Geopolitics of Trade Corridors in Eurasia

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Abstract

Eurasia, once seen as peripheral in global trade, is emerging as a vital hub, driven by geopolitical disruptions, sanctions, and strategic recalibrations. Trade corridors like the Middle Corridor, the International North-South Transport Corridor, the Chennai–Vladivostok Maritime Corridor, the India–Middle East–Europe Economic Corridor, and the Northern Sea Route are transforming regional connectivity and bypassing vulnerable chokepoints, such as the Suez Canal and Malacca Strait. These corridors reflect the geopolitical ambitions of emerging powers and provide frameworks that are grounded in flexibility, resilience, and regional cooperation. Despite infrastructure and geopolitical challenges, these routes mark the emergence of a more inclusive and diversified global order.

Introduction

Eurasia—long considered peripheral in global commerce—is fast emerging as the strategic heartland of transcontinental trade. As traditional maritime routes, such as the Suez Canal and the Strait of Malacca, face mounting geopolitical and logistical vulnerabilities, the tectonic plates of global connectivity are shifting inland. This transformation is driven by the emergence of new trade and energy corridors that crisscross the continent, reshaping the dynamics between Asia, Europe, and the Middle East. In line with these developments, India has been continuously trying to boost her inland waterways by leveraging rivers, canals, backwaters

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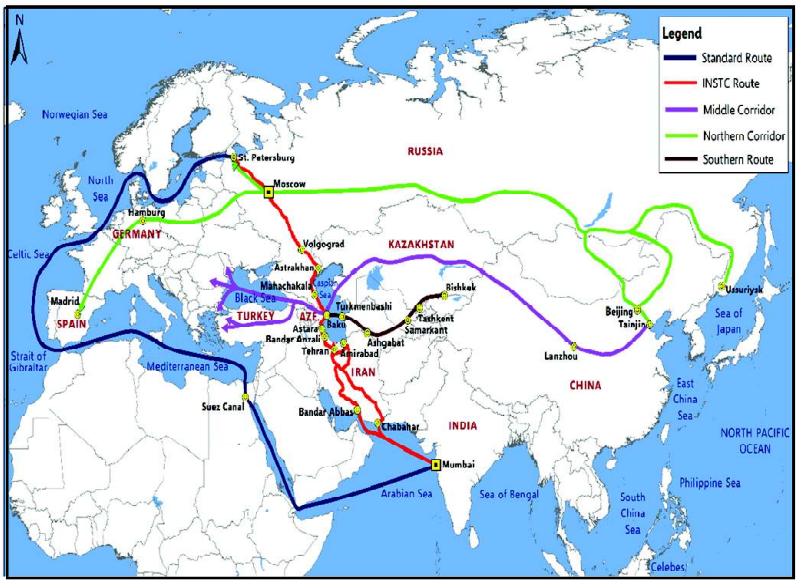
and creeks as a means to connect its industrial heartland for evacuation of deep hinterland cargo to its sea ports.[1]

Anchored in Mackinder's vision of the Heartland[2], corridors—such as the Middle Corridor (MC), International North–South Transport Corridor (INSTC), Vladivostok-Chennai Maritime Corridor (VCMC), India–Middle East–Europe Economic Corridor (IMEC), and the Northern Sea Route (NSR)—are not merely conduits of commerce; they are instruments of strategic diversification, geopolitical hedging, and regional assertion. They bypass chokepoints, redistribute economic influence, and reposition Eurasia as the linchpin of a more resilient, multipolar global order.[3] Together, these corridors represent an alternative vision of the Chinese-led Belt and Road Initiative (BRI). They embody a new geography of cooperation rooted not in hegemony, but in the pragmatism of multipolarity.[4] For emerging powers like India, these corridors offer both opportunities and challenges in redefining global trade flows and geopolitical alignments, as well as their influence in Eurasia.

