Reviving Historical Trade Routes: A Case Study of the Silk Route - Gateway to China

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Abstract

Ancient trade routes played an important role in promotion of economic ties and cultural linkages. Some of these routes cannot be revived due to technological and political changes. However, Pakistan and Peoples Republic of China (PRC) have made bold efforts to revive the Silk Route. The revival will reduce the distance between PRC and its markets in Europe, Middle East and Africa. Pakistan also stands to prosper from this scheme.

Keywords: Silk Route, Karakorum, China, Pakistan, Europe, Middle East, Africa, prosperity, culture, routes

Reviving Old Trade Routes: Case Study of Silk Route

The revival of historical linkage between Pakistan and China in the form of Karakoram Highway (KKH) is a product of geography, politics and economics. The terrain of the region is a hindrance, but it has not prevented the development of economic and political ties. Technology has played its role in overcoming adverse geographical features. Globalisation gave further impetus to proliferation of commercial and social relationships. The roots of the phenomenon lie deep in history; in an age when means of communication were poor and trade routes were dangerous and invariably difficult, they served an important purpose i.e. bringing civilisations closer.

This paper aims to suggest that some of these trade routes could be revived in order to promote trade in goods and exchange of ideas, at least at the regional level. Which trade routes are worthy of revival and which have outlived their utility will depend on a combination of factors which

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need to be examined? There is an assumption that in spite of technological and political changes, the old Silk Route can be revived. There is a risk that the revival of the trade routes would result in reactivation of fears and jealousies of the past which might assume a new garb. It needs to be remembered, however, that they also carry great potential for transforming regional politics into a more cooperative framework. These ventures, particularly the revival of Silk Route, could also lead to regional integration and poverty alleviation.

Trade routes have played an important role in promoting prosperity at regional and extra-regional level. They served like arteries nourishing political, economic and social interaction between societies falling in their range. The trade routes created more cooperation than conflict, even though some element of competition and conflict did exist. There is historical evidence to suggest that at times these conflicts were exacerbated leading to war under certain circumstances. These trade routes presented an intricate network of corridors on land and sea. The terrain they covered was often difficult.

The Silk Route too passed through a tortuous network of tracks running through mountain ranges, plains and sea routes. It was spread over one of the most inhospitable regions of the world. It started in the Chinese province of Gansu and followed the north-western course. It splits into three parts, two of which rejoined at Kashgar. The third Route went north of Tian Shan Mountains to Almaty (Kazakhstan). The Route split once again with one track leading to Ferghana Valley, and the other Route joining it briefly in the south. One of the routes went to the Caspian Sea or Black Sea from where goods could be carried to various destinations in Europe.¹

The southern Route was single route beginning in China and passing through Karakoram into what is now Pakistan. From Gilgit-Baltistan (GB) in northern Pakistan, it passed through what is now Khyber Pakhtunkhwa (KP) and finally to Balochistan province. It touched on Khorasan (Iran) and moved onwards to Mesopotamia (modern Iraq) travelling all the way to Turkey. Another branch passed through northern Pakistan into Afghanistan, Iran and then following the land Route to
Syria. From Turkey and Syria, goods were transported to various European destinations through the sea Route.²

Other routes starting in western China travelled southward to Tibet, India, Burma and other south-eastern states. Separate shorter routes also starting in China went directly to Vietnam and other East Asian states. For a long time, silk was the main item traded through these trade routes. However, after Chinese monopoly over silk trade ended, other items began to be traded.

Another trade corridor beginning in East Asia passed through several political entities coinciding with modern day Vietnam, Strait of Malacca, Indonesia, India, Sri Lanka, Pakistan, Iran, Iraq, Turkey, Lebanon, Egypt, Italy and other European destinations. All these tracks consisted of land and maritime routes.³ The actual Silk Route was spread over more than seven thousand miles. The distance travelled over the seas was in addition to this.

Another important ancient trade Route was the Tea Route. Tea was introduced in Europe through several routes. Tea grown in China became popular in Tibet and East Asia, West Asia/North Africa, and finally Europe, where its immense popularity survived for generations. Incense routes provided a link between the present day Arab states, particularly southern Arabia (Yemen and southern parts of what is now Saudi Arabia). One route went westward to Europe and the other moved eastward to China, and also covering other parts of Asia. The ancient trade caravans carried items like gold, gems, coloured glass, etc. from west to east. The east provided silk, spices, perfumes, ceramics, precious stones and other items.

