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Unveiling the Strategic Significance of the Middle Corridor in Global Trade and Geopolitical Dynamics

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ABSTRACT

This study aims to elucidate the role of the Middle Corridor, also known as the Trans-Caspian International Transport Route (TITR), in diversifying global trade routes and enhancing economic resilience amid geopolitical tensions. The paper examines the corridor's impact on the economic and strategic interests of the countries it traverses, particularly Kazakhstan, Azerbaijan, Turkey, and the European Union. The analysis employs a multidimensional approach that includes historical context analysis, comparative route analysis, geographic information system mapping, and statistical analysis. Data were collected from various sources, including the World Bank, the International Trade Centre, and trade and economic policy reports from Kazakhstan, Azerbaijan, Turkey, and the European Union databases. Based on the methods used, the study compares the Middle Corridor with traditional trade routes such as the Northern Sea Route and the Suez Canal, highlighting its advantages and potential limitations. The Middle Corridor has emerged as a vital alternative, offering reduced transit times and enhanced trade security between Asia and Europe. The corridor has experienced a significant increase in cargo volume, reflecting its growing importance in international trade. Furthermore, the Middle Corridor contributes to the participating countries' economic diversification and energy security, facilitating the movement of energy resources and other goods. The analysis revealed challenges such as political instability and infrastructural needs that could hinder the full potential of the Middle Corridor. Ultimately, the study underscores the strategic significance of the Trans-Caspian Route and the Zangezur Corridor in diversifying global trade routes and strengthening economic resilience in geopolitical tensions.

KEYWORDS: Middle Corridor, Central Asia, Economic Resilience, Transportation, Economic Diversification, Connectivity

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Стратегическое значение Среднего коридора в мировой торговле и геополитической динамике

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АННОТАЦИЯ

Данное исследование направлено на выяснение роли Среднего Коридора, также известного как Транскаспийский международный транспортный маршрут (ТМТМ), в диверсификации глобальных торговых путей и повышении экономической устойчивости на фоне геополитических напряженностей. Оно рассматривает влияние коридора на экономические и стратегические интересы стран, через которые он проходит, особенно Казахстана, Азербайджана, Турции и Европейского Союза. Анализ основан на многомерном подходе, который объединяет исторические данные, текущие геополитические стратегии и экономическую статистику для оценки значимости Среднего Коридора. На основе используемых методов, исследование проводит сравнение Среднего Коридора с традиционными торговыми маршрутами, такими как Северный морской путь и Суэцкий канал, выделяя его преимущества и потенциальные ограничения. Средний Коридор выявился как важная альтернатива, предлагая сокращение времени транзита и повышение безопасности торговли между Азией и Европой. Коридор наблюдает значительное увеличение объема грузов, что отражает его растущее значение в международной торговле. Кроме того, Средний коридор способствует экономической диверсификации и энергетической безопасности участвующих стран, облегчая перемещение энергетических ресурсов и других товаров. Анализ показал, что имеются проблемы, как политическая нестабильность и инфраструктурные потребности, которые могут препятствовать полному использованию потенциала Среднего Коридора. В итоге, исследование подчеркивает стратегическую значимость Транскаспийского маршрута и Коридора Зангезур в диверсификации мировых торговых путей и укреплении экономической устойчивости в условиях геополитических напряжений.

КЛЮЧЕВЫЕ СЛОВА: Средний коридор, Центральная Азия, экономическая устойчивость, экономическая диверсификация, транспорт, связи

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INTRODUCTION

The Middle Corridor (MC) is a transport route and a key player in global trade. It offers a viable alternative to existing East-West trade routes. The Zangezur Corridor, which connects Azerbaijan to Nakhchivan and Türkiye to the rest of the Turkic world through Armenia's Syunik Province, holds geostrategic importance by providing a direct link between the South Caucasus and the Middle East, bypassing traditional routes (Vasa, 2023). Both corridors are instrumental in fostering economic development by facilitating the movement of goods and services across regions. Enhanced connectivity through these corridors opens new avenues for trade diversification, reducing dependency on singular routes and fostering economic resilience. The corridors also contribute to energy security by facilitating the transportation of energy resources from the Caspian region to global markets. Investment in infrastructure along these corridors supports efficient transport and catalyzes regional development, creating employment opportunities and boosting economic growth.

Collaborative development and utilization of these corridors can foster diplomatic ties among participating nations, contributing to regional stability. By providing shared economic interests, the Middle and Zangezur Corridors offer a platform for dialogue and cooperation, potentially mitigating historical conflicts. This is particularly relevant in regions historically marked by geopolitical tensions. Establishing and expanding these corridors could lead to a more interconnected and cooperative Eurasian continent.

Moreover, the strategic development of these transport routes aligns with broader global initiatives aimed at enhancing trade connectivity, such as China's Belt and Road Initiative (BRI). By integrating with these more extensive networks, the Middle Corridor and the Zangezur Corridor can significantly enhance their international significance and attract further investments from major global economies. Such integration bolsters the corridors' capabilities and extends their influence as critical junctions in the global trade network.

As a landlocked nation, Kazakhstan considers the Middle Corridor an essential trade route that grants direct access to European markets, circumventing the logistical complexities and political uncertainties associated with other traditional Eurasian transit routes. This corridor emerges as a crucial component in Kazakhstan's strategy to diversify its trade routes and reduce its dependency on any single transit country, thus enhancing

its national economic security. Given its strategic location as a bridge between Asia and Europe, Kazakhstan stands to gain significantly from developing the Middle Corridor. This route facilitates increased trade volumes and attracts foreign investment into the country's infrastructure and logistics sectors. Investments are often channeled towards enhancing the railway networks and road systems vital for the corridor's efficient functioning. Moreover, these improvements contribute to the development of Kazakhstan's domestic industries by providing them with more efficient access to international markets.

