serve as an important bridge for promoting cooperation between Asia and Europe, usher in a new epoch of Euro-Asia cooperation, greatly promote economic and prosperity between Asia and Europe, and provide a historical opportunity for developing the New Euro-Asian Continental Bridge. With more than a decade's efforts made, the Chinese section of the New Euro-Asian Continental Bridge has entered a new stage as whole, and developing the zones around the Euro-Asian Continental Bridge is getting in gear. . . .

I am firmly convinced that with long-term efforts made before and beyond 2000, the New Euro-Asian Continental Bridge will become an international economic and trade corridor, that will have the glory the Silk Road enjoyed in ancient times.

## Maglev for the future

*The authors of A Study on the Strategic Significance of the New Euro-Asian Continental Bridge, advocate the use of the most advanced technologies to build the New Euro-Asian Continental Bridge economy, including magnetic levitation (maglev). Here is the relevant passage:*

The modernization and rapidity of transport means will give an unestimable impetus to the continental-bridge transportation. The rapid progress in science and technology promotes the modernization and rapidity of all the transport means, including the railway, automobiles, airplanes, and ships. Particularly, the success in the trial operation of the magnetic suspension train which travels at a speed of over 500 km per hour, will usher in a new era for railway transportation. It will exert an unmeasurable promotion on the continental-bridge transportation which takes railway as its chief means. . . .

# Provincial leaders and infrastructure experts endorse the 'New Silk Road'

*In the course of the Beijing conference, over 60 technical papers were presented by Chinese and foreign experts, covering a wide variety of economic, technological and environmental questions related to development along the Eurasian Continental Bridge. To give our readers an idea of the flavor of the discussion, and the range of topics included, we present below, with minor editing, and subheads added, excerpts from draft papers given by Chinese contributors to the conference. The complete proceedings are expected to be published, later, by the organizers of the conference.*

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## Joining with the European Triangle

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*Gui Lintao contributed a paper on "Cities along the Bridge Join Hands in Building the Modern Silk Road." Gui Lintao is a member of the standing committee of the Shaanxi Provincial Commission of CPC, secretary of the Xi'an Municipal Committee, and president of the Long Hai Lan Xin Economy Promotion Council.*

... Both the Asian and European continents were the birthplaces of world ancient civilizations, having made indelible contributions to the spread of human civilization, science, and cultures. During the course of 1,400 years, from 138 B.C., when Qian set out on his trek to the Western Regions, to A.D. 1388, when gunpowder was introduced to Europe, the "Silk Road" had all the while been the link between Oriental civilization and Occidental civilization. It made the economy and culture of Middle Asia, West Asia, and even East Asia and parts of Europe achieve unprecedented prosperity. ...

The development of economy and society reveals such a fact: the concentration of population, production and exchange, namely the development of cities, without exception depends on natural rivers, lakes, seas and ports, as well as man-made communication corridors like land routes and water routes. For example, the opening of the ancient "Silk Road" once caused one new city after another to be set up in the Western Regions, whereas the opening of the modern Continental Bridge marks the beginning of the era of common development of urban and regional economy. The steel and iron artery greatly reduces the distances between different

cities and between different regions. And through this main axis, one economic network after another, centering on cities and radiating to vast surrounding areas, will be formed. ...

The opening of the North American Continental Bridge played a decisive role in the development of Midwestern North America and the revival of the American and Japanese economies; the construction and operation of the first Eurasian Continental Bridge brought about the emergence of more than 60 industrial and mining cities along the route.

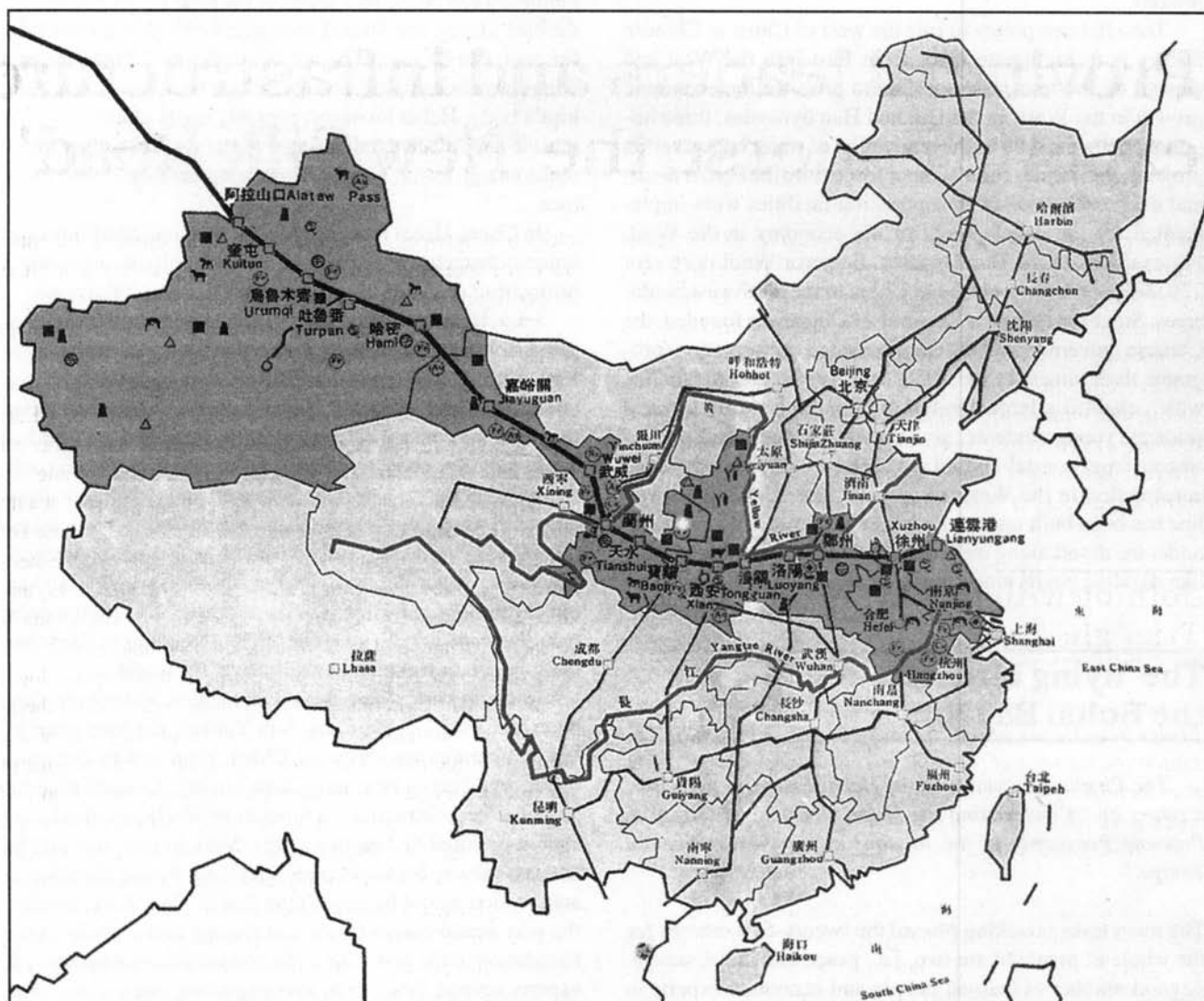
This Continental Bridge of today connects in the East with the Northeastern Asian Economic Rim, which is composed of Japan, Korea and China, passes through Middle and Western Asia, which are endowed with rich mineral resources, and joins in the west to the Central European Region, which is formed by triangle of Paris, Berlin, and Vienna. ...

A city is the production, circulation, science, technology, finance, and information center in a given region, and is therefore the accumulating place and source of radiation of advanced productivity. The survival and development pace of the urban area have to be sustained by communication and transportation networks. But the easy accessibility of the networks of communication and transportation depend on city development for the furnishing of supplies of energy. At present, the global economy has entered a stage featuring city-centered development. And the urbanization process will be greatly quickened. It is estimated that by the end of the century the urban population globally will surpass that of the rural population, reaching 51.6% (the developing countries will reach 45.8%); and China will have 40% of its population living in cities. ...

If you take a bird's eye view over the map of Asia and Europe, you will see that the New Continental Bridge looks just like a brilliant and eye-catching necklace, linking up 100-odd cities scattered around the Eurasian continents and the surrounding towns in their thousands, as though they were pearls. The substance of the Continental Bridge economy in question is the construction of a Continental Bridge transportation systems-based industrial chain, to bring about a sound cycle of urban and regional economy and its speedy development. In the end, an economy corridor of powerful cohesive force and radiative force will be formed, which takes the Continental Bridge as the main axis, the large and medium cities along the bridge as props, and the multitude of small cities as net knots. ... The economy corridor will further



## Chinese provinces along the new Eurasian Continental Bridge, with major rail connections



Courtesy of the Organizing Committee for the International Symposium on Economic Development of the Regions Along the Euro-Asia Continental Bridge.

promote the mingling of the economy and culture of the two continents, and in particular accelerate the process of industrialization and urbanization of the Middle Asia and Midwestern region of the Chinese section, and form new city rims or city belts, thereby speeding up the economic takeoff of the underdeveloped regions and realizing a coordinated development of the regional economy.

