A snapshot of some maritime Belt & Road projects
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Introduction: The Old Silk Road (OSR)

• The (traditional or) Old Silk Road was a network of overland trade routes that provided commercial and cultural exchange between Europe, Central Asia (CA), India and China (Ferdinand v. Richthofen, 1877)

• The OSR is estimated to have existed for almost two millennia – up the 19th century

• The OSR enjoyed at least three heydays:
  – Han Dynasty – Roman Empire (ca. 100 BCE – 200 CE)
  – Tang Dynasty – Caliphate (ca. 675-875 CE)
  – Mongol Empire (Yuan Dynasty, ca. 1245-1345)

• But the OSR also experienced periods of crisis/decline, often due to
  – Political instability, wars
  – Technological factors

• As its name indicates, silk was very popular as SR merchandise; it often even served as a de-facto means of payment

• From the late 16th century, silver (from America) also attained importance as a medium of exchange

• The Middle Kingdom remained the economically predominant and most resourceful power along the OSR
First heyday of the Silk Road

Map 7: First heyday of the Great Silk Road connecting Roman and Han Empires (ca. 100 BCE - 100 CE)

Second heyday of Silk Road

Map 9: Second heyday of the Great Silk Road under the Turkish steppe empires, the Tang Dynasty and the Caliphate (ca. 675 – 850)

Third heyday of Silk Road

Factors that contributed to ups and downs (heydays and declines) of the Old Silk Road

**Heydays**
- Simultaneous political stabilization
- Successful economic reforms
- OSR infrastructure investments
- Political = economic integration (of large parts) of OSR
- Tendencies toward religious unification
- Spillovers of Western silver flows from America to Eurasia (late 16th century)
- Networks of enterprising merchants (Sogdians, Uighurs, Bukharans, etc)

**Downturns**
- Political instability/de-stabilization, turmoil, warfare
- Unraveling or lack of economic reforms
- Vicious circle between political instability and loss of OSR revenues
- Diseases/pandemics spread by the OSR, notably the “Black Death”
- **Slow loss of importance of OSR through increasing Western maritime competition circumventing Central Asia** (from 16th century)
- Emergence of Siberian Route (Russia), equally bypassing the OSR
Some differences and commonalities between Old and New Silk Roads

- New Silk Road (NSR, „Belt & Road“): overland (SREB) + maritime (MSR)
- After replacing caravan trails, some railroad routes are in turn being replaced by high capacity rail trajectories
- China remains the pivotal power on the Silk Road in the sense of
  - being economically predominant and
  - boasting continuous trade and financial surpluses
- While in the final centuries of the OSR, China was falling behind early capitalist developments and Industrial Revolution in Europe
- In contrast, today China appears to
  - master functioning of capitalism quite well and,
  - even feature among most competitive countries globally
- Therefore, the „Middle Kingdom“ as the driving force of the NSR is now
  - much more determined, ambitious and outward-looking
  - than even during some of the OSR heydays of the past
Focusing on modern Chinese Belt & Road (New Silk Road) connectivity: While *Euro-Asian overland connectivity* is slightly gaining ground today, *Euro-Asian maritime connectivity* still predominates by far

For a **40-cubic-feet container** going from East Asia to Europe (acc. to expert estimate SEZ Khorgos Eastern Gate) :

- going by sea will cost USD 2500-3000
- by rail will cost USD 8000-10000
- by air will cost USD 30000-50000

✧ Depending on weight or value, *shares of East-West trade* currently are approximately:

- **Maritime transportation** 80-90 %
- Rail (+road) transportation 3-8 %
- Air freight 6-12 %

Eurasian rail connectivity is gaining ground because of structural catching up, Chinese subsidies. But a train might take 100 containers at the most, whereas a container tanker can load up to 20000!
Some major New Silk Road projects: a spatial overview
A selection of some strategic New Silk Road projects:

- Colombo Port City and Hambantota Port/ Sri Lanka
- Deep water port of Gwadar/ Pakistan
- Deep water port Kyaukpyu/ Myanmar
- Djibouti container terminal (East Africa)
- Port of Piraeus/ Greece
- New Clark City Industrial Park, Manila/ Philippines
Some major New Silk Road projects: spatial overview (close-up)
What to take away:

• Maritime (and other) Belt & Road infrastructure projects are often arranged on basis of clear geo-economic or geo-political logic.

• However, „debt traps“ can emerge, possibly even triggering „debt-equity swaps“, or prompting host countries to suspend/renegotiate some projects.
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Danke für Ihre Aufmerksamkeit

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