The New Silk Road

A railroad through the southern Caucasus will soon connect Europe and Asia, fueling dreams and discord in the region.



**By Brett Forrest**

The dynamite comes from Ankara. Ten tons, and it takes two days. The truck climbs carefully, screwing 2,500 feet up the mountains of northeastern Turkey, where the clouded sun makes faraway ice fields roll like a distant sea. This is beautiful, forbidding country, through which a new railroad will soon run.

Arslan Ustael awaits the dynamite in the snow, with night temperatures reaching 40 below. Standing before the rail tunnel, Ustael says that in this weather your spit freezes before it hits the ground. He is a young man still, 30, and free with Turkish good humor, even up here in the cold clouds waiting for the dynamite that will make the volcanic mountain agreeable to his demand to bore a tunnel through it. Free with good humor because he knows this is an undertaking that could make a young engineer's career: building the Baku-Tbilisi-Kars (BTK) railway, an "Iron Silk Road" that will connect the oil-rich Caspian Sea region to Turkey—and beyond to Europe.

The travels of antiquity are tiring to contemplate. The 750-mile stretch of land between the Black Sea and the Caspian Sea is known as the Caucasus, named for the mountain range through which Ustael is digging his tunnel. Before the region got swallowed up by the Russian Empire, the Caucasus served as a transit point between Europe and Asia; the old Silk Road passed through it. Yet transport between West and East has never been easy. For centuries, to get from one sea to the other, you had to paddle north up the Don River from the Sea of Azov, portage over the steppe, then drift down the Volga to the Caspian. Only when the Russians began building railroads over the Caucasus in the 19th century could you travel more directly across the region.

The Iron Silk Road will launch a new chapter in the history of the Caucasus. After the Soviet Union collapsed in 1991, the newly independent republics of the southern Caucasus—Georgia, Armenia, and Azerbaijan—regained strategic importance. A realization of the enormity of the oil and natural gas reserves lying beneath and along the Caspian Sea ignited a scramble to lay pipelines across the southern Caucasus to bring those resources to the European market. Today the pipelines are operational, and the BTK is being built to grease a trade boom, transporting European goods east and petroleum products west across the southern Caucasus. Once completed, by 2012, the railway will begin at the Azerbaijani capital of Baku and travel through the Georgian city of Tbilisi, before carrying on to Kars, a Turkish post town on the southwestern lip of the Caucasus region.

The participation of Turkey signals a new alignment in a region often viewed as Russia's backyard. Like the Baku-Tbilisi-Ceyhan (BTC) pipeline—which opened in 2005 to bring oil from Baku to the Turkish port city of Ceyhan, on the Mediterranean—the BTK railway is the result of an alliance between Turkey, Georgia, and Azerbaijan; neighboring Armenia was deliberately left out of the party. And like the pipeline, this east-west corridor will provide an alternative to going through Russia to the north or Iran to the south. It is a more than $600-million project of economic development, social engineering, or shrewd geopolitics, depending on your point of view, which in the southern Caucasus shifts as quickly as the snow that obscures the mountain road.

For Ustael, chief of the tunnel operation on the Turkish-Georgian border, this railroad has become something else: a road to loneliness. Back in Trabzon, a temperate, Turkish Black Sea coastal town, his girlfriend's face clouded when she imagined two years in the Caucasus Mountains, for that is how long it will take to build this tunnel. She just couldn't do it. Ustael exhales, stirs the sugar through his tea. A man must make choices. Smoke hangs over the canteen. Workers chalky with tunnel dust stare distantly at the men in sun and shorts chasing a ball across the TV. Through the windows, another blizzard is mixing up the air. In World War I, 90,000 Ottoman soldiers waited in these mountains for the Russians to come. "Some froze to death without firing a shot," Ustael says. He grabs a hard hat and walks to the door. Tunnel work progresses in round-the-clock, three-hour shifts.