Judging from the development in different areas along the Eurasia Continental Bridge, the cities in the western part of the bridge, such as Rotterdam, Paris, Bonn, Minsk, Moscow, and Kiev, have marched into the advanced industrial society, whereas the areas in West Asia, Middle Asia, and East Asia are still in the process of industrialization and urbanization. Even in the Chinese section of the New Continental Bridge,

distinctive differences in social and economic development still exist between the Eastern, Middle, and Western areas. For example, among 66 million poverty-stricken people in China, 80% live in the Western area and about 80% of the rural labor in Western China is engaged in agriculture. . . . The only way to narrow the difference between inland areas and developed areas is to develop in-depth processing and high-tech industry in the inland areas with their abundant resources, to promote continuous industrial growth, instead of sticking to the traditional model of supplying natural resources and primary products. The important way to solve the unbalanced development between different areas is to rely on the railway line and bring the role of the central city into full play by amassing technology and manpower, which is

significant for the development of small towns as well as the creation of a sound environment for the development in poor regions. . . .

The effective policy to rule the west of China in Chinese history is to immigrate labor from East into the West and depend on the transportation line to promote the economic growth in the West. In the Qin and Han dynasties, three important policies, such as the renovation of water conservation projects, the immigration of labor forces into the border areas, and the construction of transportation facilities were implemented for the development of the economy in the West. For example, in the Han Dynasty, Emperor Wudi once sent 720,000 people from northeast China to the northwest border areas. Since the People's Republic of China was founded, the Chinese government has also launched immigration programs three times, in the 1950s, the 1960s, and the 1970s, which enabled a large number of demobilized officials and soldiers, young students, government officials, and professionals from coastal and inland areas, to join the economic construction in the West. As a result, the Xinjiang railway line has been built up and a number of outposts, buried deep under the desert along the ancient Silk Road, are now shining like dazzling pearls along the Continental Bridge.

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## The 'flying bird' of the Bohai Bay Rim

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*The People's Government of Hebei Province presented a paper on "Constructing the Hebei Bridgehead Group to Promote Prosperity in the Regions along the Continental Bridge."*

The main tasks marching toward the twenty-first century for the whole of mankind are two, i.e., peace and development. A good number of learned people and economic experts in the world predict that the focus of economic growth in the world is shifting towards the Asia-Pacific Region, and this prediction has been verified by the economic development tendency of recent years. While the Northeast Asia Region which surrounds Bohai Bay is the most brisk region in economic development, the upsurging region of economic development in the near future in China will be centralized in the Bohai Bay Rim Region. . . .

At the end of the nineteenth century and the beginning of the twentieth century, the Bohai Bay Rim Region had been one of the regions which initially received advanced Western productive forces. Entering into the twenty-first century, on the basis of the past combination and cooperation, the Bohai Bay Rim Region is showing its new position to all people in the world. . . .

From its geographic position and its functions in the Bohai Bay Rim Region, if the whole region is taken as a flying bird,

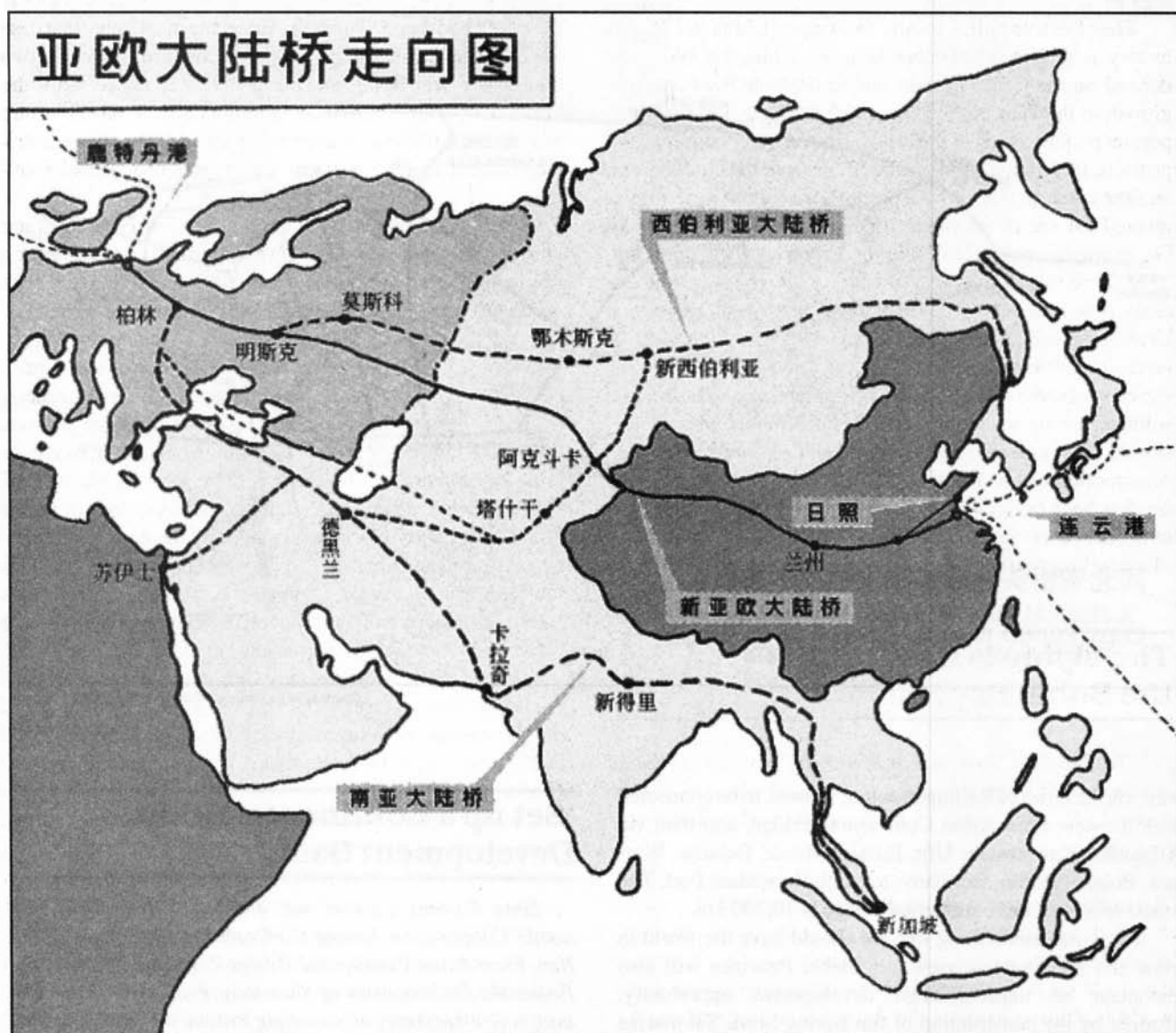
Beijing and Tianjin, the two municipalities, can be the brain of the Bohai Bay Rim Region; and Liaoning and Shandong Peninsula can be the two wings of the bird; Hebei Province is the bird's body, and Shanxi Province, the most important base for coal, can be said to be the tail of the bird. Now, the two wings have been flying, and the tail has been raised, while the bird's body, Hebei Province, urgently needs to have a strong muscle and full-fledged impressive stature. This raises a new requirement to the economic development of Hebei Province. . . .

In China, Hebei Province has the excellent conditions and unique character as well as rare opportunity to construct a bridgehead group of the Asia-Europe Continental Bridge.

First, Hebei Province has an excellent port condition. Located in the northeast part of Hebei Province, Qinhuangdao Port, since it was opened as a trade port in 1898, has been operating nearly 100 years. Now the port has 53 berths, among them one has the capacity of 100,000 tons, and the port has cargo-handling capacity near 0.1 billion tons yearly, next only to Shanghai Port. . . . For the port there are three main channels with water depths more than 13.5 meters, through which 50,000-ton cargo ships can go smoothly; another main channel with a water depth of 16.5 m, through which 100,000-ton cargo ships can pass, is under construction. Therefore its handling capacity can meet the full requirements of third- and forth-generation container transport in the world. . . .

Jingtang Port, which is only 65 nautical miles from Qinhuangdao Port. . . . Here, Dr. Sun Yat-sen, the forerunner of the democratic revolution of China, proposed to construct the "Large Port in Northern China" in his "General Plan for National Reconstruction" written in 1919. He said this [port] should be equal to America's New York in size; it would be the passageway for world trade, and a supply and distribution area, which would be larger than that of New York. Finally, the port would connect Asia and Europe into a whole. After foundation of the new China, the concerned departments sent experts several times to do investigations, and experts from Germany, Britain, France, Austria, Japan, and so on also have come on inspection early. . . . All deemed that here is an ideal site for constructing a deepwater port. On Aug. 10, 1989, the port began to be built formally; in July 1993, Tangshan City signed an agreement formally for jointly constructing the port with Beijing Municipality, and the port was named "Jingtang Port." The port will be the biggest one in scale of the construction in China; the first phase of the project, including eight berths with a capacity of 15,000 tons each, was essentially finished at the end of 1995. . . . According to the plan, by the end of this century, [the port's] handling capacity surpass 12 million tons yearly; in 2010 it will reach 22.1 million tons, and by 2020, 36 million tons per year. Meanwhile, Jingtang Port is planning to build a large deepwater berth in Caofeidian Port. Caofeidian is located 30 nautical miles southwest of Jingtang Port. . . .

