

7 October 2023 and the Battle over the New Silk Roads

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GUY LARON, MAR 6 2025

At the end of 2023, the conflict between Hamas and Israel abruptly escalated. Within weeks, the clash on the sands of the Gaza Strip metastasized into a broader contest involving regional players and world powers. While multiple factors shaped the trajectory of the Gaza war, one of the most important—yet rarely discussed—is how it intersects with the struggle to control trade corridors across Eurasia. Thus, the 7 October war did not unfold in a geopolitical vacuum. Beneath the immediate military confrontation, a deeper contest over trade routes and global influence was at play. Viewing the war through this geopolitical lens reveals its deeper entanglement in Eurasian trade struggles—and, more crucially, who is winning the fight to shape the emerging global order.

Furthermore, the 2023 Gaza War is the more recent iteration of an emerging pattern. Indeed, the struggle over global trade corridors has played out during recent decades through conflicts across the Eurasian land mass. The war in Ukraine, the clashes between Armenia and Azerbaijan, and the growing confrontation between Israel and Iran are all symptoms of a deeper struggle over control of Eurasian transportation corridors. These include China's Belt and Road Initiative (BRI), the U.S.-led India-Middle-East-Europe Economic Corridor (IMEC), The Russia-backed International North-South Transport Corridor (INSTC), and the Turkiye-led Trans-Caspian International Transport Route (TITR).

These visions for new trade corridors reflect the competing ambitions of China, Iran, and Russia on one side, and the United States and its European allies on the other, while India navigates a careful balance between both blocs, pursuing a non-aligned strategy to maximize its economic and strategic interests. Far from being purely avenues for commerce, these trade routes have become battlegrounds of national conflict. In an era of shifting alliances and economic coercion, states are seeking to either secure their access to trade corridors or disrupt those of their rivals. Thus, the Gaza War erupted at a moment when competition over Eurasia's trade routes—routes that crisscross the Middle East—was reaching a critical juncture.

This struggle is not new. Throughout history, controlling trade routes has been synonymous with power. The Roman and British Empires, for instance, dominated key chokepoints—mountain passes, straits, and canals—to ensure the uninterrupted flow of goods across vast territories. A similar pattern emerged during the post-Cold War “unipolar moment,” when Pax Americana facilitated globalization and deepened market integration. This led many international relations scholars to dismiss geography as obsolete, assuming that globalization had erased traditional geopolitical constraints. Yet, as American hegemony recedes, the world is reverting to a more contested, multipolar order. This reality exposes an enduring truth: mountains, deserts, and seas create chokepoints where states and non-state actors can disrupt trade and reshape the global economy.

Building on these arguments, this article will analyze past and present struggles for control over Eurasia's trade corridors and their influence on the Gaza War. Finally, it will assess how the Gaza War has shaped the larger battle over the future global order.

IMEC Takes Center Stage

The growing economic importance of India and China in the past two decades serves as a crucial backdrop to the conflicts in Europe and the Middle East. The old network of trade routes—the Silk Roads—that once connected

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Europe to the Far East has been revived. For centuries, these routes facilitated the exchange of high-value goods, from Chinese silk to Indian spices, fueling the prosperity of empires and city-states along the way [see here]. However, as China and India declined in economic importance in the early modern period, so too did the relevance of these routes, giving way to a new global trade order centered on Western Europe.

China's Belt and Road Initiative (BRI) was designed to reshape this economic geography. In essence, Beijing sought to construct a new hub-and-spoke system, with China at the center. The plan involved vast infrastructure investments in Latin America, Africa, and Asia to secure supply chains and export routes for Chinese manufacturers. However, the most important component was the revival of an east-west land route connecting China to Europe. Naturally, it passed through the Middle East. To facilitate its ambitious BRI project, China has engaged with countries in the region. Backing its diplomacy with investment, China committed \$4 billion to Israeli ports and transport projects and \$2.7 billion to Saudi logistics infrastructure. Since 2013, China has closely engaged with both nations, positioning them as key nodes in the BRI. Through high-level diplomacy, Beijing sought to integrate Israel and Saudi Arabia into its trade network.