Revival of interest in historical trade routes has focused attention on the question whether the idea is feasible in the light of many political and technological changes which have taken place in the last few centuries? It is a documented historical fact that at least on three occasions the Silk Route fell into disuse due to introduction of new technologies.⁴ Political exigencies also affected developments leading to diversion of trade routes.⁵
It is argued here that four factors are crucial in determining whether a Route can be revived.

Firstly, in view of the fact that empires of the past have vanished giving rise to nation states, the political scenario presents new realities. It is also true that some of these states suffer from political instability and a legacy of interstate disputes. These realities make it more difficult for adversaries to come together or give geographical, economic or political access to their rival states. Mutual suspicions stand in the way of cooperation. To the extent that the regional states are able to overcome animosities, they will be ready to take calculated risks for mutual benefit. One cooperative step could lead to more bringing prosperity to the entire region. This analysis might appear to be rather optimistic to some observers, but it is politically feasible in spite of inherent difficulties.

Secondly, providing security to the trade routes could be another major challenge. Non-state actors on their own or as proxy of a regional and extra-regional power could act to stop the revival of an old trade Route. It will be vital for the revival of trade routes that states involved in the venture coordinate security arrangements.

Thirdly, technology and its role cannot be overlooked. It is vital that means of communication are not only developed, but also that they are economically feasible. In the words of Erich Stake, rail is much faster than sea transport and much cheaper compared to air freight. Although the significance of geography has been somewhat reduced as a result of technological innovations, it would not be realistic to conclude that geography has become irrelevant. The long span of land covering the historical trade routes often traverses inhospitable terrains. It is more costly to build the infrastructure in this sort of terrain. In case of Silk Route, it will be necessary to use the sea lanes as well as land corridors.

Lastly, assessment is required whether demand for commodities traded in the past exists today. If the pattern of demand has undergone change, it should not be a source of worry as long as interdependence continues. Under the new scenario, different sets of products might be in greater demand. As a matter of fact, this shift has already taken place. China, Pakistan, other states in South Asia and Europe have become
dependent on Middle Eastern oil and gas while European states, including Germany, are importing computers, textiles and other goods rather than silk and perfumes.

Hopes for the revival of any trade Route including the Silk Route would also depend on factors like economic compatibility, affordability and interdependence. An additional requirement is ability of partners to sustain the system.

**Lessons of the Past**

It is clear that the political, strategic and economic environment has undergone tremendous changes over the last few centuries. In spite of this reality, it would be imperative to draw lessons from a study of the history of the Silk Route.

As already stated, the Silk Road was spread over a long and difficult track of land spanning several empires and city states. It was marked by intense competition between major powers to establish control over these lifelines of world commerce. Those who were able to control them gained immense political influence and economic power due to their ability to generate revenue from trade taking place through their territory. A number of cities sprang up all along the trade routes providing services of various kinds to the merchants.

Empires often drew their strength from their ability to control trade routes; they could fall or be weakened when trade routes changed their course due to political or technology reasons. When empires were unable to provide protection to the traders and their agents, it invariably resulted in loss of control over the trade routes. The trading empire grew as a result of security and other compulsions. The primary function of this arrangement was protection of not only the merchants, their agents and their goods, but also the maintenance and protection of the trade routes.

The cities along the trade routes provided lodging and dining facilities, as well as ware houses for temporary storage of merchandise. The empires collected taxes and security fee, while the cities became prosperous by providing various services to traders passing through their
territories. Trade then, much like today, did not enrich only people directly engaging in it, but also people indirectly associated with the process.

