

rail networks of China, Mongolia, the Russian Federation, and Korea is already being made, and a working group established to consider such problems as gauge breaks and vehicle and container standardization. The experience of members of the Association of Southeast Asian Nations (ASEAN) in harmonization and standardization of land transportation will be applied to the other Asian nations.

China is also now constructing the longest and most costly new railway in the world, the new "North-South Artery" to link Beijing with China's southern coast, which is also the first major route built in China in 50 years. The new route is much straighter than the classic north-south Beijing-Guangzhou-Hong Kong line and runs about 300 miles to the east. The new line runs from Beijing to Tianjin-Hengshui, Shanghai, Fuyang, Macheng, Jiujiang, Nanchang, Xiantang, Jian, Ganzhou, Longchuan, Shenzhen, and Kowloon. The section from Beijing to Fuyang, 1,200 kilometers long, will be electrified, and the section from Beijing to Nanchang will be double-tracked. Bridges must be built over the 3,330-meter-wide Yellow River (Huang Ho) which must be 6,675 meters long. A 7.7-kilometer-long rail bridge already exists over the Yangtze at Jiujiang, which was built in the 1970s. If the Chinese-Vietnam rail line is completed, the Chinese "North-South Artery" will connect Northeast with Southeast Asia.

China has been running non-stop container service from Harbin, Shenyang, Beijing, and Zhengzhou to Guangzhou since April. Irregular express container service is running on rail lines between Harbin-Shanghai and Shanghai-Chengdu. China plans to build special tracks for container transport to all the major coastal ports, said Transport Ministry official Cui Changduo in May, but the lack of containers and inadequate facilities at many rail hubs poses a huge problem.

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## Interview: Anvar Usmanov

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# We need to build a 'Silk Road' railway

*Over the June 19-21 weekend, the Evangelical Academy of Loccum, in the German state of Lower Saxony, held a conference, entitled "After the End of the Soviet Union: Novostroi-ka in the Republics and the Help of the West." Among the many themes discussed, were the increasing importance of Russian regions and newly independent nations in reshaping economic relations both within the former U.S.S.R. and between the former U.S.S.R. and western nations, and the requirements for infrastructure development in this part of the world.*

*Anvar Dechkanovich Usmanov of Uzbekistan is a freelance journalist and a leading figure in the Birlik (Unity) opposition movement, as the "shadow" information minister for Birlik, i.e., if Birlik should come to power in the government in Tashkent, he would become the country's information minister. Uzbekistan is one of the five newly independent states of the former Soviet Central Asia. Mark Burdman interviewed him in Loccum.*

**EIR:** What do you see as the main economic challenges facing Uzbekistan?

**Usmanov:** As our specialists prognosticate, we are in a position to become more independent economically, because of our resources. There is an Uzbek proverb: "God has given us resources." Nowadays, of course, when we speak of resources, we speak of oil. There are two places where we have drilled that are hopeful for finding oil. One is at Minbulak. . . . In the past, we had to pay two-thirds of the profits from the sale of our cotton, just to buy oil products. . . . By a prognosis, we have drilled another well to 4,000 meters depth, and we have found signs of oil here. They predict much more than the first well I've talked about. We will know for sure in September-October. Because if we really strike oil and it is really located there, our country will have a completely different path of development, easier and more rapid. I've been in conferences with the government of China, and the Chinese have been terribly interested in buying prospective oil, because in the north, the Chinese have none. From the border of China, to these wells I've mentioned, the distance is 400 kilometers. So, now we have to drill.

**EIR:** What are the priority projects in infrastructure for Uzbekistan?

**Usmanov:** To reconstruct the Silk Road, to reconstruct it by railroad, and, in addition to modernizing the existing line, to add a new line to Tashkent—running from Karachi in Pakistan to Tashkent. The construction of these railroads will give us the ability to gain full independence from Russia. It's like the old Baghdad Railway project. Anybody that helps us in setting up railroads, anybody taking part in this, we will give them concessions.

A second task, very important to us, is gold. In official figures, we are mining 75 tons of pure gold, 99% pure. However, you see, our gold-prospecting industry is dependent on Soviet technology. For example, enriching it, melting it, by using Russian techniques, means every day, having to change drilling bits. As recently as four years ago, from all of our gold production, we got 0.5%, and all the rest went to Moscow. In the meantime, we were told, "You get housing," which means that the Russians set up houses for their drilling teams. Of course, the situation has changed now. Now, we get 60% of the worth of the production, and 40% of all gold stays in Uzbekistan. This has been the case since last year. We are still forced to give 60% to the central

government in Moscow.