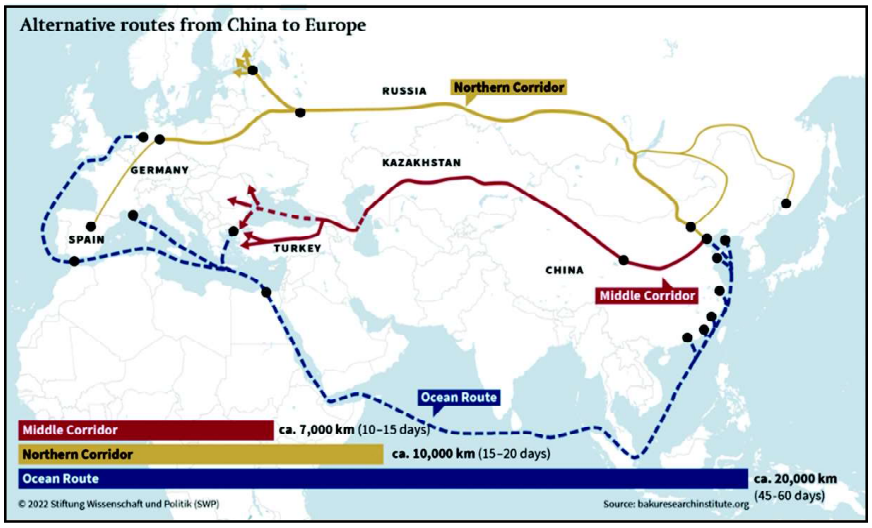


Map 1: Trade Corridors
Source: *European Neighbourhood Council*[5]

The Middle Corridor

The Trans-Caspian International Transport Route, backed by the World Bank and the European Union's Global Gateway initiative, offers an alternative to the conventional Northern Corridor, which

passes through Russia, and the Southern Corridor, which passes through Iran, by combining rail and sea transportation. Its overall length is between 6,500 and 7,000 kms, and it connects China to Europe via Central Asia, the Caspian Sea, and Turkey, which occupies a pivotal position along the route. It offers a 12 to 15-day overland route, compared to the 40-day maritime journey via the Suez Canal. By 2030, MC is expected to have a capacity of up to 11 million tonnes of cargo annually.[6]



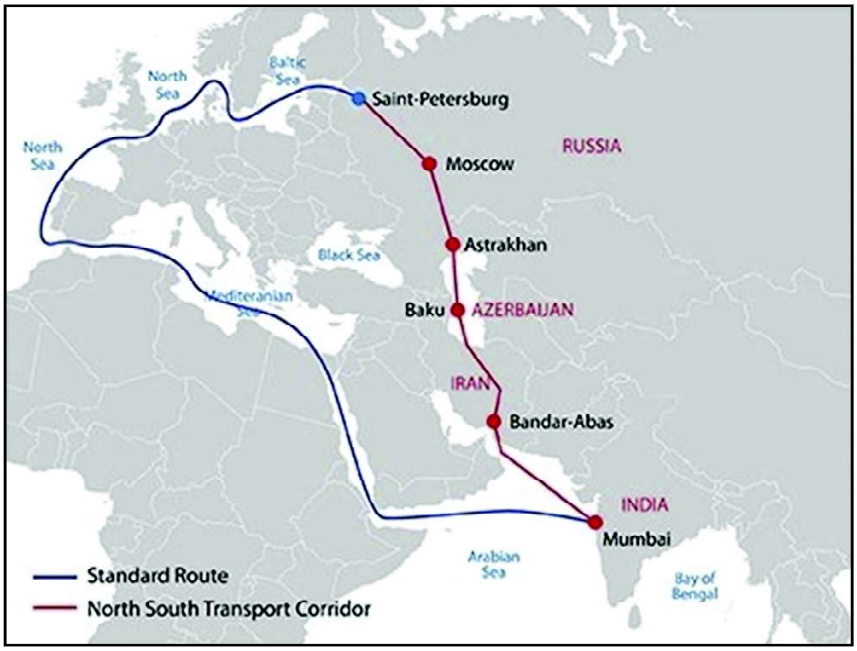
Map 2: Alternative routes from China to Europe
Source: *Stiftung Wissenschaft und Politik*[7]