Huanghua Port, which is located in the eastern part of



Courtesy of the Organizing Committee for the International Symposium on Economic Development of the Regions Along the Euro-Asia Continental Bridge.

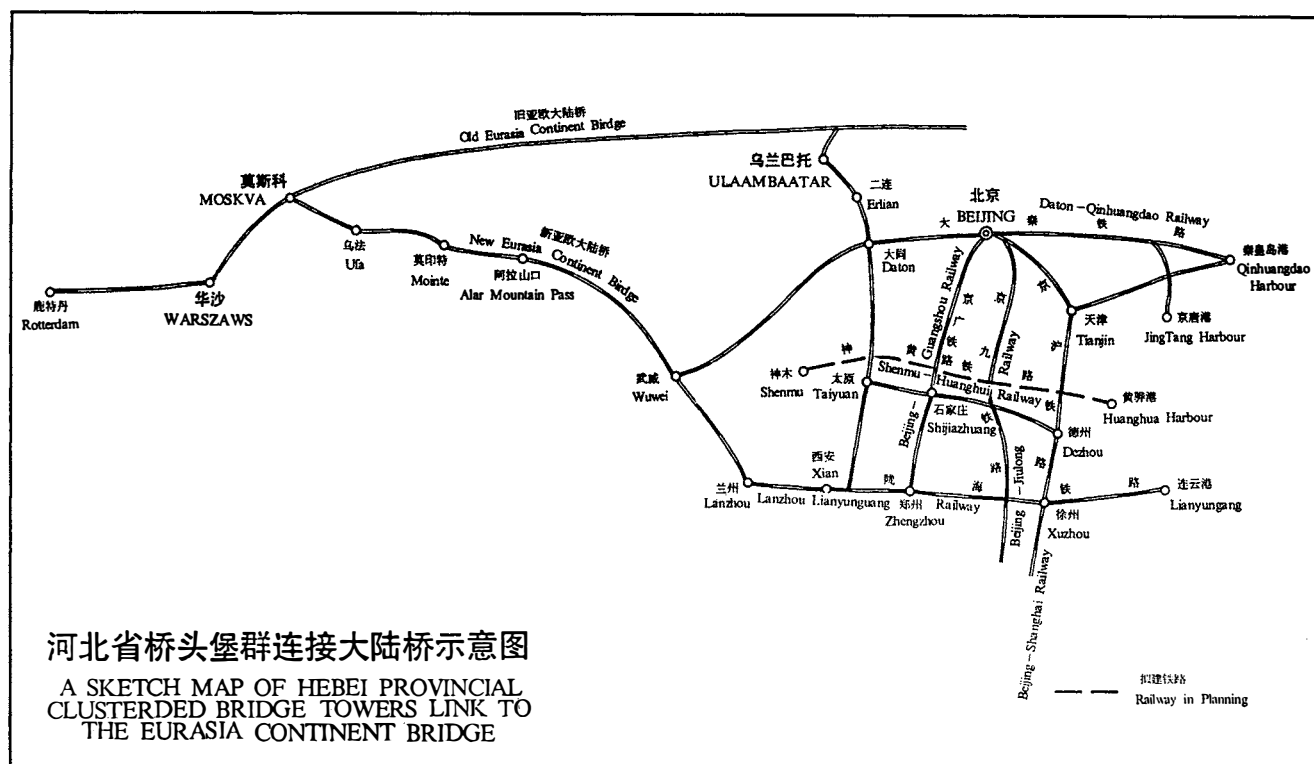
Hebei Province, was certified officially in 1993 to be the special port site for Shenmu coal. At the moment, the port area is under construction. The Shenmu-Huanghua Railway has been already listed in the Ninth Five-Year Plan and the long-range program of 2010 of the national economy and social development; it goes via Dongsheng to reach Baotou, connecting there with the railways of Beijing-Baotou and Baotou-Lanzhou. Along with the construction of the port and routes and the need for economic development, Huanghua Port already has the condition to become one part of the Oriental Hebei Bridgehead Group of the New Asia-Europe Continental Bridge.

The three ports mentioned above, together with Tianjin Port, compose the oriental bridgehead group of the Euro-Asian Continental Bridge. . . .

Taking Qinhuangdao Port and its neighbor, Jingtang Port, as a starting point, one route is to go along the Da-Qin Railway to Ulan Bator, in the People's Republic of Mongolia, via the cities of Beijing, Datong, and Erlianhaote, and then further enter into Russia to be connected with the Siberian Asia-Europe Continental Bridge. The whole length of this continental bridge is 11,200 km from Qinhuangdao Port of Hebei Province, China, to Rotterdam Port, Holland.

Another one is to go to Alashankou along Da-Qin Rail-

## Schematic of Eurasian Continental Bridge connections to Chinese harbors via Hebei province



Courtesy of the People's Government of Hebei Province.

way, via the cities of Beijing, Baotou, Wuwei, to be connected with the new Euro-Asian Continental Bridge, and then via Alkdouka, Kazakhstan; Ufa, Russia; Minsk, Belarus; Warsaw, Poland; Berlin, Germany; to reach Rotterdam Port. The whole length of this continental bridge is 10,700 km. . . .

It is worth mentioning that we should have the world in view and the future in view. . . . Hebei Province will also encounter an unprecedented development opportunity, brought by the construction of the Bering Strait Submarine Tunnel. The narrowest location of the Bering Strait between Chukchi, Russia and the North American Alaska Peninsula, is only 85 km wide. Already in 1905, the "Cross Alaska-Siberia Railway Company" was set up by Russia and America. In 1986, a tentative plan for establishing a Bering Strait Undersea Tunnel was put forward. After that, in 1992, 1993, and 1996 three successive international meetings have been held especially to discuss this issue. As soon as the Bering Strait Tunnel is finished, the U.S.A., Russia, China, and some Asian countries will be connected together. So, the Qinhuangdao Port, Jingtang Port, and Huanghua Port of Hebei Province will be one of the nearest ports of China from west exit of the tunnel, and it, also, will become one of bridge-heads connected with the Asian and North American Continental Bridge.

### 'Set up a Continental Bridge Development Bank'

*Song Fa-tang's paper was entitled, "Strengthen Economic Cooperation Among the Countries and Areas of the New Euro-Asian Continental Bridge Zone and Promote the Economic Development of Shandong Province." Song Fa-tang is vice-secretary of Shandong Provincial Party Committee and managing vice-governor of Shandong Province.*

The New Euro-Asian Continental Bridge Zone (NEACBZ) lays a very good foundation for establishing a new type of companion relations and for developing regional cooperation. The Chinese government has already appointed the Rizhao Port of Shandong Province as the eastern bridgehead of the NEACB. . . .

Shandong is in the eastern part of China, bordering on the sea. It is a big economic province of China, located at the east point of the new Euro-Asian Continental Bridge and facing the Korean Peninsula and the Japanese Islands across the sea. Shandong's resources are abundant, and railways and highways radiate in all directions. There are many seaports in Shandong. Rizhao Port, the continental bridgehead, is very

wide and the water is deep enough. One kilometer away from the coastline, the natural water depth is 13 meters. . . . The opening of the new Euro-Asian Continental Bridge makes the nature of Rizhao City change greatly: changing from an ordinary port city into the pivot city of land and sea, which connects Europe in the west and Asia and the Pacific Ocean area in the east. . . . Rizhao has favorable conditions (that are rarely found elsewhere in the world) to build a large deepwater port and maritime industry. We can build an international container transshipment center here. . . . Seize the opportunity to build an ore wharf of the scale of 150,000-200,000 tons, and open as quickly as possible sea lines from Rizhao to South Korea and to Japan. At the same time, we shall set up a bridgehead opening-and-developing experimental district in Rizhao City, delineating a certain area which will include the seaport, and giving it favorable policies similar to those of the special economic districts. We shall also select certain regional central cities in the Continental Bridge area to set up "Special Continental Bridge Districts" for the sake of giving impetus to the growth of the bridgehead economy area and the Continental Bridge Economic Belt. . . .

[Our proposals are:]

- Complete as quickly as possible the construction of the necessary infrastructure networks that tally with the needs of the NEACBZ. The main line skeleton of the new Continental Bridge railway has already been completed; the immediate thing for us to do now is speed up the necessary adjuncts for the skeleton. We should have the spirit of "joint construction, joint ownership, and joint responsibility," complete the necessary constructions in railway, highway, communication, and pipelines. . . .

- Set up a continental bridge development bank to strengthen the ability of circulating capital for the economic cooperation of the NEACBZ. The Chinese part of the new Euro-Asian Continental Bridge is mostly located in those areas of our country still awaiting development. Both the construction of infrastructure and the economic construction along the continental bridge line need to be speeded up and need a great amount of investment. In order to make Europe, Asia, and the Pacific area join in the economic operation of the NEACBZ more effectively, we may consider setting up a continental bridge development bank, whose special function is to be responsible for the economic development of the NEACBZ and establish bank branches in the important cities along the continental bridge, using a new financial system to promote the opening, development, and joint cooperation of the NEACBZ.