Linking the Caspian Sea to the Black Sea, the Middle Corridor allows Kazakhstan to diversify trade pathways (World Bank Group, 2024), reducing reliance on singular routes. Given Kazakhstan's status as a significant energy producer (Kazakhstan Energy Profile, 2020), the Middle Corridor becomes instrumental in transporting oil and gas resources to European markets, thereby enhancing the nation's energy security and fostering collaboration in the energy sector (Mami, 2023). Additionally, Kazakhstan's participation in the Middle Corridor initiative aligns with its broader economic policies to increase its role in global trade networks. By enhancing its connectivity with Europe, Kazakhstan can reduce its geopolitical risks by balancing its trade partnerships between the West and the East. This diversification of trade and political alliances is intended to give Kazakhstan greater leverage in international affairs, contributing to its long-term stability and regional influence.

LITERATURE REVIEW

The Middle Corridor, also known as the Trans-Caspian International Transport Route, is gaining strategic importance in global trade and geopolitical dynamics, offering an alternative and complement to traditional trade routes like the Northern Sea Route and the Suez Canal. This corridor is a critical link between Europe and Asia, traversing countries such as Turkey, Georgia, Azerbaijan, Kazakhstan, and China.

Historically, the Silk Road facilitated trade and opportunities for the transportation of various investment goods, intermediate goods, and others (Li & Schmerer, 2017). Some works provide an overview of the historical development of trade routes, such as the Silk Road and their evolution into modern trade corridors (Millward, 2007; Frankopan, 2016). These papers explored the impact of political fragmentation on historic overland trade routes between China and the Middle East, fo-

cusing on how it affected economic development, particularly city size. However, Silk Road trading partners have yet to realize the full potential benefits of China's economic growth, but the gap may be narrowing (Çinar et al., 2016). Reeves (2016) demonstrates the Silk Road that, rather than constituting a new model for Central Asian international relations, the SREB's real strategic value for China is as an organizational concept and as an influence multiplier.

Akaev and Pantin (2018) explored how historical geopolitical shifts and conflicts in Central Asia during the 15th century catalyzed the transition from the overland Great Silk Route to maritime trade routes, shaping a new World System centered around Europe. They discussed the contemporary resurgence of Central Asia's geopolitical significance. Further, Zhang et al. (2023) assessed China's Silk Road Economic Belt initiative as a sustainable development strategy for Central Asian countries, particularly Kazakhstan, emphasizing factors such as GDP per capita and GDP growth rates. Thus, these works discuss the revival of these routes in modern geopolitical changes, emphasizing that infrastructure is increasingly seen as an extension of state power.

The geopolitical implications of the Middle Corridor are profound. It is seen as a strategic tool by countries along the route to assert their influence and counterbalance other regional powers such as Russia and China (Trenin, 2018). Furthermore, Azerbaijan holds a crucial role in the energy sector, and both the Middle Corridor and Zangezur Corridor serve as strategic routes for transporting energy resources to European markets (Barkanyi & Vasa, 2023). These corridors bolster Azerbaijan's position as a vital energy hub and reinforce economic ties with European nations (Turkic World, 2023). At the crossroads of Europe and Asia, Azerbaijan recognizes the corridor's significance in fostering regional connectivity. They offer avenues for enhancing economic cooperation with neighboring countries and contribute to regional stability.

The Middle Corridor presents the European Union (EU) with an alternative trade route to Central Asia and the Caspian region, diminishing dependence on traditional pathways (Bussi eres, 2023). This diversification strengthens the EU's economic resilience, reducing risks associated with relying on limited transportation routes (European Commission, 2023). Access to Caspian energy resources through the Middle Corridor contributes significantly to the EU's energy security, ensuring a diversified and secure energy supply that diminishes reliance on a single source.

Despite its potential, the Middle Corridor faces numerous challenges. Political instability in some of the transit countries poses a significant risk to the operational stability of the Middle Corridor. Conflicts, governance issues, and frequent political turnovers can disrupt trade flows and deter long-term investments needed for infrastructure projects. These dynamics are critical as they directly impact the security and reliability of the corridor (Blanchard & Flint, 2017). Abramson (2017) provided a theoretical and empirical narrative regarding the formation of states in Europe. Small political units persisted throughout his study period but tended to be more common when weather-related shocks aided the growth of cities and towns. Next, The Middle Corridor offers a strategic alternative to the Northern Route, influenced heavily by Russian interests. By providing a more geopolitically neutral route, the Middle Corridor helps diversify trade options, reduces dependency on a single route, and potentially increases trade security and stability (Vinokurov et al., 2022).

It is essential to consider how economic integration promotes closer ties and interdependence, which can lead to a more stable geopolitical environment. Some papers have considered the economic benefits of expanding ties in the Eurasian region, highlighting how infrastructure projects such as the Zangezur Corridor can contribute to smoother trade flows, thereby stimulating the region's economy (Iskandarov et al., 2019; Gawliczek & Iskandarov, 2023). The Zangezur Corridor's advantages extend beyond Azerbaijan and Armenia, addressing challenges in the international trade system. With political developments hindering trade between European states and Asian countries, the corridor's opening fosters economic growth in Armenia. It attracts investments to enhance transport infrastructure, contributing to the country's security.