Cargo traffic along the corridor increased significantly in 2024. Kazakhstan reported a trade volume of over 04 million tonnes, while Azerbaijan handled more than 18.5 million tonnes.[8] Major infrastructure projects, such as the development of new terminals at Azerbaijan's Alat port, the expansion of Kazakhstan's Aktau port, and the Anaklia deep-sea port in Georgia, as well as port extensions in Turkey, are currently underway.[9] Additionally, a USD 650 mn World Bank-funded project is underway to enhance the Zhezkazgan-Karagandy railway section, aiming to improve connectivity and climate resilience.[10] Meanwhile, the European Union has pledged EUR 10 bn to strengthen connectivity in Central Asia, demonstrating its support for MC as a more stable geopolitical alternative to northern routes, which are impacted by the conflict in Ukraine.[11]

MC provides China with a safer conduit to Europe, thereby, enhancing its BRI. It strengthens Turkey's regional ambition as a geostrategic bridge between Asia and Europe. The corridor's passage through areas rich in gas, oil, and renewable resources presents opportunities for the development of cross-border energy infrastructure. Along the corridor, pipeline, power grid, and energy transit network projects are being contemplated or extended, particularly in Kazakhstan and Azerbaijan, to improve regional energy security.[12] Furthermore, it provides landlocked Central Asian nations with access to new energy markets and integration into international energy systems. Furthermore, improved digital connectivity encourages regional collaboration in innovation, cybersecurity, and technology, transforming MC into both a physical and a digital link between the East and the West.

The International North–South Transport Corridor

Conceived in the year 2000 by India, Russia, and Iran, the INSTC stretches 7,200 kms from Mumbai to St Petersburg through Iran's Bandar Abbas and Chabahar ports and beyond to the Caucasus.[13] It is India's answer to bypassing Pakistani and Chinese bottlenecks. It reduces travel time from 40 days (via Suez) to 15–20 days, and lowers freight cost by 30-40 per cent.[14] For Russia, it is a lifeline to the Indian Ocean, and for Iran, it is a rare opportunity to monetise its geography amid continued sanctions. This corridor forms a significant prong of Russia's pivot to Asia. Russia and Iran are collaborating on the construction of a 162-kms-long Rasht–Astara railway in Iran.[15] The INSTC has also seen a notable growth in cargo quantities; in 2024, the eastern branch alone transported up to 02 million tonnes, up from 6,00,000 tonnes in 2023, with a target of 03 million tonnes set for early 2025.[16] The INSTC has increased vitality and digital importance in the changing Eurasian environment. From the resource-rich regions of Central Asia, Russia, and Iran to energy-deficient markets like India, the corridor facilitates the movement of gas, oil, and other energy resources.[17]

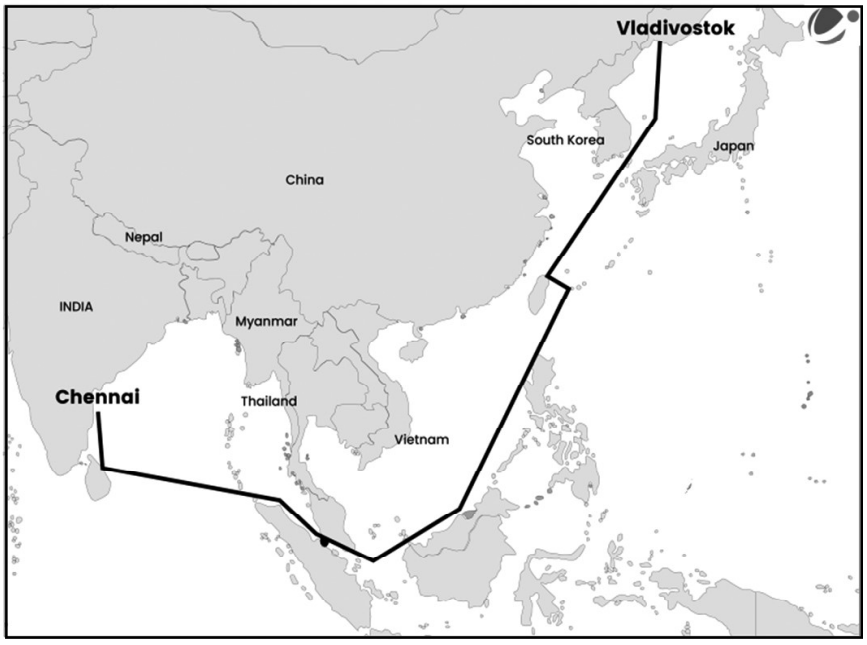


Map 3: The International North–South Transport Corridor
Source: *India Narrative*[18]