The security role of cities was, however, limited; generally, they acted as agents of a superior authority which could be an emperor or king. Providing security was a complex task requiring not only arms and ammunition, but also services of trained soldiers and well-fortified fortresses.\textsuperscript{10}

A study of these routes would bring out several interesting aspects; for example, these trade routes were particularly vulnerable to political developments. Since trade routes were a major asset on which depended the livelihood of hundreds of thousands of people and the financial well-being of the political authority, no threat could be taken lightly. Those posing threat were either common bandits or political adversaries using bandits and even their own soldiers to disrupt trade. Alliances were frequently formed to maintain the status quo or divert the route in a direction more favourable to the challenger.\textsuperscript{11} Political developments were often used to promote expansion or cause diversion of these routes.

As Silk Road became a primary route of trade, it also gave impetus to religious, cultural and social exchanges. The spread of Buddhism and later, Islam, became possible as a result of these inter-civilisation interactions. The prestige enjoyed by Chinese civilisation all over Europe and other regions in ancient times had many channels, but traders contributed the most to the process.

In modern times, the revival of Silk Road has taken the form of Karakoram Highway (KKH).\textsuperscript{12} Work began on Indus Valley Highway in 1959. It linked Gilgit with Islamabad. During 1950s and 1960s, Pakistan took the initiative to open up some tracks in the region which were narrow. Subsequently, this project with financial and technical assistance from China became known as Karakoram Highway (KKH). It became possible only after the signing of bilateral border demarcation agreement between China and Pakistan in 1963.
Negotiations for the construction of KKH were undertaken in 1964 and work on the project began in 1969. It is an all-weather route linking China with Pakistan. It has the distinction of being the highest trade route in the world. The KKH has become a symbol of Pakistan-China friendship and cooperation. Hundreds of workers on both sides lost their lives while constructing the highway. In recent years, although landslides still cause closure of the highway for a few days, it is normally open throughout the year. It starts in the Xinjiang province of China, passing through many towns. It used to culminate in Hasan Abdal, but it was extended to Islamabad and Abbottabad. It is known as N-35, a highway running southwest from Abbottabad. The route is 1300 km from Kashgar (Xinjiang province in China) to Abbottabad (Pakistan). In China, it is officially known as G314.

The construction work on KKH continued for much of 1970s; a grand ceremony marking the completion of the project took place in 1979. Since 1980s, the KKH has been open to the public. The KKH coincided with the old Silk Road; it has been called the eighth wonder of the world, a great monument to human endeavour. The work of expanding and upgrading KKH was undertaken some years back after an agreement was signed in 2006 to widen the highway to 30 feet with two, and in some places, four tracks. The route would be fully metalled. The travel time of 30 hours was to be reduced by one third.

The project was to be completed by 2013, but a huge landslide at Attabadd in 2011 created an artificial lake inundating almost 22 km track of KKH. Although the part of the road from Attabadd will take a few more years to be completed. Goods carried by trucks have to be offloaded and carried by vessels to cross the lake and then put into trucks for onward journey to northern destinations. Work has started on a road bypassing the lake to restore the highway. This had added to expenses, but keeping the economic and strategic significance of the project in view, it is acceptable.

There is a well-developed network of routes on the Chinese side which is connected to the KKH. Pakistan also has ambitious plans to create a network running from north to south. For this purpose, work has already started. Routes connecting towns in the east with those in the
west are also at various stages of completion. They will be connected to the KKH; after this network of routes and highways is complete, more people will have access to the KKH.

When Prime Minister Nawaz Sharif took charge of government after election in May 2013, his first visit was to China. Several Memorandums of Understanding (MoUs) were signed between the two countries. It has been decided to expand the KKH and to have a railway line running parallel to it. Oil and gas pipelines will also run parallel to the KKH, enabling China to acquire oil and gas more cheaply and in much shorter time. Another major step taken by Pakistan is the development of Gwadar Port in southern Balochistan. It has been developed with Chinese assistance and is expected to go a long way in promoting the economic and strategic interests of Pakistan. It is also going to provide China better access to west Asian, African and European markets.

Pakistan-China relations have developed a new dimension with the launch of China-Pakistan Economic Corridor (CPEC). The idea is being seen as a game changer, which will bring tremendous benefits to the entire region. The project was proposed by Li Keqiang, the Chinese Premier, in May 2013. In April 2014, Prime Minister Nawaz Sharif visited China to further discuss the plan. The Pakistan-China Economic Corridor Secretariat was formed in Islamabad on August 27, 2013.