However, it is stated that the main problem in the implementation of the Zangezur corridor is the lack of trust between Azerbaijan and Armenia, as well as the risk that Azerbaijan's control over traffic along the route could be used to distort the existing balance of power in the region. The situation is further complicated by Turkey's significant involvement in promoting the Zangezur Corridor project. Agaev noted that implementing the corridor on Armenian territory is viewed as a partial loss of sovereignty and a transfer of control over the territory to states that are natural adversaries of Armenia (Agaev, 2023).

The Middle Corridor holds particular significance for Hungary, especially regarding its potential

to bolster its energy security through energy transit initiatives. By facilitating access to a diverse array of energy resources, including oil and gas, from the Caspian region, the Middle Corridor helps reduce Hungary's reliance on a singular energy supply route. This diversification of energy sources is crucial for enhancing Hungary's energy independence and providing geopolitical leverage by expanding its economic partnerships with a broader array of nations (Moldicz, 2023). Furthermore, the Middle Corridor offers significant geopolitical advantages by enabling Hungary to mitigate risks associated with its dependency on any single trade route or country. The economic opportunities derived from this corridor—characterized by increased trade volumes and investment possibilities - have the potential to significantly stimulate economic growth and development within Hungary. These benefits will likely enhance Hungary's strategic positioning in international trade, mainly by providing more secure and efficient trade linkages between Asia and Europe.

Based on the literature review provided, it is evident that the Middle Corridor and the Zangezur Corridor have substantial strategic significance in shaping geopolitical dynamics and facilitating economic development across Eurasia. These corridors serve as pivotal trade routes connecting Europe, Central Asia, and China and play a critical role in enhancing regional connectivity, energy security, and economic resilience. Additionally, The Middle Corridor, complemented by the Zangezur Corridor, facilitates vital connections between major economic regions—Europe, Central Asia, and China - and is crucial in redefining geopolitical relationships and power structures across these territories.

RESEARCH METHODS

This section outlines the methodologies used to assess the strategic significance of the Middle Corridor in global trade and geopolitical dynamics, particularly in the context of its impact on economic resilience and trade diversification among key nations along the route. The research utilizes a combination of historical analysis, current trade and geopolitical data, and expert opinions to understand the implications of the Middle Corridor. Data was collected from various sources, including the World Bank, the International Trade Centre, and specific country reports on trade and economic policies from Kazakhstan, Azerbaijan, Türkiye, and European Union databases.

Analytical framework in the study:

(1) *Historical Context Analysis*: By examining historical trade routes and their evolution, the study assesses how the Silk Road's legacy influences modern infrastructural developments and regional trade dynamics.

(2) *Comparative Route Analysis*: The Middle Corridor is analyzed compared to other major global trade routes, such as the Northern Sea Route and the Suez Canal. This involves evaluating logistical efficiencies, transit times, and economic impacts using trade volume data, shipping records, and infrastructure investment reports.

(3) *GIS Mapping*: Geographic Information Systems (GIS) are used to visually analyze the geographical and logistical aspects of the Middle Corridor, providing insights into its strategic advantages over other routes.

(4) *Statistical Analysis*: Trade data, economic indicators, and infrastructure development stats are analyzed using statistical software to understand trends, correlations, and potential impacts. The economic analysis focuses on the corridor's role in enhancing the economic resilience of participating countries. Economic modeling and forecasting methods are used to predict future trade flows and economic benefits.

The step-by-step stages of scientific research are presented in Figure 1.

The outcomes of the corridor's development are measured regarding trade volume growth, reduction in transit times, economic benefits to involved nations, and geopolitical shifts. These measurements help quantify the corridor's impact on regional and global trade dynamics. This methodological approach allows for analysis of the Middle Corridor, providing a deep understanding of its economic and geopolitical significance in the changing landscape of global trade.

ANALYSIS OF THE MIDDLE CORRIDOR IN GLOBAL TRADE AND GEOPOLITICAL DYNAMICS

Today, the Middle Corridor, referred to as the Trans-Caspian International Transport Route, stretches across the Central Asian steppes, the Caspian Sea, and the Caucasus Mountains. It circumvents Russia, offering an alternative to the conventional Northern Corridor through Russia, which is particularly significant in light of current geopolitical tensions and sanctions involving Russia.

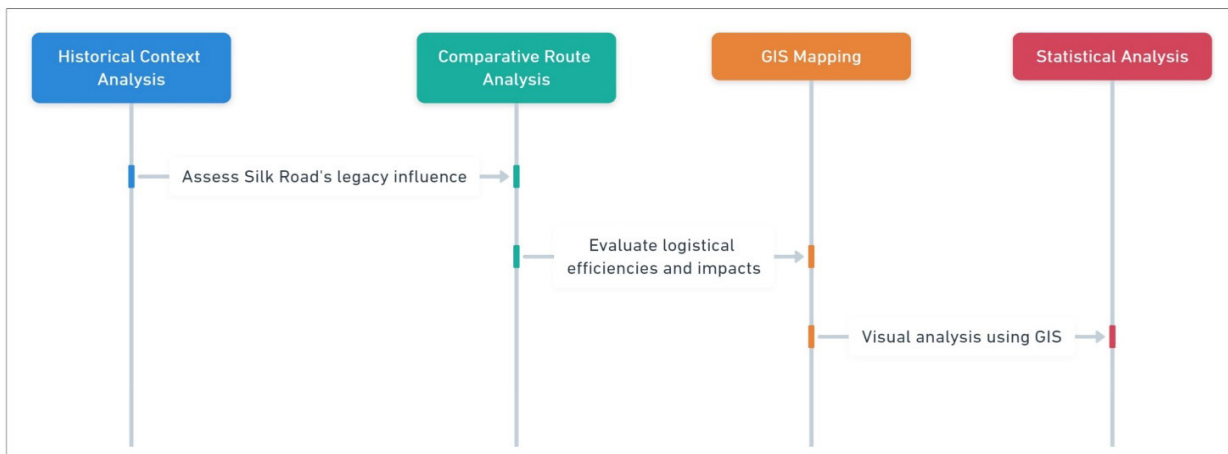


Figure 1. Step-by-step stages of scientific research

This corridor also positions Turkey strategically as a critical facilitator of trade between China and Europe, potentially enhancing its economic and geopolitical influence. Critical components of this corridor include the Trans-Caspian East-West-Middle Corridor Initiative, the Trans-Caspian International Transport Route, and the Trans-Caucasus Trade and Transit Corridor. Advocates of the Middle Corridor see it as a modern revitalization of the ancient Silk Road.