Work is likewise endless for the Turkish state, toiling to gain acceptance into the European Union (EU). Turks look indignantly at countries like Bulgaria and Romania that have already been accepted, places with much less developed economies and greater corruption. Turkey, the Cold War NATO ally, meanwhile, waits for an invitation that may never come. This "raises questions of fairness, at least," says N. Ahmet Kuşhanoğlu, the Turkish deputy director of transport in charge of railways. "Turkey's face is turned westward since two centuries." Now Turkey is looking east in order to make itself indispensable to the West. Once the Marmaray rail tunnel opens in 2013 beneath the Bosporus in Istanbul, trains from Baku will reach all the way to London. "It is easy to see that this railway shall serve Europe also," says Kuşhanoğlu.

Looking directly east, Turkey has lately sought to repair relations with its neighbor Armenia. In 1993 it had closed the border and shut down its rail service with Armenia as a sign of loyalty to Azerbaijan—a close Turkish ally with the same Muslim religion—after Christian Armenia helped ethnic Armenians in the Azerbaijan enclave of Nagor­no-Karabakh wage a bloody war to secede. Last year in Zurich, under the watchful eyes of the EU and the U.S., Turkey signed an agreement with Armenia to mend diplomatic ties and reopen the border. But the Armenians then demanded that Turkey acknowledge that the 1915 massacres of its people constituted genocide, which Turkey is loath to do. For their part, the Turks began insisting on some resolution to the Nagorno-Karabakh conflict. Since neither is likely to happen anytime soon, the deal—and the opportunity for a rapprochement—collapsed last spring.

A bridge between Turkey and Armenia actually does exist, though most of it has crumbled into the Akhuryan River, which cuts deeply through a gorge that serves as the border between the two countries. The Silk Road city of Ani stands abandoned along this part of the border, its mosques and churches intact after a thousand years, its bazaars echoing in a winter wind. Beyond an electric fence and across the river, Armenian guard towers keep watch over the ruins.

Some 50 miles north of Ani, Ustael's workers continue to dig 13 feet every day. Once completed, the tunnel will run for a mile and a half, 1,300 feet beneath the surface. It will be one of the longest in Turkey, Ustael says, and everyone will know his name. "Maybe then I can go work someplace warm."

Ustael spends his downtime in Kars, 42 miles south of the border, the two-hour drive made eventful by the slippery fact of coming down the mountain. Along icy roads, the car twists through slopeside villages, past minarets and the mud roofs of stone huts overgrown with grass. A vast westward migration of people in search of jobs has robbed these villages of all but the least mobile. Foxes forage at the roadside, headlights igniting their eyes.

In Kars, the site of great 19th-century battles between Ottoman Turks and Russians, the hilltop citadel remains. The women stay indoors. The men walk arm in arm down the streets, savoring a drink of raki in the saloons that exist in this region of lax Islam. Raki tastes like the anise-flavored pastis of France, but there is little European refinement in Kars. That could change when the BTK links this city to Baku, its wealthy antipode on the Caspian, injecting new revenue into the local economy. The governor of Kars, Ahmet Kara, talks of how the railroad will transform Kars into a city "important in the world's eyes." Behind Kara hangs a photo of Mustafa Kemal, or Atat�rk, the first president of Turkey, who turned the Ottoman Empire into a modern, secular state, encouraging Western ways and outlawing the fez.

With a knit cap on his head and bundled in a thick anorak, Ustael watches a drill needle the far wall of the tunnel, making small stones out of solid rock. A front loader strains up the tunnel's incline, its bucket carrying a ton of freshly dislodged stone. It emerges from the tunnel and rolls into the blizzard, driving past Ustael toward a waiting truck. He says he wants to contribute to modern Turkey, to help bridge East and West. When the dynamite arrives, he laughs when he sees that it was made in China; it has already crossed this border once before.

There will be no explosions today. The mountain rock is soft enough for the drill to do its work without dynamite. Ustael looks down the tunnel toward Georgia. "We haven't found gold yet," he jokes. The stones tumble from the front loader into the truck, the crash almost drowning out his voice. "The Silk Road will live again."

They're not hiring in Akhalkalaki. There's no gold here either. Not much glitters in the hardscrabble hills near this town in the Georgian south. This is where the old railroad from Georgia's capital city of Tbilisi terminates. Beginning here, 60 miles of new rail will be laid, running south through Ustael's mountain tunnel to Kars. Another 75 miles of existing rail will be rehabilitated. Work begins with the thaw.