Against this background, President Biden unveiled the India-Middle East-Europe Economic Corridor (IMEC) at the G20 summit in New Delhi in September 2023. On that occasion, a Memorandum of Understanding was signed by the governments of India, United States, United Arab Emirates, Saudi Arabia, France, Germany, Italy and the European Union. The agreement aimed to mobilize \$600 billion by 2027 to bridge infrastructure gaps in partner countries. IMEC, designed to bypass Russia, aimed to create a direct trade link from India to Europe via Saudi Arabia and Israel [see here]. The project envisions integrating rail and maritime routes, linking Indian ports to the Persian Gulf, then continuing by rail through Saudi Arabia, Jordan, and Israel to Europe. In short, finally the U.S. presented a vision to rival the BRI. By backing IMEC, Washington aimed to uphold its Middle East dominance and counter China's expanding regional influence. Like China, Washington revived an ancient trade route to achieve its goals.

Historically, India's economic and trade ties with the Persian Gulf have been integral to the region's commercial landscape. Since antiquity, trade between India and the Gulf was driven by the movement of spices and textiles. The Gulf functioned as an intermediary between the Indian Ocean economy and the Mediterranean world, with overland trade routes passing through Basra, Baghdad, and Damascus [see here]. This corridor was vital to the prosperity of the Abbasid Caliphate and, later, the Ottoman Empire, as it connected South Asia to the markets of Europe and North Africa. While IMEC does not follow this exact historical pathway—due to ongoing instability in Syria and Iraq—it retains the same geographic logic of linking the Indian subcontinent to the Middle East and Europe through strategic land and sea routes.

Obviously, India saw IMEC as a strategic asset for its economy. India has long aimed to transition from a services-driven economy to an industrial powerhouse through initiatives like *Make in India*. Launched in 2014, the initiative sought to boost domestic manufacturing and assembly. By enhancing connectivity to Europe, IMEC could attract foreign investment in Indian manufacturing and infrastructure.

Other potential partners were eager to embrace this initiative. IMEC, for instance, aligned with the ambitions of both Israel and Saudi Arabia to become global transportation hubs. In 2017, Israel launched a plan to link Haifa's seaport with Jordan and, eventually, the Persian Gulf states. Similarly, since 2016, Saudi Arabia has pursued its Vision 2030 plan to establish itself as a logistics powerhouse. To that end, Riyadh has committed over \$130 billion to infrastructure projects aimed at upgrading roads and railways connecting its eastern Persian Gulf coast to its western Red Sea ports. By positioning itself as a key transit hub between Asia and Europe, Saudi Arabia hopes to diversify its economy beyond oil, a goal shared by other Gulf states. A Saudi-Israeli overland route could solidify both as a crucial land bridge between India's expanding economy and European markets.

Yet a key obstacle remained: the absence of diplomatic ties between Israel and Saudi Arabia. The Biden administration sought to resolve this issue by advancing a normalization process, enabling economic cooperation between Riyadh and Jerusalem. However, Hamas, the Palestinian Islamist movement that governs Gaza, viewed this turn of events as an existential threat. Hamas internal memos detailing secret leadership deliberations reveal

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multiple factors behind the October 7 attack. Key concerns included the expansion of Jewish settlements in the West Bank, escalating violence by settlers against Palestinian communities, and Israeli measures to strengthen control over Al-Aqsa Mosque in Jerusalem, a site sacred to Muslims worldwide. Yet, clearly, the Saudi-Israeli normalization was a major issue. Hamas feared that Saudi-Israeli rapprochement would marginalize the group and divert Arab attention from the Palestinian cause.