The INSTC enhances energy security for nations like India by providing more reliable and direct access to alternative suppliers. The corridor presents opportunities to strengthen cross-border digital infrastructure and connectivity, thereby, facilitating regional trade through increased efficiency and transparency. This would be possible by the growth of fibre optic networks, smart logistics, and digital trade platforms along the route. In recent years, the INSTC has gained renewed momentum. Test runs have demonstrated its operational viability, and member countries are working on improving infrastructure, digitising customs processes, and aligning the corridor with other regional initiatives, such as MC and the Chabahar Port development. In essence, the INSTC is not merely a trade route but a cornerstone of India's strategic vision for enhanced regional integration, economic resilience, and geopolitical influence across Eurasia.[19]

The Vladivostok-Chennai Maritime Corridor

It is a strategic sea route connecting the port of Chennai in India with Vladivostok in Russia's Far East. Covering approximately 5561 NM (10,298.97 kms), this corridor significantly enhances maritime connectivity between the two nations by reducing the cargo transport time between Indian ports and Russia's Far East from the traditional 40 days to approximately 24 days, offering a 40 per cent reduction in transit time.[20] The route aligns India's 'Act Far East' Policy with Russia's Pivot to Asia. This is significant for India as it has surpassed China to become the largest buyer of Russian oil in Jul 2024.[21]



Map 4: Vladivostok-Chennai Maritime Corridor
Source: *Vision IAS*[22]

The VCMC stands as a testament to the deepening India-Russia strategic partnership, offering a robust framework for enhanced economic engagement and regional connectivity. The corridor became operational in Nov 2024, with container ships carrying commodities such as crude oil, metals, and textiles arriving at Indian ports. The corridor provides India with direct access to the resource-rich Russian Far East, facilitating the import of energy resources and other commodities, thereby, reducing reliance on

different markets. The efficiency and security of maritime trade can be significantly enhanced by the development of digital trade infrastructure, including smart ports and automated customs processes. India plans to integrate additional eastern ports, such as Visakhapatnam and Paradip, into the corridor, thereby, enhancing its capacity and reach. Efforts are underway to upgrade port facilities, streamline customs procedures, and adopt advanced shipping technologies to support the corridor's operations. The corridor supports projects, such as the Kudankulam nuclear power plant.

Even though transit times have shortened, the VCMC still faces economic obstacles due to low cargo quantities and underdeveloped port facilities, particularly on the Russian side. These issues limit efficient handling and the expansion of commerce. Bureaucratic and regulatory obstacles, such as convoluted customs processes and the lack of effective banking lines between Russia and India, further slowdown operations. The VCMC faces geopolitical challenges as it navigates the contested South China Sea, which may lead to naval blockades or regional hostilities, in addition to impediments stemming from western sanctions. The corridor's resilience to geopolitical disruptions is diminished by the lack of a comprehensive international structure to monitor and protect its operations.

The Northern Sea Route-Arctic Gateway for India's Eurasian Integration

The NSR, a maritime corridor skirting the Russian Arctic coast from the Kara Sea to the Bering Strait, is rapidly emerging as a transformative route in global trade. Enabled by receding Arctic ice due to climate change, this high-latitude passage significantly shortens the distance between East Asia and Northern Europe by up to 40 per cent. It can reduce maritime transit time by 10 to 15 days compared to the traditional Suez Canal route.[23]