The Chinese President visited Pakistan in April 2015. It was a much awaited visit during which several agreements were signed covering a wide range of subjects. He announced a package of $46 billion to be invested primarily in energy development and infrastructure projects. This would add more than ten thousand megawatts to Pakistan’s energy grid, and 11.8 billion dollars will be invested towards the development of infrastructure.

Balochistan and Khyber Pakhtunkhwa (KP) will be primary beneficiaries of the CPEC, but the entire country will also gain when the projects are implemented. Industrial zones will be established in all the four provinces when the energy problem is resolved. Both countries envisage early implementation of the projects. The first phase is expected to be completed by 2017.
The Chinese have come up with three alternate corridors. The shortest one is CPEC, but there are two others: one from Beijing to Russia and the other from Shanghai to Central Asia and then Europe. Although these routes are longer and less desirable, they have nevertheless been under consideration.

International Significance of the KKH and Gwadar

The revival of Silk Road in the form of the KKH and the opening of a new port in the region will open new avenues not only for China and Pakistan, but Central Asian states and Afghanistan could also benefit. The KKH and Gwadar are intended to create routes for promoting interaction between regional and extra-regional states. These routes will provide better access to other regions for promoting trade and tourism. They will also transform political and social life at regional level. Technology has made it possible to overcome natural anti-routes, but it has also contributed to a new great game of competition for routes, which will be discussed later in this paper.

China is currently focusing on economic development of its Xinjiang province. This has led to rapid growth and industrial development in Xinjiang. Transporting finished goods from this region to Pacific ports of China will mean crossing 4,500 km. Another 10,000 km will have to be covered in order to reach markets in Africa, Middle East and several hundred additional kilometres to reach Europe. The distance between Kashgar and Gwadar is no more than 3000 km. The time factor can also be reduced from weeks to hours. It is the most feasible route available to the Chinese business community.

The Chinese government also intends to reduce its dependence on long routes for oil supply. The shorter the supply route, the easier it is to protect. It receives most of its oil from the Middle East which can be carried through pipelines, and by means of railway through Pakistan. The terrain, though difficult in the north, is still the most feasible of options available to China. Pakistan and China have also decided to convert the area from Kashgar to Gwadar into an economic corridor. Central Asian Republics (many of which have transit trade agreements with Pakistan)
and Afghanistan can also benefit from the arrangement. The Iran-Pakistan gas pipeline will be expanded to include China after India decided to drop out. Both these projects could earn millions of dollars for Pakistan’s economy.

India’s opposition to the KKH and Gwadar is known to all. Initially, when work began on the KKH and later when it was completed, India voiced its opposition claiming that China and Pakistan did not have the right to construct the highway. Their opposition is built on the premise that the strategic dimension of the KKH outweighs all other aspects. They also believe that in case of a future Sino-Indian war, China will be in a far more advantageous position than in the past. Indian opposition to Gwadar is based on the assumption that China will be using Gwadar for military rather than commercial advantage.

The US seems to share these Indian perceptions, as the two have evolved a policy of strategic coordination, which is believed to have as its main objective the containment of China. India has been developing the Chabahar Port in Iran, which is 450 km from Gwadar. The US, which normally raises objections against measures designed to strengthen Iranian economy, has not opposed Indian cooperation with Iran.

Gwadar has an advantage over Chabahar as the former is a deep sea port and, therefore, capable of receiving bigger sea vessels. Some of the perceived rivalry between Gwadar and Chabahar is misplaced as the latter was never meant to serve as China’s commercial outlet, whereas Gwadar’s main goal is to attract China’s commercial interest. But Chabahar enjoys an advantage in the sense that Iran has direct borders with Azerbaijan and Turkmenistan besides Afghanistan. It is not dependent on peace in Afghanistan for its role in Central Asia to succeed. On the other hand, Pakistan is dependent on peace in Afghanistan in order to gain access to Central Asian states.

There is at least one more port with which Gwadar is perceived to be in competition with. Dubai is a long-established, prosperous port belonging to the United Arab Emirates (UAE). Pakistan-UAE relations have been cordial. The perceived competition between Dubai and Gwadar is also misplaced as Gwadar will be serving a different set of
clients. Gwadar, with its focus on China, and to a lesser degree on Afghanistan and Central Asia, will not be in competition with Dubai. Moreover, after the end of war in Afghanistan, there will be enough opportunities for all the three regional ports.