However, to foil this plan and confront Israel's army, Hamas needed allies willing to provide support. Hamas leaders repeatedly sought Iranian backing, informing Tehran of their plans and requesting assistance once the conflict began. While Iranian officials expressed support, they requested more time to prepare. Ultimately, Iran's response to the 7 October attack was shaped not only by its broader regional strategy but also by its ambitions to secure dominance over key trade corridors. In particular, Tehran saw its role in the International North-South Transport Corridor (INSTC) as a lucrative opportunity, aiming to generate significant revenue from transit fees.

The INSTC Beckons Tehran and Moscow

The International North-South Transport Corridor (INSTC), launched in 2000, aims to link Russia, Iran, and India through a multimodal transport network. Combining rail, road, and maritime routes, it stretches for 7200 km from St. Petersburg to Mumbai, through the Caspian Sea, Iran, and the Arabian Sea [see here]. It provides Moscow and India with a trade route that is shorter and more cost-effective than the one that passes through the Suez Canal. INSTC promises to reduce travel time between Russia and India from 45-60 days to 25-30 days. It could also lower transport costs by approximately 30%.

Like the IMEC, The INSTC is not a novel conception but rather the modern reincarnation of a much older trade network. Historically, Russia's interest in a trade corridor that would connect it to India through Iran dates back to the Viking era in Russia. Since the 8th century, the Volga River was a crucial artery connecting northern Europe to the Caspian Sea and, by extension, to the lucrative markets of the Islamic world [see here]. Many of Russia's wars since the 16th century were fought so that the ruler in the Kremlin would control the Volga Trade Route from the Baltic to the Caspian Sea. This historical legacy underscores Russia's long-standing ambition to dominate the trade routes linking India to northern Europe along a horizontal, north-to-south, axis.

Like IMEC, INSTC hinges on India as its lynchpin. India's involvement in both projects reflects its non-aligned strategy, allowing it to engage with competing trade blocs while avoiding full commitment to either. New Delhi also has good reasons to support this initiative, the most immediate of which is its deepening energy ties with Russia. This is something that grew out of the Ukraine War. After Western sanctions on Russia over its Ukraine invasion, India sharply increased Russian oil imports. Thus, India could capitalize on discounted Russian crude. These imports have saved India billions in energy costs, offering financial relief amid global energy price volatility. Recent Houthi attacks on maritime routes have additionally highlighted INSTC's value to India by reducing reliance on the vulnerable Bab-el-Mandeb and Hormuz straits for energy imports.

Yet, India's participation in INSTC began two decades before the Ukraine War and the Houthi blockade, indicating a long-term strategic vision. Indeed, like IMEC, INSTC serves India's goal of expanding its industrial base. India currently exports \$20 billion worth of goods to its INSTC partners but hopes that in the future that figure would rise to \$180 billion. Better connectivity would increase the chances of this happening. Demand for Indian textiles, petrochemicals, pharmaceuticals, machinery, and electrical machinery is particularly high in Russia and Turkey. To promote INSTC, Indian companies are planning to invest \$370 million to develop the Persian Gulf port of Chabahar in Iran.

While for India the INSTC is aspirational, for Iran and Russia the INSTC is existential. Iran has been under heavy sanctions since 2012 and Russia since 2014. The INSTC allows Russia to deepen its economic ties with India and enables Iran to earn much-needed transit fee revenue. Compared with the maritime route through the Suez Canal, INSTC offers Russia a sanction-proof route that allows it to bypass the Mediterranean, a sea in which NATO navies are dominant. Furthermore, the latest round of sanctions on Russia following its 2022 invasion of Ukraine has deepened Moscow's reliance on trade with India, now the world's largest buyer of Russian oil. India, home to some of

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the world's largest refineries in the Gulf of Kutch, processes Russian crude before exporting refined products globally. For that reason, Russia and Iran have sought to accelerate the development of the INSTC. Moscow and Tehran have recently agreed to invest \$37 billion in upgrading railways and waterways along the corridor.

Iran has even more at stake in INSTC than Russia. It has faced a prolonged economic crisis, and INSTC offers a vital economic lifeline. Tehran views INSTC as the cornerstone of a Eurasian bloc linking Russia, China, North Korea, and India. The project is set to attract \$13 billion for railway and port upgrades across Iran, positioning it as a key transit hub connecting India's dynamic economy to expanding markets in Russia, Central Asia, and Turkey. It also establishes Iran as the main conduit for Russian gas, oil, grains, and fertilizers to India.