- Found a continental bridge international center for the training of qualified personnel to promote the exploitation of labor resources. The labor resources along the continental bridge line are abundant. . . . We should help the people in these areas to master the skills of developing production and strengthen cooperation in such respects as education exchange and vocational training. Currently, Shandong Prov-

ince has made investment in this field and set up a training organization in Rizhao to train qualified personnel for the sake of serving for the exploitation of labor resources along the continental bridge line. We imagine that through the joint efforts of all sides, we shall develop this organization into an international personnel training base, which will keep its foothold in China, but will be geared to the needs of Asia and Europe, in order to better serve the regional cooperation of the NEACBZ.

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## Eurasia needs 'development poles'

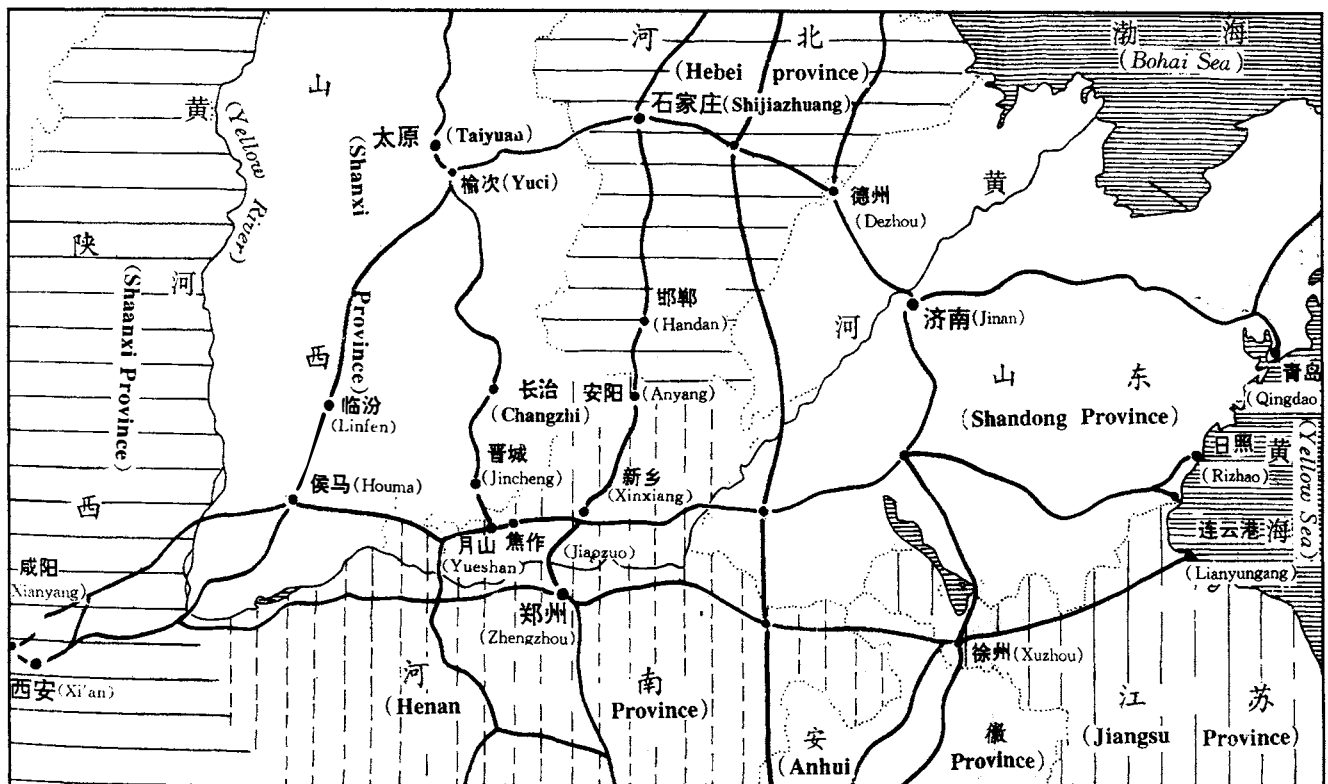
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*The paper by Hou Chen Yi, vice-mayor of the People's Municipal Government of Jiaozuo, was entitled, "A Primary Analysis of the Role of Jiaozuo in the Economic Development of the Regions along the Euro-Asia Continental Bridge."*

With the construction emphasis of China advancing from the east to west, a new development pattern of the national economy has formed. The "four modernizations" drive of the country started with the prosperity of Eastern parts brought about by the "open to the outside world" policy, and will only be fully fulfilled with the opening up, developing, and soaring of the Western parts. But from the prosperity of the East to the economic soaring of the West, the transitional zone in the center takes an important part. That is to say, the development and soaring of the West will rely on a highly developed central, transitional zone. And the key step for the central part of China to develop quickly is to concentrate development emphasis on a few cities of relatively sound foundation, i.e., to foster several "developing poles" or to break through at a few points. . . . By having a bird's view of the map of China, you will find that Jiaozuo is right at the juncture of the East and the West, the South and the North, right at the center of the Longhai and Lanxin new economic zone along the new Euro-Asia Continental Bridge. The superior geographic position provides Jiaozuo with the practical possibility of acting as a linkage between the South and the North, and between the East and the West. But to turn the possibility into a reality, Jiaozuo should have a sound economic basis for introducing, digesting, absorbing, and spreading advanced technology and management skills. . . .

From the viewpoint of its communicational conditions, Jiaozuo is located at the juncture of the two large economic zones to the East and West, at the boundary of Henan with Shanxi. Five railways extend across the region. They are the Beijing to Guangzhou Railway, the Jiaozuo to Liuzhi Railway, the Jiaozuo to Xinkiang Railway, the Jiaozuo to Taiyuan Railway, and the Houma to Yueshan Railway. The National No. 207 and No. 107 highways and seven interprovincial highways connect Jiaozuo with the surrounding regions. From the viewpoint of its development potential, Jiaozuo is one the three important members of the "Middle Golden Tri-

## Eastern end of the new Eurasian Continental Bridge



Courtesy of Gao Zhengang, Editor, "A Study on the Strategic Significance of the New Euro-Asia Continental Bridge," Jinan, 1996.

angle" mapped by the provincial government of Henan. Numerous experts have come to a common understanding since the proposal of Prof. Fei Xiaotong was put forward, that the Middle Golden Triangle shall be the Dragon Head of Henan's economy, the central pivot of the economic corridor along the New Euro-Asia Continental Bridge and the relay station of the hot economic spot on its way shifting to the West. At present, key national projects like the Key Water Control Project of Xiaolangdi, Qinbei Power Plant, and the Water Transferring Project from the South to the North are under construction in or near the region, with an enormous amount of investment pouring in a very short period.

... Basic industries like energy and raw materials have long been known as the "bottleneck" industries and will remain one of the major factors that restrain a quick development of the national economy in the Ninth Five Year Period and an even longer period after that. The immense area of Central and Western China is rich in natural resources and has a great potential in exploiting and utilizing these natural resources. To transform the resource advantage into an economic advantage, is the only practical way of vitalizing the economy of the Central and Western parts of China. ... Jiaozuo is also rich in natural resources. ... Jiaozuo is one of the earlier developed bases of anthracite in China. ... Output of

raw coal in 1995 hit more than 10 million tons and the yearly export volume of its anthracite accounts for one-fourth of that of the whole country. ... The region is rich in both superficial and groundwater resources. The Yellow River, Danhe River, and Qinhe River run across the region. The total available water reserves amount to 2.83 billion cubic meters, 884 cubic meters per capita. ... The verified reserves of limestone hit 0.3 billion tons, those of bauxite amount to 50 million tons. Both of them are essential raw materials for the aluminum industry. ... The reserves of bauxite in nearby Luoyang and Sanmenxia reach 0.3 billion tons. ...

Since the beginning of economic reform and implementation of the opening-up policy in China, Jiaozuo has focused its efforts on the development of power, coal, chemical, and aluminum industries to make its resource advantages yield well. By attracting investments through various channels, Jiaozuo has launched a batch of large enterprises influential both at home and abroad. And a base for energy and heavy chemical industries is taking shape. ...

The vast region of Central and Western China is rich in arable land resources. But the land resources remain insufficiently developed and of poor productivity. ... So it is of prime importance to accelerate agricultural development and help the rural economy thrive. In this respect, the Jiaozuo



region has successful experiences and practices for other regions in Central and Western China to learn from. . . . It has a long history of agricultural development and a tradition of intensive and meticulous farming. . . . In 1995, the average output per *mu* [1 hectare=15 *mu*] reached 476 kilograms . . . among the four counties north of the Yellow River, where one *mu* of land can produce one ton of grain, three are under Jiaozuo jurisdiction. . . . A new strategic plan, however, has been worked out recently for the further development of agriculture and the rural economy, based on a new and high starting point. Jiaozuo will accelerate the speed of industrializing the rural economy and integration of urban and rural areas. . . . It is targeted to establish a comprehensive exemplary area of agriculture for the nation, integrating high technology and bio-ecology with high efficiency, and to set up a base for processing and export of farm products and by-products, a base for earning foreign currency, so as to provide Henan and other regions along the Continental Bridge more and better experiences.