For Kazakhstan, Azerbaijan, and Georgia, the Middle Corridor presents an opportunity to lessen their economic reliance on Russia. It also grants Turkey a critical role in boosting trade between China and Europe, which could significantly strengthen

its economic and geopolitical position. Between 2013 and 2015, Turkey signed agreements with Azerbaijan, China, Georgia, and Kazakhstan to enhance the corridor's connectivity to Europe. Since then, cargo shipments along the Middle Corridor have increased sharply, with the volume of goods transported growing from approximately 350,000 tons in 2020 to 530,000 tons in 2021.

Thus, alternative trade routes from China to Europe are crucial for global commerce, providing diverse pathways to reduce transit times, mitigate geopolitical risks, and optimize costs. An overview of the leading alternative routes that bypass the traditional ones is shown in Figure 2.

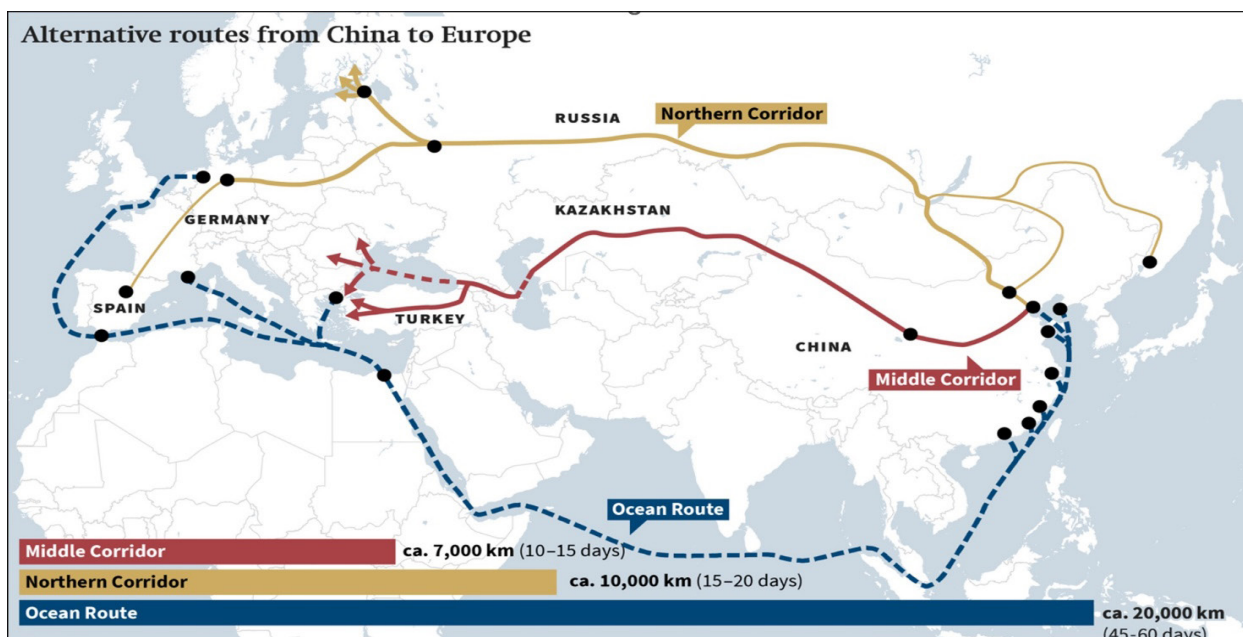


Figure 2. Alternative routes from China to Europe

Based on the data available, it is evident that alternative routes from China to Europe are indispensable for international trade, serving as critical conduits that circumvent traditionally congested maritime pathways. The Northern Corridor continues to be one of the quickest terrestrial routes linking China with Europe. Nonetheless, it is currently confronted with geopolitical obstacles, primarily due to sanctions and tensions with Russia. Consequently, the Middle Corridor emerges as a feasible substitute, strategically bypassing Russian territories. This corridor has experienced notable expansions in cargo throughput and infrastructure developments. Additionally, the Southern Corridor is gaining increased relevance as it forges connections between China, the Middle East, and Europe via Central Asia, opening up new markets and enhancing access to vital energy resources.

Amidst the disruptions caused by the conflict in Ukraine, which precipitated supply chain inter-

ruptions, food scarcities, and escalating commodity prices, the geo-economic dynamics continue to foster closer ties between Europe and Asia. Challenges abound for China's envisioned trade corridor traversing Russia, while the volatility of Iran's policymaking deters foreign investment. In contrast, the alternative Middle Corridor is witnessing a surge in relevance. This route extends from China through Kazakhstan, Kyrgyzstan, Uzbekistan, and Turkmenistan, crosses the Caspian Sea, traverses Azerbaijan and Georgia (or potentially directly to Türkiye via the Zangezur Corridor), and culminates in Europe through Turkish railways and ports. The Middle Corridor is the most direct terrestrial pathway from Asia to Europe. In 2022, cargo volumes along this corridor increased sixfold, indicating its burgeoning potential. Historically, the development of such corridors entails a gradual expansion of capacity, as illustrated in Figure 3.