Akhalkalaki is in Georgia, but most of its residents are ethnically Armenian—and desperately poor. The factories in Akhalkalaki were dismantled after the Soviet collapse, their components sold off in the new capitalism. Since the agricultural collectives shut down, once fertile lands have overgrown with weeds. Bandits clipped the aluminum wires and copper connectors that helped propel rail cars, selling the metal in Iran and Turkey. The economy took a big hit in 2007, when the Russians closed a military base here.

There is no work, so the men go to Moscow, where they step into the orange jumpsuits of the street cleaner, sending money back home. Many who have stayed feel neglected by the central Georgian government. Protests have been frequent. Very few people in Akhalkalaki and the surrounding Javakheti region speak Georgian, and in the schools there is no one to teach the language. During the 1990s the prospect loomed that Javakheti could be Georgia's next breakaway region, like Abkhazia and South Ossetia in the north, which declared independence in the early 1990s but remain largely unrecognized.

Now Georgia is counting on the BTK railway to boost economic activity and help integrate this turbulent Armenian enclave into the rest of the country. When plans to open the railway were first announced, Georgia's Armenians opposed its construction, citing the unfairness of its bypassing Armenia. But today in Akhalkalaki there is a small hope that the new railroad will alleviate this long postcommunist endurance.

Grigoriy Lazarev stands guard at Akhalkalaki's outdoor bazaar. He takes potatoes on consignment from a local farmer, barters them for mandarins, then sells the fruit at the bazaar for 40 tetri a kilo, or about ten cents a pound. He would like to work on the railroad. "I am a mechanic, a welder, a master engineer," he says. "Selling mandarins is not good for my psyche." He stands before a pile of fruit in the trunk of his green Moskvitch, looking left and right at the many others who also sell mandarins here. In Soviet days this street had order, Lazarev says. "But everybody became sellers." He is 58 years old, has only enough teeth to chew soft food like citrus fruit. He has two young children, and a few tetri jangle in his coat pocket.

When Lazarev drove two hours to the town of Kartsakhi to apply for work on the railroad, the contractors turned him away. He visited the camp forming on the outskirts of Akhalkalaki, where Turkish and Azerbaijani skilled workers will soon congregate. You cannot operate a Komatsu excavator, they said. You do not speak Georgian.

The ministers in Tbilisi say Akhalkalaki will be the site of a critical station on the Iron Silk Road, where trains will switch between European and Russian rail gauges. For people in Akhalkalaki, it is difficult to imagine how they will benefit. Like Lazarev, many hundreds of locals have petitioned for railroad work, yet such work remains elusive.

Conditions have improved since Mikheil Saakashvili assumed the Georgian presidency—people in Akhalkalaki will admit that. Under Eduard Shevardnadze, they had electricity only five hours a day—while they slept—long enough for bread to bake in time for morning. It was subsistence living: no TV, poor roads, little interaction with Tbilisi, and a rationing of the wood that fueled the house stoves that kept people from freezing in their beds. Now there are a few good roads and electricity all day, if not running water in every home. It is often cold in Akhalkalaki, even indoors, and the abiding stress makes the people wander these streets weakly, nothing like the powerful Narts, the fabled giants that inhabited the Caucasus before humans arrived and that inspired them to carve mountains into kingdoms and then into nations.

Just 19 years old as a nation, Georgia is struggling through its adolescence. Seven years ago the Rose Revolution engendered all manner of youthful aspiration. Membership in NATO. Inclusion in the European Union. Bringing the breakaway regions of Abkhazia and South Ossetia under firm federal control. Reworking relations with Russia. Saakashvili wanted it all, wanted it quickly. If not for Georgia's northerly neighbor, he might have gotten it all.