Pakistan-Iran relations have been friendly. The main reason why Chabahar and Gwadar are seen as rival ports is probably because India and Pakistan have adversarial relations ever since their independence in 1947. The Sino-Indian rivalry has also contributed to the emergence of competition between the two ports.

The United States’ formal approach towards the revival of Silk Road and development of the port at Gwadar appears to be ambivalent, although not hostile. It is not happy because the KKH and Gwadar would give China direct access to the Indian Ocean, thereby augmenting China’s commercial as well as naval presence in the region. The US believes that direct access to Indian Ocean will enhance China’s ability to protect the sea lanes important for its oil and gas supplies in case of a threat to them. Other Chinese commercial interests, for example its vast trade, will also be better protected. The Chinese could also use this opportunity to increase their influence in the region. They would be much less dependent on the goodwill of other states for the protection of China’s major commercial interests. In the past, the US pursued the policy of containment against China. Should the US try to practice a new version of containment policy, China will be in a better position to handle the challenge. It is with this end in view that China has designed the ‘String of Pearls’ policy.

Hillary Clinton in her capacity as US Secretary of State had suggested that the Silk Road should be revived, giving India direct access to Afghanistan and Central Asia through Pakistani territory. If this proposal could materialise, it would mean connecting two ancient trade routes i.e. the western one running through Pakistan known as the Silk Road, with an eastern route passing through India to South East Asia.

The idea reflects current US priorities, one of which is to enhance India’s economic and strategic role in Afghanistan and Central Asia. Another goal could be to reduce Indian dependence on Chabahar. The US
wanted to exclude Iran, at least before the signing of the six major powers’ nuclear deal with Iran, from the revived Silk Road and to balance China’s influence by including India. But under the current scenario of mistrust and tension between Pakistan and India, it will create a security dilemma for Pakistan. Interestingly, India, which had reservations in the case of Iran-Pakistan-India (IPI) gas pipeline on the grounds that it would lead to Indian dependence on Pakistan, has not objected to the US proposal.

**Pakistan’s Domestic Politics in the Context of the Routes and Anti-Routes**

Pakistan’s provinces Balochistan and KP, through which the KKH passes, have been in the grip of turmoil ever since the start of ‘War on Terror’. Now the tension has reached Gilgit-Baltistan region, which is the northern most part of Pakistan. From here, the KKH enters Xinjiang region of China.

The tensions are of sectarian and ethnic nature. The sectarian conflict started in the 1980’s and became worse during Pakistan’s alliance with the US post-9/11. The violence currently going on in Balochistan is a serious hurdle in the way of development. The miscreants have been attacking infrastructure, particularly routes and railway tracks. Gas and oil pipelines are their other favourite targets. They have also kidnapped and killed some Chinese engineers and workers. These acts of terrorism are believed to be sponsored by some foreign intelligence agencies including RAW. It has already led to adverse consequences for Pakistan. China, which had planned to invest billions of dollars in establishing an oil refinery in Gwadar, has now shelved the plan. The Corps Commander of Quetta in an interview with the media revealed that there were more than a dozen foreign intelligence agencies at work in Balochistan.

These developments are viewed as an effort to create an anti-route in order to delay the projects which would give China direct access to the Indian Ocean. When viewed in the context of Indian efforts to develop an alternative route in the form of Chabahar Port, the contours of an emerging competition for routes and denial of access to routes become
rather clear. In order to protect Pakistan’s economic and strategic interests, it is necessary to establish peace within the country. There seems to be consensus among political parties now to launch military action against terrorists.

Apart from establishing law and order conditions in parts of the Route of the KKH, other issues also need to be addressed. Electricity shortages in Pakistan particularly in KP and Balochistan would seriously undermine the future prospects of Gwadar and the KKH. Pakistan will be better able to benefit from regional trade if road and railway network is extended to Afghanistan and Central Asian states. Development of infrastructure and communication networks is imperative for regional economic integration. China could also be linked up with Iran through Pakistan.