**EIR:** I have heard some discussion here about Uzbekistan becoming an important international banking center, at least for transactions concerning the “cross-flow” between Europe, Central Asia, Russia, East Asia, etc. What is this all about?

**Usmanov:** What matters, is that the Uzbek people in its great mass, need knowledge of market functions. But by their character, traditions, mentality, they are better prepared for the market than anybody else. As an example: All the bazaars in Central Asia are dominated by the Uzbeks. I think we have the possibility for guarantees, in the form of gold, in the form of oil, in the form of cotton, in the form of rare metals, for developing our banking system. Up to the point, that other governments will put their funds in Uzbek banks, and store them there. Don’t forget, Uzbekistan is well situated geostrategically and geopolitically. There are also all the guarantees I’ve indicated. Beyond that, you have to reckon with the readiness of our people to learn the banking system and to exploit it.

**EIR:** There has been much talk in the western press, that Uzbekistan sees Turkey as some kind of model.

**Usmanov:** I see Uzbekistan only as an independent state, not a supplement of Turkey. How could Turkey become a model for us? They have an annual inflation rate of 25%. They have to import 80% of what they need. Why do we want that? Why did the West invest into Turkey? In my opinion, all western investments into Turkey are to counter-balance Iran. But Turkey can’t get out of its own internal crisis. It needs western credits to bail it out. By these processes, Turkey will be destroyed, not in the long term, but in the short term. Then look at Uzbekistan. We have 99% literacy, 1% illiterate. We have young people reading and writing freely, who don’t only look at television, and who are already traveling abroad. We are more civilized than Turkey, up to the present. So we will go our own way, although we will take from Turkey, their policy toward religion, their approach toward secularization, full freedom of religion, laicism.

**EIR:** There is some discussion in London, Washington, etc., of the revival of the nineteenth-century British “Great Game” in Central Asia. Do you see a renewed, modern-day version being set in motion now?

**Usmanov:** That era is finished. Why? Because the frontiers cannot be changed any more, so there can’t be the old British plan to split up the region. Anyway, there are countries like Pakistan, China, Iran, and Turkey, which have their own interests in Central Asia, and of course which are not there to fulfill the British plan. The chief thing is, do we ourselves want to have this plan? If it were identical to our interests, for sure our President would have been in the British Parliament [laughs]. As we say, that’s how things are.

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Interview: Pavel A. Minakir

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## Infrastructure needs in Russian Far East

*Pavel A. Minakir is deputy governor of the Khabarovsk Territory Administration of Russia. Khabarovsk is an important industrial region of the Russian Far East, with a capital of the same name, bordering on the Chinese province of Manchuria. Mark Burdman interviewed Minakir in Locom.*

**EIR:** There has been much discussion here about the importance of Russian regions and territories in the economic activity of Russia. Do you see this process leading to a contradiction between Moscow Center and the regions, with some challenge to the future structure of Russia emerging, or is it rather a matter of the regions providing a form of dynamism for a stagnating economy?

**Minakir:** There are no big contradictions between centralized and regional ties. . . . Economic decisions solely made through centralized institutions are not enough for supporting economic life in the territories. The economic center in Moscow now has the capability to support the budget system, to only partially support the energy system, and to support in the social sphere. It can’t provide all the support, but only one part of the necessary support. In such fields as foodstuffs, raw materials for industry, financial flows, capital flows, and so on, the regions have only one avenue for covering needs, to make agreements with other regions, between each other, in foodstuffs and raw materials.

**EIR:** When did this greater reliance on inter-regional cooperation really begin? Is it new?

**Minakir:** The beginning of the process was in the first half of last year. Then, after the events of August 1991, the number of these ties grew. The destruction of the centralized economic planning system after August was so great that, by October-November, it became very clear for every region that their own life is in their own hands.

**EIR:** Were new institutions then created, or was this the upgraded activity of older institutions?

**Minakir:** Territorial administrations were created in October-November last year by the presidential decree of Mr. Yeltsin, according to special rights decreed by the Russian Parliament for radical economic reform. The first step of Mr. Yeltsin was the nominating of so-called representatives of the territories. The idea of these representatives of the President in the territories, was to take wider control from the