The Russians have long felt a sense of entitlement toward Georgia, for they were the ones who folded Georgian nobility into their ranks during the 19th century, forming many principalities into a single governable entity, a Christian fortification in a region otherwise allied with the Ottomans or Persians. Russia also feels a deep emotional attachment to a land romanticized by Aleksandr Pushkin and Leo Tolstoy. But benevolence is a matter of perspective. Soon after Alexander I attempted to adopt Georgia in 1801, the widowed Georgian queen greeted the tsar's envoy with a dagger in the side, killing him.

More recently tensions spiked as Russia, fed up with Georgia's Western desires, closed the border between the two countries in 2006. Russia worries that if Georgia gains entry to the Western institutions it so esteems, this could inspire similar freethinking in the northern Caucasus—including the Russian regions of Dagestan, Ingushetiya, and Chechnya—which continues to shudder with explosions and assassinations that threaten Moscow's territorial hold.

The long-running tensions between Russia and Georgia escalated into war in the summer of 2008. Russia moved to assert control over the breakaway regions. Its troops routed Georgia's army, and Russia recognized South Ossetia and Abkhazia as new nations. It was a reminder that a small skirmish in these borderlands could spark a global showdown. Yet the EU and the U.S. were notably indisposed to intervene. Since the war, Georgia's pro-Western policy has stalled. Though the border between the two countries reopened last March, tensions are still high.

Like Prometheus, whom the gods chained to the Caucasus as punishment for giving humanity the power of fire, Georgia cannot escape its coordinates. Yet its position on the map may be its strongest asset. For NATO, the southern Caucasus is now viewed as a needed route for supplying the war in Afghanistan, ever since terrorist attacks in November 2008 began threatening the supply route through Pakistan's Khyber Pass. For Turkey, an important trade partner, Georgia is the gate to Central Asia. Armenia and Russia cannot trade with each other without going through Georgia. And Azerbaijani oil cannot reach the Mediterranean without passing through Georgia, earning the country $65 million in annual transit fees.

Georgia is a small player at the table, left to stack small chips. Indeed, the most significant impact of the Iron Silk Road on Georgia may prove to be the dismay it will create in the Black Sea ports of Batumi and Poti, the country's most dynamic economic centers, once freight can be diverted to Turkey instead. Still, Georgia can hope that if there's another conflict with Russia, European countries will cry foul if their trade through the southern Caucasus is disrupted.

In Akhalkalaki, Grigoriy Lazarev packs up his scale and its rusted one- and five-kilogram weights, and slowly walks away from the bazaar. He passes a funeral procession running along the main thoroughfare, a photo of the deceased man affixed to the windshield of a sedan. Arms linked, men walk up the mud of the street, women up the mud of the sidewalk.

Lazarev's small house was built in 1850, in the time of hard-willed Nicholas I. The roof leans severely, threatening to cave. Lazarev cannot pay to fix it. He and his family live off his mother's 90-lari (about $50) monthly pension. Still, when they have guests, Lazarev's wife, Liza, busies herself setting the table with what food they possess. A daughter, Gohar, sits at an old upright piano and practices her lessons, filling the small room with music and missteps. Lazarev grieves over his bad luck with the railroad and more generally, but not so loudly that his family will hear.

He rummages through a wardrobe and returns to the table. In his hand is a felt-backed shoulder board, its green fabric faded nearly to gray. It is the emblem of a lieutenant, an engineer with the Russian border service. "My grandfather served under Nicholas II," Lazarev says. "He built roads to Akhaltsikhe and Batumi." Lazarev smiles, a rare incident, and then the room goes dark. The electricity has gone out in Akhalkalaki, and the Lazarevs fall silent, but for the sound of the old piano.

It is electricity that initially impresses in Baku, its roadway lamps gilding the new asphalt from airport to city. Baku no longer supplies half the world's petroleum needs, as it did at the opening of the 20th century. But it feels like it does. In the past three years all manner of luxe stores have opened along the boulevard Neftchiler Prospekti, their windows reflecting the Caspian waters. Plans are progressing on a $4.5-billion, carbon-neutral resort on Zira Island, in the bay beyond the city. A Four Seasons Hotel will open shortly to house the guests drawn to Baku by the wealth of the state oil monopoly, located across the street. In the five years since the BTC pipeline began pumping oil out of the Caspian and money into Baku, Azerbaijan's economy has grown by more than 100 percent.