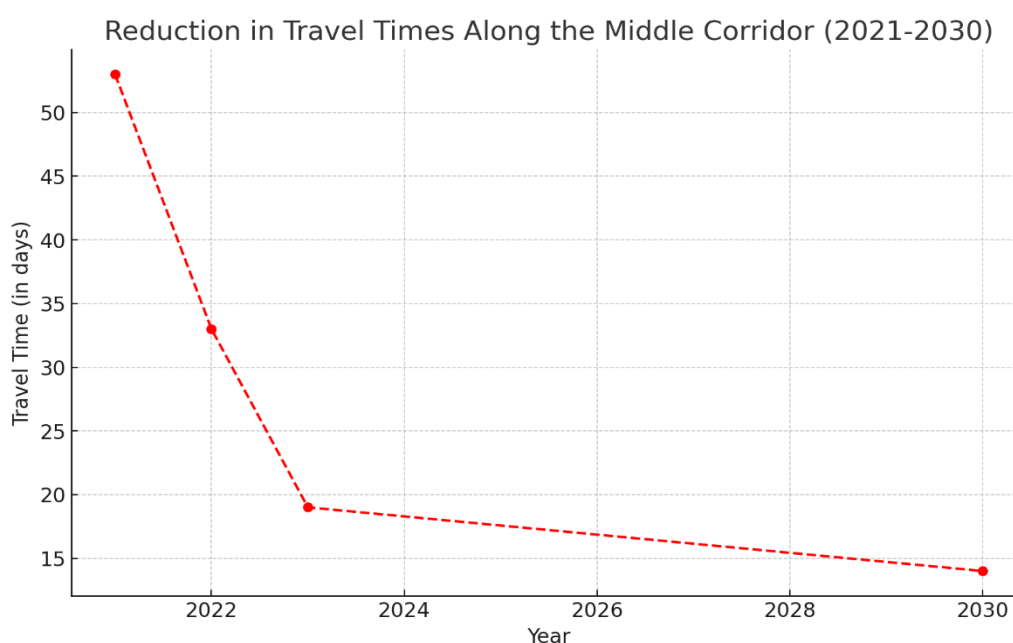


Figure 3. Travel Times on the Middle Corridor for 2021-2030

Türkiye is strategically positioned at the nexus of Europe, Russia, Central Asia, and the Middle East, necessitating alignment with the overarching geopolitical currents and capitalizing on emergent opportunities. Recent developments indicate a marked shift in Ankara's foreign policy, particularly its increased engagement with China's Belt and Road Initiative, substantially strengthening bilateral relations. In 2015, a pivotal agreement was reached between Türkiye and China to coordinate their infrastructure projects along a typical

developmental path, signifying a deepened collaboration in alignment with their strategic interests.

The collaborative initiative that facilitated the development of several significant projects, including the Baku-Tbilisi-Kars (BTK) railway, officially opened in 2017. This modern railway supersedes the antiquated Soviet-era lines traversing Armenia and complements the earlier trans-Kazakhstan railway. This advancement has effectively reduced the East-West transit route by approximately 1000 kilometers, as illustrated in Figure 4.

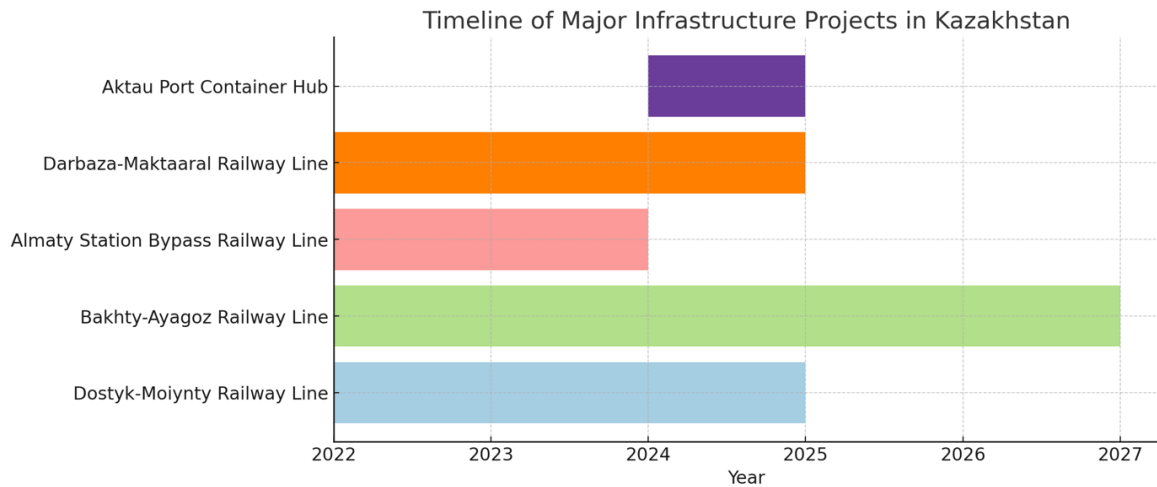


Figure 4. Kazakhstan Infrastructure Project Timelines possible draft for 2022-2027

The data provided delineates the projected initiation and completion timelines of several critical infrastructure projects in Kazakhstan from 2022 to 2027. The color-coded representation facilitates an immediate comprehension of each project's duration and any overlapping timelines, highlighting strategic developmental efforts in the region. These initiatives reflect Kazakhstan's commitment to enhancing its transportation and logistics sectors, which are crucial for integrating into regional and global trade networks. The chart specifies the schedules for five major projects: Aktau Port Container Hub, Darbaza-Makataaraal Railway Line, Almaty Station Bypass Railway Line, Bakhty-Ayagoz Railway Line, and Dostyk-Moynity Railway Line.