However, this vision was threatened in September 2023 when Biden introduced IMEC. As a rival trade corridor to India, IMEC risked overshadowing INSTC. Iran's response to the October 7 attack must be understood within this broader struggle over trade routes shaping Eurasia's future. Following October 7, Iran faced a choice: allow Israel and the U.S. to contain the conflict or escalate it into a broader regional confrontation. Tehran opted for escalation. It coordinated attacks by its proxies in Lebanon, Syria, Iraq, and Yemen, while also, for the first time, launching a direct strike on Israel—an unprecedented shift in its approach. By sustaining instability, Iran sought to challenge Israel's regional standing, complicate its role in emerging trade networks, and reinforce its own position as a critical transit hub. Yet, despite these efforts, the regional war of 2023–2024 resulted in a strategic setback for Iran. Israel and the U.S. effectively countered Iran's regional coalition, weakening Hezbollah and Hamas while further straining Iran's economy.

Nevertheless, so far the biggest geopolitical beneficiary of the 7 October war was neither Israel nor Iran—it was Türkiye. And to understand why, we need to revisit the story of the Middle Corridor.

Türkiye's Play for the Middle Corridor

Before the Russia-Ukraine war, the Northern Trade Corridor was the backbone of China's overland route to Europe, passing through Russia and Belarus. This was a well-developed and efficient route. However, the 2022 Russian invasion of Ukraine and the ensuing Western sanctions on Moscow severed this trade artery. Enter the Middle Corridor. The Middle Corridor—also known as the Trans-Caspian International Transport Route (TITR)—emerged as an alternative. Running through Kazakhstan, the Caspian Sea, Azerbaijan, Georgia, and Türkiye, it provides the shortest rail link between China and Europe, cutting 7,000 kilometers off alternative routes and slashing transit time from two months to two weeks [see here]. For those reasons, the Middle Corridor has seen exponential cargo growth since 2022. Additionally, the Middle Corridor also offers an alternative to maritime routes, which faced disruptions from repeated Houthi attacks on ships in the Red Sea Straits. As a result, in the first nine months of 2024, cargo volume surged 70 percent to 3.4 million tons. By 2034, cargo volume is projected to reach 15 million tons.

Like the IMEC and the INSTC, The Middle Corridor is not merely a response to recent geopolitical shifts. The ancient Silk Road has passed along the same path (although it bypassed the Caucasus through northern Iran). In the same way that the Ottoman Empire formed a key part of the Silk Road, Türkiye, its successor, is a key player within the TITR framework. Türkiye's Middle Corridor initiative allows it to position itself as a transit hub between Asia and Europe. To ensure that status, Turkish foreign policy maintains a delicate balance between its relations with Russia, China, and Western countries. To increase its connectivity, Türkiye harmonized in the last decade its rail network both with the EU and China.

Türkiye also invested in a train across the Caucasus. Known as the Baku-Tbilisi-Kars (BTK) railway, it was inaugurated in 2017. To further solidify its position as a gateway to Europe, Türkiye built a railway through the Marmaray tunnel. Located under the Bosphorus, the tunnel connects the Asian and European parts of Türkiye. Additionally, Türkiye is launching an ambitious \$3 billion trans-Türkiye railway project. It would link Kars, near the border with Armenia, to Edirne, next to Bulgaria. This railway line would pass over the Bosphorus through the Yavuz Sultan Selim Bridge. Furthermore, Ankara is also in the process of investing \$7 billion in various ports along the Black, Marmara, Aegean, and Mediterranean seas.