## Organizing railway transportation

*"On the Organization of the New Eurasian Continental Bridge Railway Transportation," was submitted by the Eurasian Continental Bridge International Transportation and Trade Co. Ltd. Research and Development Center.*

Since the connection was completed in 1990, the New Eurasian Continental Bridge (the NECB) has become the most popular topic concerned with Eurasian cooperation. In January 1996 seven nations, including China, Kazakhstan, Japan, and South Korea, signed an agreement to increase the volume of the goods transported through Druzhba-Alatau Pass on the basis of cooperation and mutual benefit. At the Asia-Europe Summit Meeting, at the beginning of March, this topic was again widely mentioned by the conference participants.

We think, that in order to take advantage of the Continental Bridge's convenience and safety for railway transportation, and to make it a significant breakthrough for Eurasian cooperation and a Eurasian economic corridor in reality worthy of its name, we must quickly build an organization of the New Eurasian Continental Bridge Railway Transportation (abbreviated as NECBRT). . . . Led by an international organization with participation by the railway transportation departments and/or major Eurasian enterprises, especially those from along the line, this organization should be a transnational coordinating institution which accords with international practice. Only on this basis, can a series of organized measures be adopted.

(Proposed measures:)

1. To standardize the gauge. For historical reasons, there exist different gauges in each section of the NECB. For

instance, in the section of the countries of CIS, there is a 1,520 mm-wide gauge, but in China and European nations, there is a 1,435 mm standard gauge. The gauge difference makes the trains on either end of the bridge unable to pass through it directly. Two transshipments are needed, thus wasting time, raising the loading and unloading expenses, and increasing the risk of damage to or loss of goods. In this sense, the gauge difference can be regarded as the key element in slowing down the high-speed transportation ability of the NECB. For this reason, it is the main task of the organization of the NECBRT to construct a new main line in the countries of the CIS to standardize the gauge and finally to realize direct passage from one end of the bridge to the other.

2. To unify customs inspection. The NECB passes through many countries, and every country has its own rules for customs inspection. . . . After unification, no matter where the goods are transported, they will not be re-inspected by other nations once they have been inspected by one of the member nations of the NECB organization. In this way, time can be saved, and transportation expenses reduced.

3. To unify transportation expenses. . . .

4. To unify settlement of payments. As the NECB runs through many different countries, it would be very difficult for the goods' owners to pay freight [charges] separately to individual countries—more expenses may be charged and unnecessary disputes may occur. It would be preferable if the goods' owners could pay the whole transportation charge through a unified settlement center, which would assign the deserved part of the charge to each nation. . . .

5. To coordinate the different aspects of the transportation system.

The NECB is a system in which railway transportation is only one significant part. To develop a whole system, other fields are needed, such as modernized storehouses, linkups between sea and railroad transportation, statistical information about the transported goods, retrieval of empty containers, and modernized tracking services, etc. Just as a conductor is needed in an orchestra, without a powerful, highly efficient coordinating institution, it would be hard to coordinate each subsystem's operation. . . .

6. To unify arbitration. In the process of carrying goods through the NECB, it is inevitable that economic disputes will occur between the goods' owners and carriers, typically when goods are damaged or lost. . . . If an arbitration institution is set up, all lawsuits and claims can be presented to it for settlement, and proper rights can be safeguarded.

7. To arrange and utilize funding. The differences in speed and gauge are the main factors limiting the rapid development and standardization of the NECBRT. The different facilities and conditions in each section cause the speed differences. For example, in the sections of China and Central Asian nations there exist substandard sections, which require technical transformation. As for the unification of

gauge, a new main line is needed to go through the countries of the CIS. It can have two routes: one is northward from Kazakhstan, via Russia and Belarus, linking up with European railways in Warsaw, Poland; the other is southward from Kazakhstan, via Uzbekistan and Turkmenistan, ending in Iran. The construction of the new main line needs a large investment. . . . For this reason, a transnational development bank should be established by the international community and nations along the bridge. On the basic principle that whoever invests benefits, the bank would raise funds from the international community for the construction of the NECB and technical transformation of the basic facilities, and finally, under a properly formulated plan, construct a high-speed railway in the Asian section, to achieve the rapid development of Eurasian railway transportation.

## Network planning along the continental bridge

*A paper on "Multimodal Transport Network Planning in the Regions along the Euro-Asia Continental Bridge," was submitted by Mao Bao Hua, Yuan Zheng Zhou, and Shen Fei, Department of Transportation and Management Engineering, Northern Jiaotong University, Beijing, and by Zhu Jun Feng, Institute of Comprehensive Transportation, National Planning Committee of the P.R.C. The excerpts below are mainly from the section on railroad construction.*

After the successful linkage between the Beijing Railway of China and the Tuxi Railway of Kazakhstan, a new Euro-Asia Continental Bridge has been formed. The regions related with the Continental Bridge include 4,100 km of railway lines in China, and include 11 provinces, 411 cities and counties, 220 million population. . . .

As an East-West corridor, the Longhai-Lanxin Railway from Lianyungang of Jiangsu Province to Alashankou of Xinjiang Autonomous Region, links many other railways. Eight railways South and seven railways North of the corridor are available. These 15 railway lines connect most of China. However, there still exist problems in the corridor, such as the following:

1.1.1. Baoji-Tianshui section is a single line of lower standards. Maximum speed in parts of the section is only 45 km/hour, which limits the capacity of the whole line.

1.1.2. The utilization on some of the line and related marshalling stations have exceeded 90%. The Yanzhou-Shijiu line, a single line, is near saturation in capacity.

1.1.3. The Ciyao-Bengbtu line has touched its saturation point, which would affect the absorption of the bridge in Southeastern areas.

1.1.4. Western lines have greater unit operational cost. . . [which] has affected the operational profits. . . .

According to the national railway network plan, total rail kilometers in China will be 65-70,000 by the year 2000. The rail line technical improvements related to the [Eurasian Bridge] corridor are as follows:

- Double-tracking of the Xuzhou-Lianyungang Railway. Part of the line, 254.4 km long, has been double-tracked, and the entire length will be completed soon.

- Technical improvement of the Baoji-Lanzhou Line. This 503 km-long line has very bad geographic conditions. The present loading rate at Tianshui station is very high, which forms a bottleneck for the Northwestern areas. As a main artery between the West and the East, it is necessary to extend its capacity to 45 million tons by 2000; the Baoji-Zhongwei Railway has been constructed as a channel to share part of the volume.

- Doubling the Houma-Yueshan-Xinxing-Heze-Shijiu Railway

- Electrification of the Baotou-Lanzhou Railway
- Electrification of the Gantang-Wuwei Railway
- Reconstruction of the Lanzhou-Xining Railway
- Reconstruction of the Nanjiang Railway

On the south-north axis lines, the main improvements are as follows.

- Electrification of the existing Beijing-Shanghai (Jinghu) Railway and construction of a high-speed line. The present loading rate on the existing Jinghu Railway has been saturated, especially in the section between Xuzhou and Bengbu. Simultaneously with its electrification, it is necessary to build a high-speed passenger railway, to increase the carrying capacity of the Jinghu corridor as well as the absorption of the bridge.

- Electrification of the Beijing-Guangzhou Railway
- Double-tracking the Jiaozhi Railway
- Construction of the Beijing-Jiulong Railway: This railway greatly improves the transport between south and north, directly to Hongkong.

- Construction of the Xian-Nanjing Railway
- Construction of the Baotou-Xian Railway. This railway, 914 km long, provides connection with Inner Mongolia, North Xianxi and Middle-China.

- Xian-Ankan Railway. . . .

- Xingyi-Changxing Railway. As a regional rail line, it plays an important role in the economic promotion of North Jiangsu. After 2000, it is also necessary to perfect the rail corridor. For example, it may take various seaports as nodes to construct a coastal railway such as the Longkou-Weifang-Linyi line, the Suide-Liulin-Xuzhou line, the Lanzhou-Yangpingguan line, the Xining-Chengdu line, the Alashankou-Jinghe-Buole-Yining line, the Wusu-Aletai line, the Xining-Zhangye line, etc. From a long-term point of view, it is necessary to build the Zhongwei-Taiyuan line, the Shang-Lanzhou line, the Geermu-Kuerle line, the Ledun-Beidun line, etc. The total length will amount to 100,000-140,000 km. . . .

On pipelines, it is necessary to construct the Wuwei-Lan-

zhou-Baoji-Chengdu-Zhongqing pipeline and the Baoji-Luoyang pipeline for end-product oil. After 2000, we should build the Akesu-Kuerle-Tulufan line, the Wulumuqi-Yumen-Lanzhou-Baoji-Xian-Luoyang line and Luoyang-Nanyang line for crude oil transport; and the Jining-Luoyang-Xiangfan line, Luoyang-Pingdingshan line and Zibuo-Jinan-Xuzhou line for end-product oil transport. The coal pipelines technique must also be emphasized.

