If decades of torrid growth have been the opening scene on Asia’s economic stage, the region’s reconnecting—through new roads, railways, and other infrastructure—could be the next act.

A geoeconomic contest is unfolding across the Eurasian landmass and around its maritime periphery, with regional powers ramping up their infrastructure spending. Over the next decade, Asia’s infrastructure market could grow by 8 percent annually, rising to nearly 60 percent of the global total. That spending will only scratch the surface of the region’s infrastructure needs, which are estimated to exceed $1 trillion annually. Economically and strategically, the stakes are high. New connections could deepen integration and expand prosperity. They also have the potential to reconfigure relationships, reroute flows of goods and people, and shift power within and between states. But questions remain about the feasibility of the underlying projects, which face obstacles as big and diverse as the region itself.

Consider a few ambitious plans underway.

Stretching from east to west, China’s Belt and Road Initiative (also known as One Belt, One Road, or OBOR) envisions a future in which all roads lead to Beijing. Including both maritime and overland components, OBOR aims to reach not only Europe, but also Africa and Latin America. All told, it could touch some 65 countries with roughly 70 percent of the world’s population. There are also early signs of progress on the ground. As of mid-year, 39 railways between China and Europe were operational. Last month, a cargo train completed the first trip from China to Afghanistan.

Russian officials have welcomed China’s efforts in their backyard, even suggesting OBOR could be linked with the Eurasian Economic Union. Additionally, Russia aims to increase connectivity with Azerbaijan, Iran, and India through the North-South Transport Corridor. The route could cut transit costs by 30 percent and time by 40 percent from today’s 40-day maritime journey. It will take a major step forward in the coming months, when Iran and Azerbaijan’s railways are connected for the first time.

Asia is also connecting internally, especially in South and Southeast Asia. Though primarily focused on increasing connectivity within its own borders, India is working to strengthen links with the Association of Southeast Asian Nations (ASEAN). Prime Minister Narendra Modi’s “Act East” policy aims to give India’s landlocked northeast region better access to its southern ports. It also revives the Trilateral Highway, an ambitious plan to connect India, Myanmar, and Thailand by road. Despite delays, India announced last month that it will extend the project to Laos, Cambodia, and Vietnam.

Japan’s vision emphasizes quality and sustainability. Its Partnership for Quality Infrastructure commits $200 billion over five years. A number of new land and maritime corridors would advance ASEAN’s recently extended Master Plan on Connectivity and increase links between the Bay of Bengal and the South China Sea. Results have been impressive in the Greater Mekong Subregion, where the Japanese-led Asian Development Bank has supported nearly 6,000 kilometers of new roads, and the number of passengers and goods transported by road has more than doubled over the past decade.

Many other regional powers are getting in on the act, each utilizing its own endowments to advance unique interests. Turkey, for example, is leveraging its position as a land bridge between East and West. Under its Vision 2023 initiative, thousands of kilometers of new roads and railways could be built in the coming years. Nor are these efforts limited to transport. South Korea and others are laying enhanced fiber optic networks that will improve communication and unlock commercial opportunities.

The economic gains could be significant. When completed, projects have the potential not only to boost trade but also productivity and regional competitiveness. New roads and telecommunication links can expand access to health, education, and other critical services. According to a study by the McKinsey Global Institute, countries with more connections to global flows of trade, finance, people, and data grow by up to 40 percent more than less-connected countries. By continuing to drive demand, a more connected and integrated Asia would also benefit the rest of the world.
But significant challenges could derail these efforts. Infrastructure projects are notoriously difficult to deliver on cost and on time, even in the best business environments. Some of today’s proposed routes pass through ungoverned, hostile, or disputed territory. Political terrain can be even more challenging than physical terrain, as projects get caught in a maze of murky land rights, bureaucracy, and corruption. On its return trip from Afghanistan to China, for example, the train that recently made history was stopped in its tracks when Uzbekistan was unwilling to allow its cargo to pass. This is a stark reminder that new hard infrastructure will require better soft infrastructure.

Perhaps the biggest challenges are economic. Today, 90 percent of international trade travels by sea. Maritime transport will likely remain cheap, especially with today’s global shipping industry overcapacity. Looking further ahead, maritime routes could become even more dominant as the Arctic warms. Both trends will make it difficult for new overland routes to compete.

Collectively, these challenges suggest there could be a gap between the rhetoric surrounding today’s ambitious proposals and reality. At ground-breaking ceremonies, officials trumpet projects’ technical ingenuity and forthcoming economic gains. But the real work begins after the cameras are gone. In many cases, information about how these projects are progressing is difficult to find.

To fill that information gap, the Center for Strategic and International Studies has launched a major new project: Reconnecting Asia. With an initial database of over 1,600 roads, railways, and ports, this is the first effort to map Asia’s emerging infrastructure network at the project level. Our website, Reconnecting Asia, has an interactive map that makes this information accessible to experts and nonexperts alike. Over the coming months, we will be expanding and analyzing this data set to identify the drivers and implications of Asia’s infrastructure push.

As an Asia-Pacific power with enormous economic and strategic stakes in the region, the United States cannot afford simply to watch these events unfold. U.S. infrastructure companies, including related service providers, have an opportunity to tap into this dynamic market and grow with it. Along with U.S. officials, they can bring experience setting standards and safeguards that will help Asia connect in a sustainable way. And as the United States considers plans to upgrade its own aging roads and railways, there are lessons to learn from Asia, which is becoming the world’s infrastructure laboratory.

The next U.S. president needs a strategy for moving Asia’s rapidly expanding infrastructure in the right direction. That strategy should begin by drawing on U.S. legal, financial, and technical expertise to help develop principles for infrastructure investment in the region. These would cover procurement, natural-disaster resilience, environmental and social safeguards, and debt sustainability. By providing greater certainty and expanding the pool of bankable projects, these principles would help mobilize private capital looking for higher long-term returns.

Inevitably, many of today’s ambitious infrastructure projects in Asia will fail. But if even a fraction succeeds, the consequences could echo well beyond the region. Fundamental shifts in the global economic order rarely occur overnight. In Asia, that order is being remade a bit each day—rail tie by rail tie, lane by lane.

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Simon Says…

One of history’s engineering marvels turned 100 this month. Completed in October 1916, the Trans-Siberian Railway is the longest line in the world, connecting two continents and eight time zones. Its impact on history has been similarly outsized. As it stretched eastward into Manchuria, its construction helped start the Russo-Japanese War. During World War II, the railway helped move Soviet industries away from enemy lines. Today, the line remains critical, carrying more than half of the foreign cargo that passes through Russia.

How many white elephants are lurking beneath Asia’s infrastructure push? Whether a handful or a herd, the term itself is connected to the region. According to legend, the king of Siam bestowed white elephants on courtiers who had fallen out of favor. There was a catch. Since white elephants were sacred, they could not be used for labor. Meanwhile, caring for the animals was not cheap. The result was an incredibly expensive and highly impractical possession. In other words, rather than a beast of burden, a beastly burden.