Thus, Aktau Port Container Hub is expected to begin in 2022 and conclude in 2024. This project aims to augment the port's container handling capabilities, increasing its logistical efficiency. Darbaza-Makataaraal Railway Line is scheduled to commence in 2022 and reach completion by 2025. This railway line is designed to improve regional rail connectivity, facilitating smoother transportation across diverse geographic areas. Next, the Almaty Station Bypass Railway Line, initiated in 2023 and projected to be operational by 2025, intends to reduce congestion at Almaty Station, thus enhancing the operational throughput of the station.

Bakhty-Ayagoz Railway Line, set to start in 2023 and conclude in 2026, will improve rail traffic management in Eastern Kazakhstan, contributing to the region's economic development through better logistical services. Finally, the Dostyk-Moynity Railway Line will begin in 2022 and be scheduled for completion in 2027. This line will extend the rail infrastructure towards the western border, potentially boosting trade routes with neighboring countries and enhancing economic integration. These infrastructural developments are part of a broader strategy to bolster Kazakhstan's role as a pivotal node in Eurasian logistics and trade networks.

The Middle Corridor is an alternative trade conduit linking Central Asia to Europe, providing a substantially reduced transit duration relative to other available routes. Specifically, shipments traversing from Asia to Europe via the Baku-Tbilisi-Kars railway are completed in approximately 15 days, in stark contrast to the 40-60 days required via traditional maritime routes such as the Suez Canal or circumnavigating Africa and more than 30 days via the Northern Corridor. This information highlights the strategic advantages of the Middle Corridor as a trade route that connects Central Asia with Europe and strategically circumvents Russian territory, as detailed in Table 1.

Table 1. Essential information on the Middle Corridor

Aspect	Details
Main Countries Along the Corridor	Azerbaijan, China, Georgia, Kazakhstan, Türkiye
Description	Alternative trade route connecting Central Asia to Europe, bypassing Russia
Transit Time	Asia to Europe: 15 days via Baku-Tbilisi-Kars railway; 40-60 days via Suez Canal or around Africa; >30 days via Northern Corridor
Developments and Cargo Volume	- Development of the Baku International Sea Trade Port

Aspect	Details
	- Development of the Aktau and Turkmenbashi Sea Trade Port
	- Railway line development along the MC
	- Building transport vessels of appropriate size in the Caspian Sea
	- Construction of logistic terminals in Akhalkalaki and Kars
	2023: 2.8 million tonnes, an 86% increase from 2022; target for 2024: ~4 million tonnes
Trade Growth	Medium-term target: volumes could rise to 10 million tonnes
	Predicted a 30% increase in China-EU trade by 2030, with 62% via the Middle Corridor
	Azerbaijan, Georgia, and Kazakhstan's trade with the EU is projected to rise by 37% by 2030
	World Bank forecasts cargo volumes on Middle Corridor could triple by 2030
Key Challenges	Container traffic is anticipated to reach 4.074 million tonnes by 2030, 2.5 times higher than 2021 figure
	- Bottlenecks on the BTK route in Georgia
	- Capacity issues with rail transport in Türkiye, leading to reliance on road transport
Investments	- €10 billion planned for transport communication development in Central Asia
	World Bank recommendations for strategic decisions and investments
	- Memorandum of Understanding signed between Port of Baku and Port of Qingdao

Note: compiled by authors

The Middle Corridor is establishing itself as a critical and strategic alternative route that enhances trade connectivity between Central Asia and Europe, circumventing Russia. This route not only offers significantly reduced transit times compared to traditional maritime and other overland routes but also supports substantial economic growth and integration for the countries involved. Substantial infrastructure developments and increased cargo volumes demonstrate its growing importance and potential in global trade. However, the corridor faces challenges such as logistical bottlenecks and capacity constraints that must be addressed to fully realize its potential. To overcome these issues, substantial investments and international cooperation are underway, including significant financial commitments and strategic partnerships, like the Memorandum of Understanding between the Port of Baku and the Port of Qingdao. Overall, the Middle Corridor is poised for significant expansion and could be pivotal in reshaping Eurasian trade dynamics by 2030.

Central Asian countries, such as Kazakhstan, initially harbored concerns that diminishing Russian influence might provoke repercussions, which initially stymied progress along the Middle Corridor.

However, adopting a treaty in 2018 concerning the legal status of the Caspian Sea facilitated the removal of significant barriers to regional integration. This development has catalyzed a substantial increase in cargo transport volumes along the Middle Corridor. In the first nine months of 2023, cargo transport reached a total of 1.9 million tons, an 89% increase compared to the corresponding period in 2022, as illustrated in Figure 5.

The provided data illustrates the significant growth in cargo transit volume along the Middle Corridor between 2022 and 2023. In 2022, the corridor facilitated the transport of 1.9 million tons of cargo. By 2023, this volume had surged to 2.8 million tons, representing a substantial increase and indicating a robust expansion in the corridor's capacity and utility. This increase in cargo volume underscores the corridor's growing relevance and effectiveness in meeting the rising demands of global trade, mainly as it serves as a strategic alternative route connecting Central Asia to Europe. The data demonstrates the corridor's enhanced capacity to handle a higher volume of trade, reflecting successful infrastructure and operational improvements made along the route.