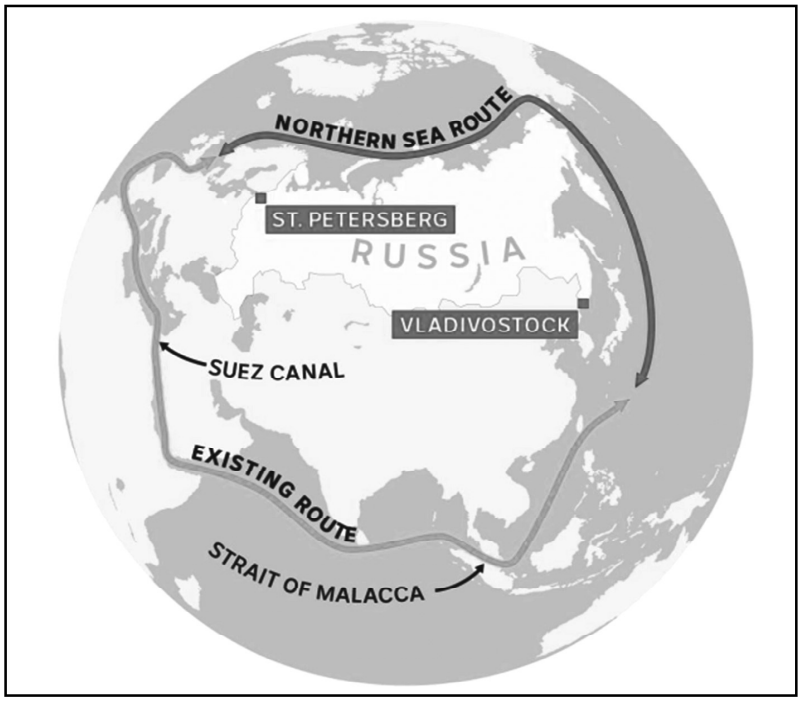


Figure 1: Northern Sea Route
Source: *Observer Research Foundation*[24]

Russia has heavily invested in Arctic infrastructure; a network of ports, including Murmansk, Arkhangelsk, and Sabetta, has been expanded, and a fleet of nuclear-powered icebreakers ensures navigability across much of the year.[25] In 2024, cargo volumes on the NSR exceeded 35 million tonnes, primarily composed of Liquefied Natural Gas (LNG) from the Yamal and Arctic LNG 2 fields, crude oil, and minerals. Russia's ambitions are bolstered by China's collaborative efforts under the 'Polar Silk Road' initiative, a northern flank of its BRI, which further elevates the NSR's geostrategic profile.

For India, the NSR offers far-reaching strategic dividends. First, it provides an alternative shipping corridor that circumvents chokepoints such as the Suez Canal and the Strait of Malacca, both of which are vulnerable to geopolitical disruptions. As global supply chains face increasing instability, the NSR could serve as a northern resilience corridor, enhancing India's logistical flexibility and strategic autonomy. Second, the NSR serves as a gateway to Arctic energy resources. Russia's Arctic zones are among the

most resource-rich regions globally, and India's access to Arctic LNG, crude oil, and critical minerals could significantly augment its energy security strategy. With Indian public sector enterprises, such as Oil and Natural Gas Corporation Videsh, already invested in Russian energy ventures, enhanced maritime access via the NSR could solidify long-term resource partnerships. Third, participation in the NSR-linked corridors would allow India to reinforce its scientific, commercial, and strategic presence in the Arctic. As an observer in the Arctic Council and a proponent of the Security and Growth for All in the Region doctrine, India has signalled its interest in the polar region. Utilising the NSR for trade and energy transport aligns with this broader vision, moving India from a peripheral observer to an active stakeholder in Arctic affairs. The VCMC proposes a direct sea link between India's eastern seaboard and Russia's Far East. From Vladivostok, Indian goods can be transhipped northward to Arctic ports via Russia's Pacific–Arctic maritime spine, eventually connecting to the NSR. An alternative and highly strategic option lies in integrating the INSTC with Russia's inland river and canal systems; such as Astrakhan or Olya, entering Russia's Volga River system using the Volga–Don Canal and Volga–Baltic Waterway, cargo can be routed to Saint Petersburg, Murmansk, or Arkhangelsk, providing direct access to the NSR.

Despite these advances, the NSR faces substantial operational and geopolitical challenges. Its seasonal accessibility, coupled with extreme weather, ice hazards, high insurance premiums, and inadequate search and rescue infrastructure, limits year-round reliability. Additionally, the militarisation of the Arctic, particularly by Russia, and western sanctions following the Ukraine conflict complicate broader international investment and access. Yet, these challenges have not diminished the NSR's allure, especially for countries like India, which seek strategic redundancy, diversified energy sources, and deeper engagement in the Eurasian and Arctic domains.