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Unlike Iran, Türkiye remained on the sidelines of the 2023 Gaza War, positioning itself as a stabilizing force. This strategy allowed Ankara to expand its influence, particularly in Syria, where Iranian-backed forces had been weakened by the confrontation with Israel. As a result, they could no longer effectively support the Assad regime. Türkiye's proxy, Hayat Tahrir al-Sham (HTS), took advantage of the power vacuum, solidifying control over Damascus. Historically, Syria has been a key east-west trade corridor, and Türkiye's expanding role there strengthens its hand in shaping regional commerce.

Among various schemes, there is a plan to build a railway from Istanbul to Damascus, which may complement or connect with another Turkish project: to construct a 1200 km railway from the Persian Gulf port of al-Faw, in Iraq, to the Turkish port of Mersin, on the Mediterranean shore, at the cost of \$20 billion. Dubbed the "Development Road," a memorandum of understanding to launch the project was signed this April between Turkey, Iraq, Qatar, and the UAE.

Ankara is also strengthening its naval capabilities and deepening ties with Turkic-speaking nations in the Caucasus and Central Asia to solidify its regional influence. However, these ambitions have heightened tensions in the Caucasus. Ankara's support for Azerbaijan's territorial claims against Armenia exemplifies this friction. Türkiye's stance is driven by its goal of improving connectivity with the Caucasus. However, ongoing hostility between Azerbaijan and Armenia complicates this objective.

Geographically, Armenia serves as a wedge between Türkiye and Azerbaijan. Armenia's claims to Nagorno-Karabakh and Artsakh further reinforce this divide. Azerbaijan lost control of these regions during the First Nagorno-Karabakh War (1988–1994). Because of this, the Kars-Tbilisi-Baku railway was constructed to ensure Türkiye-Azerbaijan connectivity, bypassing Armenia via Georgia. Between 2020 and 2023, Azerbaijan, with Turkish military support, reclaimed Nagorno-Karabakh and Artsakh from Armenia through a series of offensives. Though reduced, the Armenian wedge remains.

Azerbaijan and Türkiye aim to resolve this problem by pressuring Armenia to approve the Zangezur Corridor, a project that would create a direct link between Azerbaijan and Türkiye through Armenia's southern province. Their key demand is the absence of Armenian checkpoints along the corridor. The project has reshaped alliances across the Caucasus. Iran has emerged as Armenia's closest ally in opposition to the Zangezur Corridor. For years, Iran has relied on Armenia to export goods northward to the Black Sea and Russia. Tehran fears the corridor would disrupt its trade routes. At the same time, Russia, once Armenia's strongest ally, now tacitly backs Azerbaijan, as its trade corridor to India—the INSTC—runs through Azerbaijani territory. This web of alliances and animosities both complicate the Caucasus's position in Eurasia's trade corridors and underline its importance.

Trade Corridors and the Map of Future Conflicts

Trade corridors have shaped global power dynamics for centuries, and their importance continues to grow. From the Viking-era Volga trade route to the ancient Silk Roads, these networks have determined the wealth and influence of nations. Today's struggle over Eurasian trade routes follows the same historical patterns, with states competing for control over strategic transit points. The 7 October war and its aftermath underscore this dynamic. The competition between China's Belt and Road Initiative, the U.S.-backed IMEC, and the Russia-Iran-led INSTC deeply shaped the Gaza War's timing and trajectory.

This geopolitical lens clarifies the winners and losers of the 7 October war—and how the U.S. is maneuvering to sustain its hegemony. Following his meeting with Narendra Modi on 14 February, President Trump reaffirmed U.S. commitment to IMEC, calling it "one of the greatest trade routes in all of history." This suggests that Israel and Saudi Arabia could still realize their ambitions to become global trade hubs. Iran may achieve a similar status within INSTC, but its bid to derail IMEC has failed. Meanwhile, Türkiye and Azerbaijan are working hard to strengthen their positions as regional transit hubs.

Rather than ideological conflicts shaping the balance of power, access to and control over strategic transit routes now define international alignments. As the world enters a new phase of economic rivalry, the future of these

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corridors will determine the geopolitical order of the 21st century. In this emerging era, trade corridors are not just routes—they are battlegrounds.

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