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## Container transport

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*The Science Research Center of the COSCO Group contributed a paper, "On Container Transportation of the COSCO Group and the New Euro-Asia Continental Bridge."*

... Along with the development of the national economy and the increase of foreign trade, container transportation has become an important part of China's national traffic. ... In the five years of the end of this century, on the basis of containerized traffic in China, we are going to do the following: The international container shipping industry will be the focal point of development. The containership fleet will be optimized and enlarged. The infrastructure construction of central seaports and the ports along the main shipping routes will be sped up. The container distribution systems of railroad, waterway and highway are going to be established and improved. ...

... The COSCO Group, the largest shipping enterprise in China, has applied the world's most advanced technologies in shipping, international logistics, and information processing, to keep in step with world advanced science and technology, in developing the ocean shipping industry of China. ... The amount of container ships owned by COSCO Group is in the second place in the world. The COSCO containership fleet operates 156 ships of total capacity 174,000 TEUs [trailer equivalent units, the equivalent of a 20-foot trailer—ed.]. ... As a transnational shipping corporation, COSCO fully utilizes the continental bridge in its business. ...

A continental bridge is a bridge of transcontinental intermodal traffic, usually from coast to coast to form international intermodal transportation.

The main continental bridges in the world are the following:

1. The continental bridge of North America transcrosses from the East Coast to the West Coast. In the United States and Canada there are several railways which transcross from the Pacific Coast to the Atlantic Coast. The distance between the two coasts is 4,500 km. Every day the Burlington Northern Railroad Co. of America sends out eight double-stack container trains from the Port of Seattle. The number of containers transported by train each year is about 300,000 TEUs. ... [The continental bridge] can speed up the traffic: 100 hours from Seattle to New York, 62 hours from Seattle

to Chicago. Canadian Pacific Rail System, another railway company of North America, also engages in transport through the continental bridge of North America. The railway mileage of the CP Rail System runs is about 11,850 km. The service railways are as follows: Port of Vancouver to Toronto and Montreal, running time 70 hours and 110 hours respectively. ... Each year about 200,000 TEUs are transported.

The COSCO Group has opened the shipping route from China to the East Coast of America, once a week. We have also opened up sea routes from China to Long Beach and Oakland [California]. China to Seattle and Vancouver [operates with] one voyage each week, using large container liners. ... The world's largest containership, of 5,250 TEUs, will be operated on this sea route this year. ... The cargo transported is mainly, consumer goods used in the continent of North America. Those goods are transferred by the continental bridge door-to-door through an international, intermodal container system.

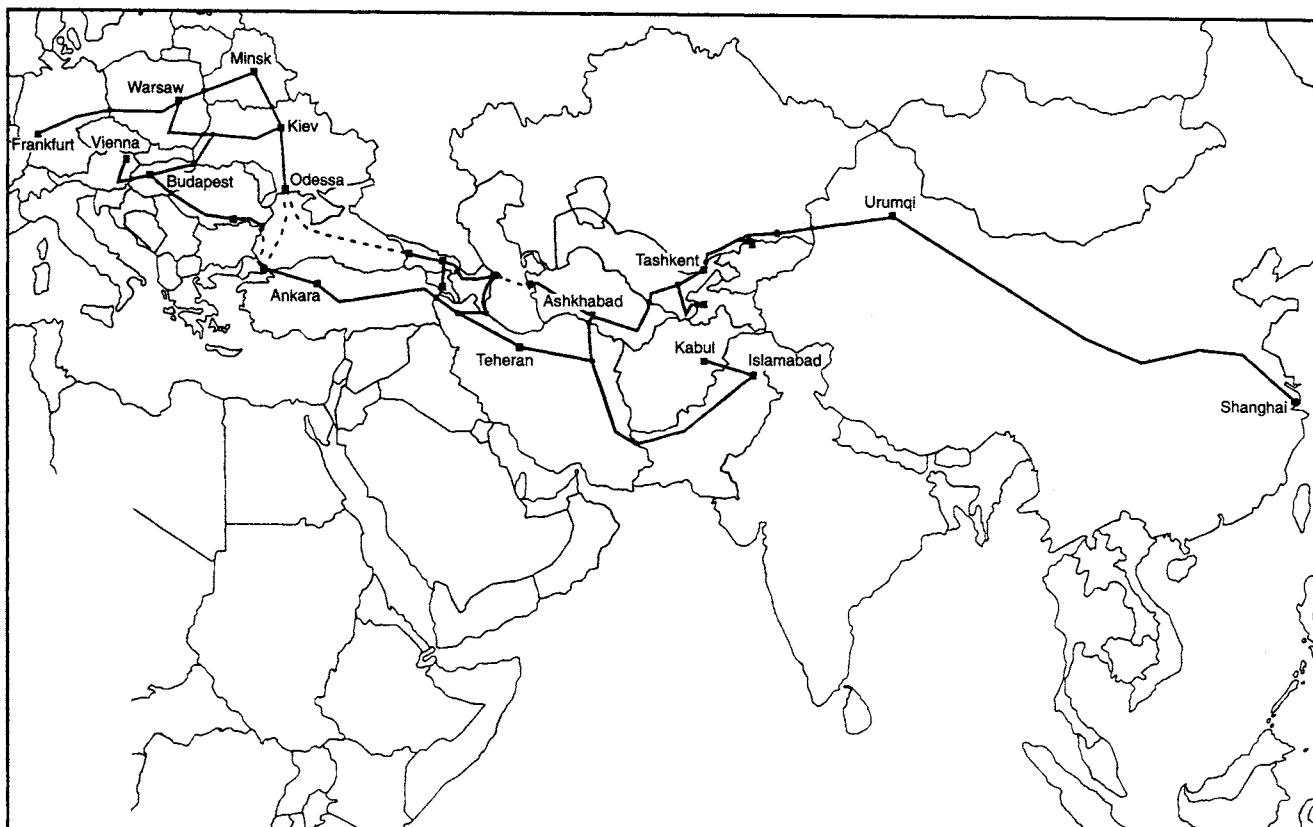
2. The Trans-Siberia Euro-Asia Continental Bridge links up the Far East region of Russia and Europe. ... This continental bridge makes favorable geographical conditions, speeds up the turnover of ships and trains, and greatly increases the traffic efficiency. The container transport by this continental bridge developed steadily and is highly praised by transfer companies and customers of other countries. The traffic of this continental bridge started in 1967. For the reasons of management, only 511 TEUs were transported during the years 1967 to 1970. In September 1970, Japan and the U.S.S.R. held negotiations and reached an agreement on developing transport between Japan and West Europe by the Trans-Siberia Euro-Asia Continental Bridge. ... Although the traffic on the Trans-Siberia Continental Bridge fluctuated, enormous profits were gained by the bridge transport. ... According to relevant documents, income is US \$130 million from transports of 70,000 TEUs each year from Japanese ports to the city of Brest (at the Polish-Russia border) via the Port of Vladivostok and the Trans-Siberia continental bridge. ... According to estimations, as many as 300,000 TEUs will be transported each year by 2000.

The container traffic on the Trans-Siberia Continental Bridge is mainly transport between Japan and Europe, or Japan and Near East Asia (Iran, Afghanistan). ... The time period of transportation is about 35 days. ...

3. The New Euro-Asia Continental Bridge. ... It has been a key problem for world transport industry and customers to find out and open up a new continental bridge between Asia and Europe. The realistic New Euro-Asia Continental Bridge is as following: The bridgeheads at one end are the Port of Rizhao, Port of Lianyungang, Port of Shanghai in East China, and Port of Guangzhou and Port of Shenzhen in South China; the bridgeheads on the other end, are ports along East coast of the Atlantic Ocean, Black Sea, and the Mediterranean Sea. ...

The characteristics of the new Euro-Asia continental bridge are as follows:

## Sketch of the 'Trans-Asia-Europe Optical Cable Trunk System'



From paper of Wang Hongjian, Ministry of Post and Telecommunications of China.

a) There are a lot of bridgeheads at the two ends of the continental bridge. . . .

b) . . . Because the New Euro-Asia Continental Bridge attracts cargo sources from a large area and has a broad hinterland, so, in the future, there will be plenty of containers. . . .

c) The regions along the continental bridge are rich in resources. . . .

d) . . . The New Euro-Asia Continental Bridge is 3,000 km shorter than the Trans-Siberia Continental Bridge. . . .

e) A favorable natural condition and mild climate. The East and West bridgeheads are all ice-free ports, so that cargo handling can operate all the year round. . . .

f) According to the forecasts, the traffic volume may be 70,000-80,000 TEUs every year under normal conditions. So it is possible to launch a through train each day from both the East and West terminals. . . .

*tions of the Ministry of Posts and Telecommunications of China, presented a paper on "The Trans-Asia-Europe Optical Cable Trunk System."*

The proposal to construct a Trans-Asia-Europe overland optical cable trunk system was first made by the Ministry of Posts and Telecommunications of China. The system starts from Shanghai, China in the East and terminates in Frankfurt (Main), Germany in the West. It shall go through Kazakhstan, Kyrgyzstan, Uzbekistan, Tajikistan, Turkmenistan, Iran, Turkey, Ukraine, Poland, Azerbaijan, Georgia, Armenia, Belarus, Romania, Hungary, Austria, Pakistan, and Afghanistan. It serves 20 countries in all, measuring some 27,000 km in total length.