In the years after the former Turkish president, Süleyman Demirel, broached the topic of the Iron Silk Road in a Tbilisi speech in the late 1990s, the parties involved attempted to secure international funding for its construction. But the Armenian diaspora blocked all financing efforts, arguing convincingly that the routing of the railroad, like that of the oil pipeline before it, was a punitive gesture linked to Nagorno-Karabakh. Washington, the EU, and the World Bank stayed away. When the oil spigot turned on in 2005, briefly making Azerbaijan the world's fastest growing economy, the hesitance of international financiers no longer mattered. Azerbaijan can now afford its own portion of the railroad, upgrading 313 miles of outdated lines to the Georgian border. It is also loaning Georgia a few hundred million dollars for its section on neighborly terms—25 years at one percent annually. Magnanimity is a pleasure of abundance.

No train passed through Musa Panahov's hometown in the Azerbaijani west, so he went out looking for one. He graduated from the Moscow Transportation Institute during the time of Leonid Brezhnev, then joined the Soviet railroad fraternity. The Soviet Union administered the world's largest, by volume, rail system; all strategic goods were transported by train. This centrally commanded network was a key part of the national security infrastructure, protected and privileged. Train employees had their own separate hospitals, their own schools, even their own militia. "We had everything except a foreign ministry," says Panahov, now Azerbaijan's deputy minister of transport.

Railroads are less important in Azerbaijan today. Oil and gas predominate, according to the plan of the late Heydar Aliyev, the country's third president and primary citizen, who by force of will forged Azerbaijan into what it is today: the relatively secure, relatively independent economic dictator of the region. Aliyev possessed the foresight to invite foreign firms to cooperate in Caspian development, and he understood the importance of the Iron Silk Road. Panahov is the man laying another plank in Aliyev's plan for Azerbaijanis' continued independence.

Panahov, 51, unrolls a map of the southern Caucasus across a table in his office and slowly runs his fingers from east to west, from sea to sea. At this table he negotiated with transport ministers from Georgia and Turkey in discussions that lasted until early in the morning. Cherubic but with graying hair, he speaks in a soft voice as he delineates the numbers. Total length of the Iron Silk Road: 500 miles. Total annual cargo capacity: 25 million tons. He speaks of the Azerbaijanis who fled to Turkey to escape communism. "It gives me a sense of happiness to connect brothers again," he says.

Azerbaijan became a Muslim parliamentary republic in 1918 and enjoyed that status for a cou­ple of years. Since the breakup of the Soviet Union, however, little about Azerbaijan is visibly Muslim or parliamentarian. It is difficult to locate a minaret or an honest vote in Baku, less so a Bentley. Prosperity and social equality need not be strangers, but when a country has oil, it is tempting to focus on the former at the expense of the latter. More tempting still when the world needs what it has to give. The BTC is the only pipeline that delivers non-Russian, non-OPEC, non-Arabic oil to Mediterranean tankers. With the global oil supply diminishing, Azerbaijani influence has only risen.

Social justice is not a topic of public debate in Azerbaijan. More important to those in power is the fact that this small nation has managed to survive—and now thrive—in a difficult neighborhood. As one official said, "The optimists live in Georgia, the people who are complaining all the time live in Armenia, but the realists live in Azerbaijan."

Or rather in Baku. A short ride on the existing rail leading northwest from the capital reveals not political realists but reality itself, the hovels that house those who have not felt the benefits of Baku's oil boom. A quarter of Azerbaijanis live below the poverty line.

These train cars retain the cracked gloss of Soviet adornment, frills and curtains that are rough to the touch, landscape paintings that hang in the spaces between the windows. A sorority of railway workers in starched uniforms tends to the train as it rolls through a world cleanly separated from Bakuvian luxury. One woman shovels coal into a furnace that heats the car's interior.

Musa Panahov knows these trains, knows they do not rival their German, Japanese, or American counterparts. He is a railway man in an oil country. "But oil and gas will end someday," he says, smiling. "The railroad will live always."