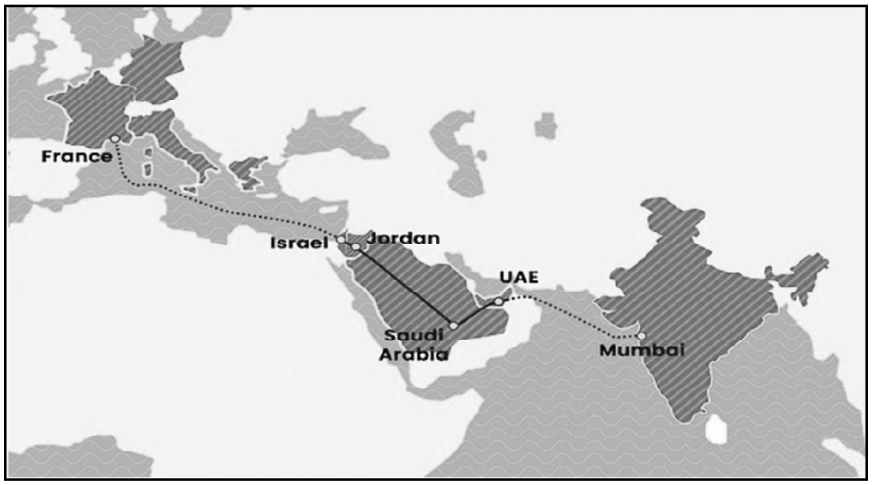
The India–Middle East–Europe Economic Corridor

Announced during the G20 summit in New Delhi on 09 Sep 2023, the corridor involves key participants, i.e., India, the United States, the United Arab Emirates (UAE), Saudi Arabia, France, Germany, Italy, and the European Union. Its estimated length is 4,800 kms,

combining rail and maritime transportation to streamline the movement of goods and services across continents. Its eastern leg will connect Indian ports with West Asian hubs, such as Jebel Ali (UAE), Dammam (Saudi Arabia), and onward through Jordan to Haifa in Israel. From there, the western leg continues into Europe via ports in Greece and Italy. Beyond physical transportation, the IMEC plans to integrate energy infrastructure, including electricity cables, hydrogen pipelines, and high-speed data cables, promoting energy cooperation and digital connectivity.[26]

In Feb 2024, France appointed Gérard Mestalla as its envoy for the IMEC project, highlighting its commitment to playing a central role in the corridor's development. Following the G20 summit, India and Saudi Arabia agreed to strengthen their economic and security ties, with discussions encompassing the IMEC project. In Jun 2024, India's cabinet approved the construction of the Vadhavan port near Mumbai, a deep-water port with an investment of USD 9.14 bn, aimed at boosting trade with Europe and serving as a key component of the Indian Maritime Economic Zone.

The corridor is viewed as a strategic counterbalance to China's BRI, providing an alternative route that enhances the geopolitical influence of the participating nations. However, the corridor's success is not guaranteed. The geopolitical complexities of the Middle East, such as the Israel-Iran tensions, internal rivalries within the Gulf, and the fragile normalisation processes involving Israel and Arab states, pose considerable risks to the seamless functioning of the corridor. The ongoing Israel-Hamas conflict, if prolonged, could disrupt key nodes in the corridor's western leg. In response to the IMEC initiative, China is likely to intensify its BRI engagements, especially in overlapping regions like the Gulf and East Africa. It may also apply strategic pressure on countries such as Saudi Arabia and the UAE, which are part of both the BRI and IMEC frameworks. This dual participation could lead to balancing challenges for these nations, as they attempt to hedge between two competing global infrastructure architectures. This pact also faces potential constraints due to new geopolitical divides and increased competition among regions. In response, Beijing might step up BRI investments or put pressure on IMEC members who support both blocs (such as Saudi Arabia and the UAE).



Map 5: India–Middle East–Europe Economic Corridor
Source: *Vivekananda International Foundation*[27]

Conclusion

These corridors, though promising, are not without friction—many grapple with infrastructure gaps, geopolitical volatility, and ecological concerns. Yet, they are reshaping Eurasia's strategic geography, diversifying trade flows, and reducing reliance on monopolised routes. For India, the pursuit of IMEC, INSTC, VCMC, and engagement with NSR is both an economic imperative and a geopolitical strategy. Together, they offer pathways toward a resilient, multipolar world grounded in inclusive and decentralised connectivity.

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