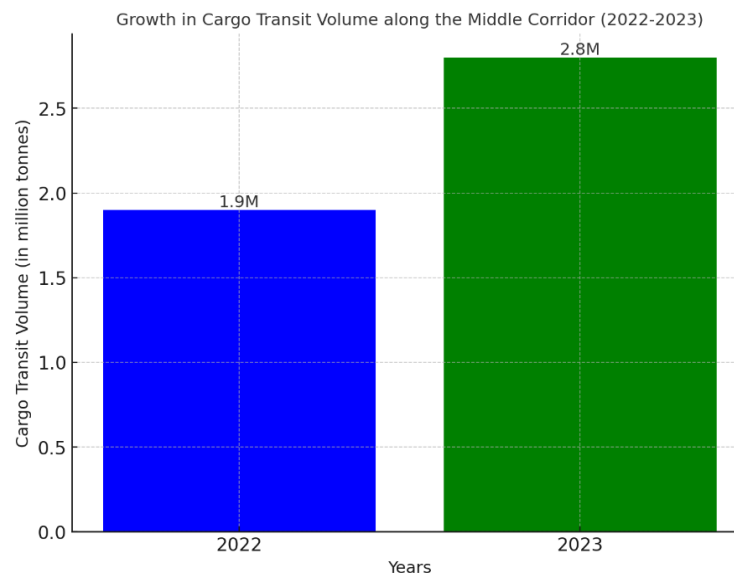


Figure 5. Growth in Cargo Transit Volume along the Middle Corridor for 2022-2023

The ongoing conflict between Russia and Ukraine has significantly accelerated the shift in trade routes. The disruptions in trade flows between Russia and other nations were markedly pronounced, with the Northern Corridor witnessing a 34 percent decline in shipments during 2022. This downturn was further exacerbated by unprecedented-

ed sanctions targeting Russia's trade with Europe. Concurrently, the MC has absorbed approximately one-third of the trade volume previously handled by the Northern Corridor. Furthermore, the MC experienced a sixfold increase in its throughput in 2022, amassing 3.2 million tonnes of cargo, as documented in Table 2.

Table 2. Transit Volume and Container Capacity Growth for 2022-2030

No.	Year	Transit Volume (tons)	Container Capacity (TEUs)
1	2022	1.9 million	40,000
2	2023	2.8 million	80,000
3	2024	Projected increase	100,000 (projected)
4	2025	Further growth expected	215,000 (projected)
5	2030	10 million (projected)	300,000 (projected)

Note: compiled by authors

Table 2 presents the forecasted transit volume and container capacity expansion along a specified trade corridor from 2022 to 2030. The data exhibits a pronounced upward trend throughout the specified interval in both metrics. In 2022, the recorded transit volume stood at 1.9 million tons, with a corresponding container capacity of 40,000 Twenty-foot Equivalent Units (TEUs). For 2024, projections indicate a continuation of this growth trend, with anticipated transit volume increases and a container capacity expected to reach 100,000 TEUs. The projections for 2025 suggest a further escalation in transit volume, with the container capacity estimated to more than double the previous

year's figures, reaching 215,000 TEUs. By 2030, the long-term forecast predicts that the transit volume will escalate to 10 million tons, alongside a container capacity of 300,000 TEUs, underscoring significant growth prospects for this corridor.

The Middle Corridor faces significant obstacles that impact its potential to reshape the geo-economic landscape of Eurasia, connecting the EU to the Caucasus, Central Asia, and China while elevating Türkiye's influence in the region. Infrastructure issues are prominent, with Turkmenistan's Turkmenbashi port facilities needing modernization and skepticism in Kyrgyzstan regarding the economic benefits of a proposed railway, mak-

ing the route through Kazakhstan appear more viable. Additionally, regional tensions and conflicts like those in Nagorno-Karabakh in 2020 and 2023 further complicate progress. Suggestions to revive Soviet-era railways and resolve blockades between Türkiye and Armenia hinge on significant territorial compromises by Armenia. The proposed rail lines through the Zangezur Corridor also raise concerns about isolating Armenia from Iran, and Tehran worries about strengthening Baku's influence among Iranian Azerbaijanis.

In Georgia, the primary route is threatened by Russia's potential support of separatist regions like Abkhazia and South Ossetia, aiming to disrupt the Baku-Tbilisi-Kars railway. Additionally, China is wary of Türkiye's focus on Turkic integration, fearing it might incite separatism among the Uyghurs in Xinjiang. Despite these challenges, economic pragmatism remains, highlighted by the significant growth in Sino-Turkish trade from 1 billion USD in 2001 to 44 billion USD in 2022. The successful implementation of the Middle Corridor depends on maintaining geopolitical stability and countering opposition from regional powers. The project emphasizes the importance of leveraging wealth and prosperity to foster unity while cautiously acknowledging the potential for greed to influence geopolitical dynamics.

The Middle Corridor is increasingly recognized as a strategic priority for its member states. It enhances connectivity between Europe and Asia and is seen as a modern version of the Silk Road, providing a quicker, more efficient alternative for international trade than existing routes. This corridor, which offers a safer option compared to the northern trade route, still needs further development, especially more ships for logistics across the Caspian Sea, a gap being addressed by growing cooperation in shipbuilding among Türkiye and the Organization of Turkic States (OTS) members, including Azerbaijan, Uzbekistan, Kyrgyzstan, Kazakhstan, and Türkiye (Satubaldina, 2023).

The institutionalization of the Turkic States and subsequent infrastructure developments across Eurasia are anticipated to significantly boost the importance of the Middle Corridor, especially in light of the global supply chain disruptions caused by the COVID-19 pandemic and geopolitical tensions following Russia's actions in Ukraine. These developments have led to economic sanctions against Russia and prompted major brands and logistic companies to halt their operations there, further underscoring the strategic importance of the

Middle Corridor as a more secure alternative for trade between Asia and Europe.