When it comes into being, it will be the world's longest terrestrial cable system.

**Proposal of the project:** With the rapid growth in international economic relations since China's reform and opening policy, a serious shortage of facilities for international communications has long been felt, as the overseas telephone traffic in China has been increasing at a rate of over 30% annually at the beginning of the 1990s. . . .

## Fiber optics communications

*Wang Hongjian, director of the International Engineering Division at the Directorate General of Telecommunica-*

Communications with European countries have greatly grown in volume, but, hitherto, transmission has had to use satellite. Compared with satellite transmission, optic fiber cables have the advantages of much larger capacity, less time delay, and better quality in transmission; especially in view of the prospective development of various information services in the twenty-first century. . . .

Therefore, the Ministry of P&T of China made the proposal for the project of the Trans-Asia-Europe Optical Fiber Cable (TAE) System. Many telecommunications carriers in Asia and Europe expressed their great interest in such a project and responded to the proposal.

At a TAE project seminar held in September 1992 in Beijing, the representatives from five Central Asia countries at first expressed their interest to join the project and believed that this is the best way for them to communicate directly with other countries.

Germany, Poland, and Ukraine also expressed their interest in such a project, with a view that the rapid economic development occurred in Asia, especially in China. . . .

In April 1993, the Agreement on the Construction and Organization of the Trans-Asia-Europe Optical Fiber Cable System was signed by representatives of the eight countries taking part in the construction of the cable system, at a meeting held in Urumqi in China, and the project was formally started.

In January 1994, Turkey and Iran joined TAE as parties. They called this project a "Silk Road," since the cable line in West Asia follows generally a route of the ancient silk road. . . .

**The technology and service of the circuit:** All of the cables are buried or ducted at least 1 meter deep. Restoration has been established at each segment for the safety of the whole system.

The number of fibers in a cable is 18, 24, 30, or 48, as the volumes of capacity are different in each segment. Most of the transmission stations will install the advanced SDH 622 megabits per second or SDH 2.5 gigabit per second transmission equipment. It means that 7,500 to 30,000 circuits can be passed through one pair of fibers.

The TAE system can provide high-quality digital circuits for the transmission of voice, data, fax, graphics, and other kinds of information. . . .

**Progress in construction:** The construction of the cable system may be divided into three stages, as follows:

1. The preparatory stage (September 1992-June 1994). . . .
2. The construction stage (June 1994-January 1997): during which the signatory countries are to construct their respective cable segments, to complete the installation of equipment, and, as necessary, to conclude agreements regarding maintenance, border division, etc.
3. Check and acceptance stage (January 1997-March 1997): Tests will be conducted on every segment of the

system as well as the system as a whole; any outstanding problems are to be solved.

Some countries, such as China, Turkey, and Germany, etc., have almost finished the construction of their segments. It is expected that the cable system of main route will be completed and ready to start operation by April 1997.

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## Oil and gas pipelines

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*A paper on "Strategic Thoughts on Constructing an Asian Oil and Gas Continental Bridge (AOGCB)" was submitted by Li Dai of the Commission for Integrated Survey of Natural Resources, Chinese Academy of Sciences, Beijing.*

The Asia Oil and Gas Continental Bridge (AOGCB), linking up the Middle East oil-gas resources and the Far East market, will become an important route of international oil and gas trade, which to some extent will replace the shipping route between the Middle East and Far East. . . .

The AOGCB would join the most plentiful oil and gas resources and the main oil-gas import area in the world. . . .

The Caspian Sea, surrounded by Russia, Kazakhstan, Turkmenistan, Azerbaijan, Iran, probably ranks third, following the Persian Gulf and Siberia, in richness in petroleum and natural gas. . . . The international cooperation of the AOGCB will be very helpful for these countries to exploit their resources and participate in the oil and gas international trade. . . .

The Chinese petroleum shortage is an increasingly big problem in the future. Most of the main oil fields in eastern China are exhausted. . . . The AOGCB would promote the import of . . . oil and gas and exploitation of the western China oil fields. . . . The petroleum reserve along the AOGCB is about 40% of China's reserves, especially in Northwest China. . . .

The AOGCB would realize the plan of building a pipeline from Xinjiang to Eastern China. . . . If the AOGCB is set up, the freight volume to Japan and Korea would reach at least 30 million tons, which is one-sixth of their petroleum import.

The AOGCB would be a multifunctional economic system. [As an] international petroleum and gas conveyance system, this oil and gas pipeline of about 4,000 km in length would be an important thoroughfare for Middle Asian countries, providing connection to the sea once the pipelines are connected to those of Eastern China, Xinjiang Province and the Middle Asian countries. Next, we would connect to the Middle East pipeline and link up the Middle East resources with the Far East market. Once the Asia Petroleum Continental Bridge is built, the distance between petroleum resources and Japan and Korea would be shortened by some thousands of kilometers. Chinese ports would become the starting-point of international petroleum trade in the Asia-Pacific area.

# China 25 years later

*A personal report on this vast nation's optimism and will to develop, by Schiller Institute founder Helga Zepp LaRouche.*

It should not be surprising, that the picture that Western "studies" and media reports paint about China, has little to do with the real historical processes going on in this country, whose culture is one of the cradles of humanity. Twenty-five years after my first visit, I have just visited the People's Republic of China for the second time. I believe that the comparison of the situation, then and now, says more about the reality of the situation in the "Middle Kingdom," where one-fifth of humanity lives, than all the widespread reports about China.

When I first visited China in summer 1971, the Cultural Revolution was in full swing. The Gang of Four dominated politics, the Red Guards had done everything possible to drown China's ancient cultural heritage in red paint, and the intellectuals were considered "class enemies" who had to be re-educated through physical labor in the countryside or in cadre schools. Among the strongest of my impressions, were the propaganda and the revolutionary Beijing Operas which were blasting from ever-present loudspeakers.

China, which Leibniz called, with Europe, one of the two poles of civilization, lived through one of the darkest chapters of its 5,000-year history. As a young journalist, I was one of the first Western visitors who could visit China after years of isolation. When I just now returned to Beijing at the beginning of May, to participate in the International Symposium on Economic Development of the Regions Along the New Eurasian Continental Bridge, I felt, during the first days, like a traveller in a time machine. Beijing was hardly recognizable. Of course, I had been hearing and reading numerous reports about the impressive development of China, but only this personal comparison enabled me to find the expression which these reports omitted: There is no country in the world, which has seen such a dramatic change in the past 25 years, not only in vast parts of the country, in economic terms, but also psychologically!

The comparison to Germany between 1945-70 struck me. Even if China is, certainly, still governed by communist structures, fear and paranoia in the population had given place to a kind of calm optimism, and a very different dimension of the culture of the country, besides communism, became evident.

The enormous optimism and the will to develop, alone, which were expressed by the Chinese side at the symposium, were impressive. While the title of the conference already contains the concept of "development corridors," as proposed

by Lyndon LaRouche, several provincial governors said explicitly, that the aim of this program was not only the infrastructural integration of Eurasia, but also that the inner and western regions of China had first to be brought to the economic level of the developed east of the country, and then to a world level. This thought alone represents the exact opposite to that of the Gang of Four.

Beyond the economic component, the chairman of the symposium, State Councillor Song Jian, emphasized the great, civilizing effect which the building of the Silk Road has represented for the development of humanity for 2,000 years. According to Song Jian, when the first land corridor connected Europe, Africa, and Asia, during the reign of Emperor Han Wu of the Han dynasty, when commercial camel transport crossed the mountains and travelled across China, and Central, South, and West Asia, to Europe and North Africa, these contacts laid the seeds of civilization and friendship along the Silk Road. According to Song Jian, the new Continental Bridge, also, should not be regarded only as a transport line, but also as an important connection for the exchange of goods and technology, cultural communication, and friendships among the peoples of Euro-Asia.

The worth of this kind of political approach, cannot be overestimated. The contrast to the evil geopolitical theses of Samuel Huntington, about the alleged "looming clash of civilizations," is obvious. Huntington today is on the spiritual level of the Cultural Revolution: "Let the foreign devils kill each other!" was the rallying cry then; now, it is today the essence of his "study."

## **British sabotage efforts**

Despite the effort from the side of the British faction, through the European Commission, and especially Sir Leon Brittan, to delay and sabotage this symposium, and finally, when all these tactics failed, to force the programmatic perspective of the Continental Bridge into the vise of British free-trade politics, by, at least, integrating it into the framework of the March Asia-Europe Meeting in Bangkok, this conference represents an historical breakthrough.