**Iron Silk Route: Impact on the KKH and Pakistan-China Trade Corridor**

There is a plan to build a network of railway lines in addition to oil and gas pipelines linking Middle East with China. ‘The Iron Silk Route’ would not only closely follow the ancient Silk Road, it would further expand it. The railway network would begin in Armenia and end up in Vietnam, linking up landlocked states with a large number of maritime cities. This project, although beneficial for all the states, is not free of problems. The greatest hurdle is the difference in economic and political approaches followed by regional states. However, the idea has gained strength since the breakup of Soviet Union, opening up of China, and the globalisation of almost all aspects of communication and trade.

Towards the end of 2006, the transport ministers of several Asian and other countries signed an agreement to integrate their railway systems. The signatories include Armenia, Azerbaijan, Turkey, several Central Asian states, Russia, Thailand, Sri Lanka and Vietnam. Other states aspiring to join the process are Pakistan, India, Bangladesh and Singapore. The idea of linking Turkey with Singapore is several decades old. However, it failed to materialise due to the Cold War. This plan of linking Asian railway networks is being developed side by side with the integration of Asian highways which will be standardised.
The schemes of linking Armenia with Vietnam or Turkey with Singapore appear to be a bit ambitious in view of the fact that a large number of states will have to reconcile their differences. But these schemes might become feasible in the future, and if materialised, they will bring benefits to all the states, particularly the landlocked ones. Instead of creating a parallel network of routes, if the scheme is expanded to include Pakistan and China, the element of competition will be reduced.

Recently, there has been a trend in Asia to achieve greater connectivity by reviving old trade routes and develop new ones. The idea behind these efforts is to acquire access to areas which have so far been inaccessible. Promoting trade, tourism and cultural bonds would receive impetus through the opening of these routes. However, a deeper analysis of the phenomenon suggests that some of these routes are in competition with each other. If all these routes are pursued, then initially, it might aggravate regional rivalries, but in the long run only viable ones will survive.

The issue which should arouse greater concern revolves around anti-routes. Due to competition between routes which are the result of national rivalries attempts could be made to put political impediments in the way of some routes. If Pakistani apprehensions of foreign involvement in the ethnic and sectarian conflicts in Balochistan, KP and GB are correct, then regional states will have to find a remedy to address these problems. The politics of routes and anti-routes has been in existence for centuries, but it has taken a new form due to introduction of technology. Cooption or neutralisation of actors trying to oppose revival of trade routes is the only option available for now. Both these approaches carry their own price tags; cooption can work if the other side has the capacity to make a meaningful contribution to the process of integration in the long run, however, neutralisation may be more viable in other cases.
Notes and References


2. Ibid.


4. With the invention of bigger and faster ships, carrying goods through sea routes became cheaper.

5. Various Islamic Empires at different times in history controlled parts of these trade routes. Western rulers were eager to bypass Islamic land routes as far as possible.

6. States like Pakistan and Iran beset by problem of political instability in their provinces of Balochistan can coordinate through exchange of intelligence etc.


8. Ibid.


10. Ibid.

11. Ptolemy II Philadelphus, Emperor of Egypt made an alliance with the Liyanites to secure the incense route. As a result of this alliance, trade was rerouted from Dedan to the coast along the Red Sea to Egypt. The competition in the north resulted in Syro-Ephrainite war. Invention of ships popularised sea routes resulting in abandonment of some land routes. Economics played a leading role in calculations about the viability of a trade route. At http://www.metmuseum.org/toah/hd/trade/hdtrade.html.

12. Ibid.


22. Ibid. 2. Anti-routes are lack of access. This could be due to geographical factors. Trying to block access for political reasons is another form of anti-route.


24. Ibid. 89.


30. All Parties Conference gave PML-N Government the mandate to negotiate with TTP, in spite of the fact that different political parties have their own point of view on the issue which varies when it comes to details. However, after terrorist attack on Army Public School, Peshawar, the government and opposition agreed that military action was the only option.


32. Stake, op. cit.

33. Ibid.

34. Xinjiang province of China is also a sensitive area. Pakistan has been cooperating with China in addressing this issue.