In Europe, connectivity with China is crucial, particularly as Europe seeks to regain competitiveness lost due to the pandemic and the Ukrainian conflict. Hungary views China as a critical partner capable of providing substantial benefits rather than as a competitor or threat and sees the development of the Middle Corridor as a critical opportunity to boost its connectivity and economic prospects, contributing significantly to its economic growth and development (Lukács & Völgyi, 2018; Railway Pro, 2022).

In 2022, China was recognized as the third-largest partner for EU goods exports, accounting for 9.0% of total exports, and the foremost partner for imports, representing 20.8% of total imports (Eurostat, 2024). Within the EU, the Netherlands was the largest importer of goods from China, while Germany was the primary exporter to China during the same period (Eurostat, 2024). These trade dynamics predominantly benefit Europe and China, with the expeditious execution of trade transactions conducted within the shortest possible timeframe, underscoring the significance of choosing the most secure transportation route available. Moreover, the Middle Corridor is poised to benefit Romania, Bulgaria, and Serbia substantially, enhancing their geopolitical and geo-economic stature (ADB Institute, 2021). These nations will face no barriers in accessing markets across the Caucasus, Central Asia, and China, fostering increased trade connectivity.

Over the past decade, trade between the EU and Central Asia has grown significantly, with a 38.8% increase from \$37.2 billion in 2012 to \$51.3 billion in 2022. Notably, two-thirds of this trade volume consists of imports to the EU. The primary commodities the EU imports include mineral products, base metals and their derivatives, and chemical and related products, constituting 92% of total EU imports from the region (Eurasian Research Institute, 2021). Conversely, the EU's critical exports to Central Asia are characterized by machinery and appliances, chemicals and related products, and transport equipment, collectively accounting for 70.7% of the total EU exports.

The analysis of the Middle Corridor in global trade and geopolitical dynamics highlights its growing importance as a strategic alternative route that enhances connectivity between Europe and Asia, circumventing Russia. This corridor is part of the broader Trans-Caspian International Transport Route, offering reduced transit times and a viable alternative to the traditional Northern Corridor

through Russia, especially amid current geopolitical tensions.

Key findings from the document include:

(1) **Strategic Importance:** The corridor serves as a modern revitalization of the ancient Silk Road, enhancing Turkey's role in facilitating trade between China and Europe. This not only boosts Turkey's geopolitical stance but also offers Central Asian countries like Kazakhstan, Azerbaijan, and Georgia an opportunity to reduce their economic dependence on Russia.

(2) **Infrastructure Developments:** Substantial investments are being made to improve infrastructure along the corridor, including developing railways and ports, which are crucial for integrating into regional and global trade networks.

(3) **Economic and Geopolitical Benefits:** The corridor facilitates quicker, more efficient trade routes than traditional maritime pathways and is poised to reshape Eurasian trade dynamics by improving economic integration and connectivity among member states.

Overall, the Middle Corridor is establishing itself as a critical and viable trade route that promises significant economic and geopolitical benefits for the regions it connects, contributing to a diversified and more secure global trade landscape.

CONCLUSIONS

In summary, the Middle Corridor and Zangezur Corridor serve as crucial components in the economic and strategic interests of Kazakhstan, Azerbaijan, Türkiye, and the European Union. These corridors contribute to trade diversification, energy security, and regional stability, fostering greater cooperation and connectivity among the participating nations. The Middle Corridor and Zangezur Corridor present unprecedented opportunities for economic growth, trade diversification, and regional stability. Strategic investments, collaborative efforts, and diplomatic engagement are crucial to harness the full potential of these corridors and unlock the myriad benefits they offer to the participating nations and the broader international community. In this context, the following recommendations are worth considering.

Firstly, it should encourage international investment in developing transport infrastructure along the Middle and Zangezur Corridors. It has prioritized creating modern, efficient, and sustainable transportation networks to maximize economic benefits. There is a need for infrastructure enhancements at several junctures. One such instance pertains to the commonly used route from Georgia,

traversing the Black Sea to reach Constanta in Romania—the busiest port in the region. Despite the availability of numerous ships for maritime transport, the railway infrastructure in Romania is notably outdated.

Secondly, the EU should further deepen its relations with the Organization of Turkic States, which can further increase the effectiveness of the Middle Corridor. Establish joint committees or organizations to oversee the development and maintenance of the corridors, ensuring equitable benefits for all involved parties. Promoting collaboration on energy projects along the corridors will be essential to enhance energy security and facilitate the efficient transport of energy resources. The EU must continue to prioritize energy sources from the South Caucasus and Central Asia.

Overall, this study highlights the strategic importance of the Trans-Caspian Route and the Zangezur Corridor in diversifying world trade routes and strengthening economic stability in the face of geopolitical tensions. These corridors deepen trade, improve energy security and regional stability, and open up new opportunities for economic growth and development of the participating countries. Future research paths include analyzing the impact of the political stability of transit countries on the operational reliability of the Trans-Caspian route, exploring opportunities and obstacles for corridor expansion, including infrastructure modernization, and in-depth study of the impact of international economic agreements on trade flows along these corridors.

AUTHOR CONTRIBUTIONS

Conceptualization and theory: DB; research design: DB and LV; data collection: LV; analysis and interpretation: DB and LV; writing draft preparation: DB; supervision: LV; correction of article: DB and LV; proofread and final approval of article: DB and LV. All authors have read and agreed to the published version of the manuscript.

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