Now, with the establishment of the New Eurasian Continental Bridge, the issue is on the table, and, at least, ratified as government policy by the government of China: this, which might be called the project of the twentieth century, which





*Helga Zepp LaRouche addresses professors and students during her second visit to China, in May 1996. "There is no country in the world," she writes, "which has seen such a dramatic change in the past 25 years, not only in vast parts of the country, in economic terms, but also psychologically!"*

the British-dominated oligarchical faction has already started two world wars to prevent. Since the times of French Foreign Minister Gabriel Hanotaux, Georg von Siemens, Count Sergei Witte of Russia, and Dr. Sun Yat-sen, the father of modern China, at the turn of the twentieth century, it is clear that the economic and cultural integration of the Eurasian continent is the decisive step needed to overcome the oligarchical system and its imperialist and colonialist variations.

The geopoliticians around Karl Haushofer, Neville Stuart Chamberlain, and Halford Mackinder, have, since that period, been painfully aware of the danger that successful national economic cooperation, on the basis of community of principle, would render British balance-of-power political manipulation ineffectual, and make the British empire irrelevant. The potential for such cooperation was demonstrated through the construction of the Berlin-Baghdad Railroad and the railroad from Paris to Vladivostok.

Edward VII used all his evil energies, first as Prince of Wales, and later as king, to destroy this potential cooperation, through the anti-German Entente Cordiale, and later the Triple Entente, the Russo-Japanese War, and wars in the Balkans, until, finally, the chessboard had been set up for the First World War. The larger portion of the tragedies of the twentieth century, including two world wars, were the result of these British policies.

Now, at the end of this century, China is the country which, more than any other, has made the expansion of the

Continental Bridge its state policy. This year, the government integrated the expansion of the Continental Bridge into the Ninth Five-Year Plan of National and Economic and Social Development, and the Long-Term Targets for the Year 2010.

### **Rich culture, complex history**

But, is not China ruled by the last important communist dictatorship? Does not China represent the biggest military threat of the future? Did not Lester Brown, of the Worldwatch Institute, recently say, that the earth's food chain is threatened by so many Chinese?

Perhaps the picture becomes clearer, if one takes the following into consideration: Like Germany, China is a country with a very rich culture, and very complex history. Some of these problems are, so to speak, home-grown, i.e., they result from Chinese or German philosophical tendencies; others are the result of universal conflicts of history. Yet, if you study universal history, in its entirety, it emerges that the only thing that matters, is whether the axioms that underlie the thinking and direction of politics, are such which characterize a developing society, or a society destined to destruction.

Even if it perhaps shocks the reader: From this standpoint, one can only draw one conclusion from the lack of cultural optimism in the United States today, as compared to 30 years ago, and the lemming-like tendency towards self-destruction of the Europeans: The West, the United States and Europe, but also Russia, are on a course that is taking them to their



*Helga Zepp LaRouche in Beijing; the lion is supposed to drive away evil spirits.*

own deconstruction. China, on the other side, is developing itself in a direction, that is striving to build, and to overcome backwardness, and which even has the potential to enable China to, once again in its long history, make a universal contribution.

The 10 years of the Cultural Revolution, one part of which I experienced in the summer and autumn of 1971, was a time of waves of open denunciations, kidnappings, and lasting terror against intellectuals, “pessimists,” “Party enemies,” and “reactionary elements,” who wanted to “institutionalize capitalism” in China.

First Mao personally, and then the Gang of Four, had given free rein to the Red Guards, the radicalized Maoist youth, to go after the alleged dissidents and class enemies. Art treasures from the old China, and foreign representatives of world literature, were considered equally reactionary, and often fell victim to blind destruction. Sending scientists and highly qualified workers to work camps and the countryside, meant an immense waste of productive resources.

At the time, I visited Shanghai, Qingdao, Tianjin, and

Beijing, and from these cities I was able to make a number of excursions into neighboring areas. I visited some industries and workshops, housing areas for workers, some of the then-famous children’s palaces, several villages, schools, kindergartens, and performances of the revolutionary Beijing Opera.

In many personal discussions, people reported to me—many of them older people, especially in Shanghai, who spoke German or English—about their experiences and the conditions which had existed before the foundation of the People’s Republic, and the improvements which had taken place since then. At times, an old man or woman telling me this, would have tears in their eyes.

The streets in the cities were dominated by huge numbers of bicycles, rickshaws, but few cars. The apartments in workers’ housing areas, with one or two rooms, had to shelter families of three generations. Many houses in the countryside had dirt floors, and were heated by ovens, which extended from the kitchen to the bed. Usually there was no electricity or running water.

Today, the cities such as Beijing or Shanghai give the impression of a huge construction site. There is already a large number of modern buildings, business centers, banks, and housing areas. During rush hour, there are traffic jams no smaller than in other big cities of the world. The number of cars is the same as bicycles, and many of the roads in and between the cities have been expanded, and, in some parts, they are comparable to modern highways in Europe. Investment in agriculture during the past years has led to sometimes impressive increases of productivity. Also in the countryside, roads are being built everywhere. New villages with much better houses have been built, which now, often, have central heating and running water.

But, perhaps the most telling difference, is the changed psychology of the population. They express a calm determination to go forward, and a will to never again let such catastrophic events happen, as did during the Cultural Revolution.

The experience of the extreme deconstruction of those 10 years, has brought about a shock which could perhaps be compared to the experience of the collapse in Germany in 1945. One should add, that there are Chinese intellectuals today who compare the rule of the Gang of Four with the “Gang of the Führer” of the Nazis. However, while Germany, through the policies of “re-education,” was not allowed to find the way back to the roots of its own positive culture, the German classics, but rather had Anglo-American values forced upon them by diktat, at least part of the Chinese elite have found their way to the more profound foundations of Chinese culture. Confucian thought is reflected in many political examples.

### **The Confucian concept of ‘li’**

Confucius (born 551 B.C. in the southwest of today’s Shandong Province) himself lived in a time of profound social change. He opposed the despotism and arbitrariness of his

time, with a moral teaching whose highest aim was a reconstruction of society out of chaos. For Confucius, the society of his time had left the right track, and was without *Dao* (path). The destruction of the previously valid rules of human society, the attack on traditional authority from below, and the decay of order; all this Confucius tried to work against. He thought that there is correspondence between cosmic and human order, a conception which is coherent with Platonic natural law. "It was Heaven which brought about the moral forces, which are in me," he said.

The idea of correspondence between cosmic and earthly order became a lasting foundation of political culture in China.

A central notion of Confucianism was *li*, which demanded that one had to fulfill the place one has in society. Acting according to *li*, is a precondition for the ordering of the social cosmos. It also means that society should not allow any break between past and present; it is the expression of being human, of cultured humanity.

"The virtuous man knows his duties, the lower order only sees his own advantage."

For Confucius and Confucianism, therefore, the position of the individual depended on the grade of his or her moral perfection. As for Nicolaus of Cusa, it was not birth or family relations that determined rank in society, but rather morality and way of life. In addition, every individual has to perfect himself morally through the acquisition of knowledge.

The moral quality, *ren*, which means humanity, or "love of man," defines a whole scale of behavior. *Ren* and *li* also give man the duty to take care of the well-being of his own people. Confucius demanded that morality and power form a unity. These thoughts, which can only be sketched here, put Confucius among the highest order in the history of humanist thought.

## Mencius versus Mo-zi

Mencius, born about 100 years later, who developed Confucius' ideas further, led the fight against the ideology of Mo-zi (Micius), and of Mohism, which is named after him. This is the idea that every individual is only trying to maximize his own benefits, including at the cost of others. According to Mencius, the orientation to "benefits" was preventing the unity of society. Mencius was deeply convinced that the world could be brought into order, only on the basis of Confucian values. Like his teacher, Mencius' thinking was also characterized by deep cultural optimism. The nature of man is good, therefore also the world can become good.

There is no doubt, that there is a real elite in China, which is thinking about the problems confronting the world today, on the basis of this philosophy. On the basis of Confucian and neo-Confucian thinking, both the nation's own history and the problems of the world are considered. Thus Mencius' rejection of Mo-zi represents a point of departure

against the negative effects of free trade.

Representatives of this elite are convinced that a society in which every individual is only running after material values and only wants to maximize his personal benefit, will lose control over civilization. One asks, what should the meaning of civilization be, in the coming century? If the presently dominant philosophy of the West would simply be expanded worldwide, humanity falls into catastrophe.

Therefore, there is consideration of how to re-define the notion of wealth, from the standpoint of common well-being, and also, how a new international system of law and a new parliamentary system can be created.

Representatives of this elite, are convinced that something must urgently be done to change the course of the world and that a new civilization has to be created, which will allow a real dialogue between the cultures of East and West for their mutual benefit. China is ready to bring into this dialogue, the entire wealth of its old classical culture, of which not least is the beauty of its art, which is of such value for society.

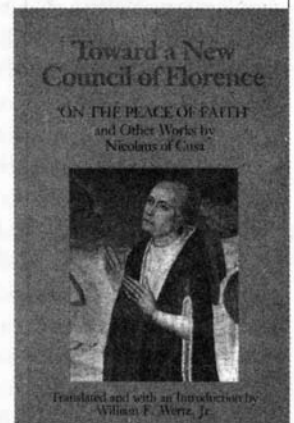
In conclusion, I want to say, that my travel to China 25 years later is among my most rewarding experiences. Schiller and Leibniz would agree with me when I say: If it is China that thus takes the cause of humanity forward, so be it!

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