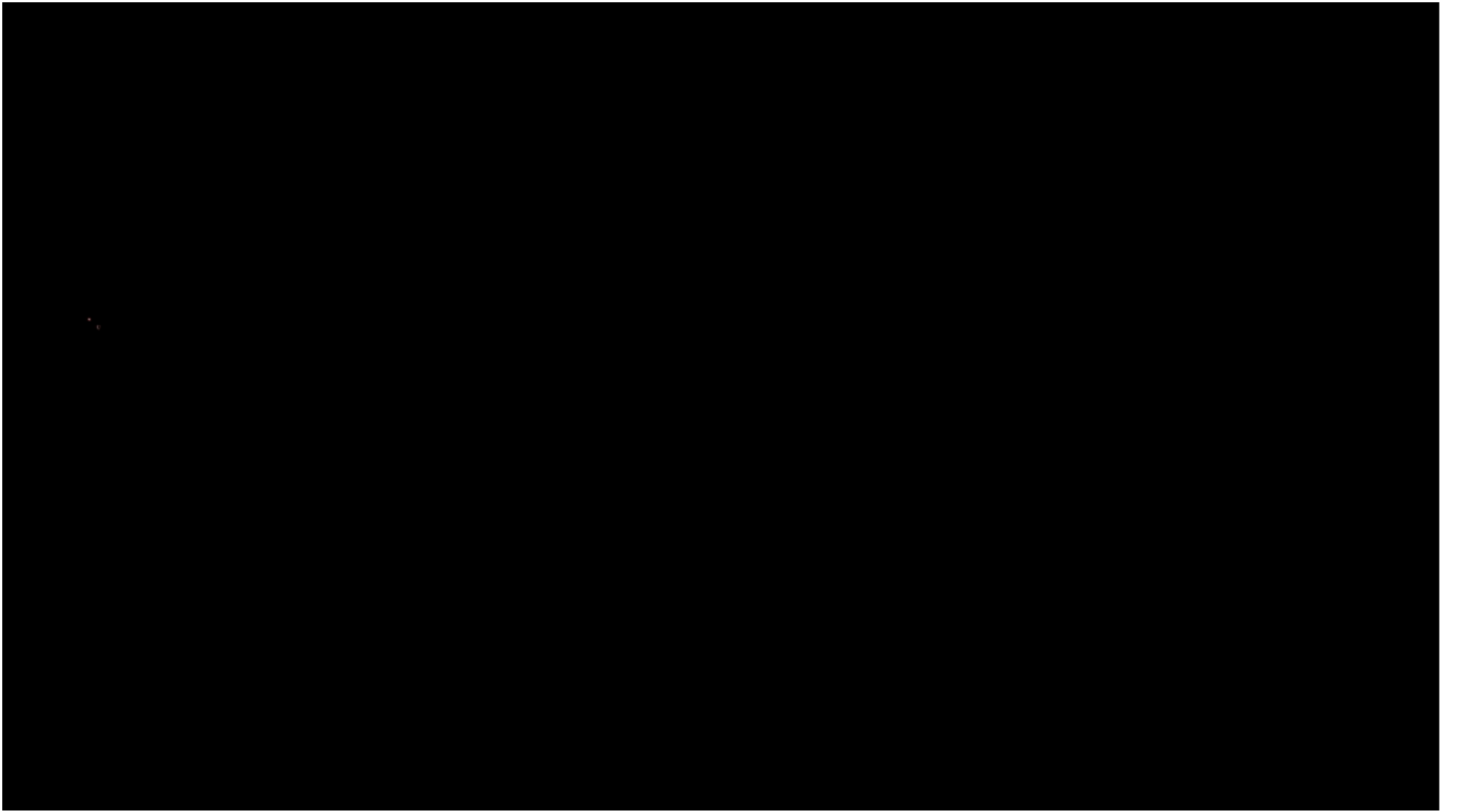


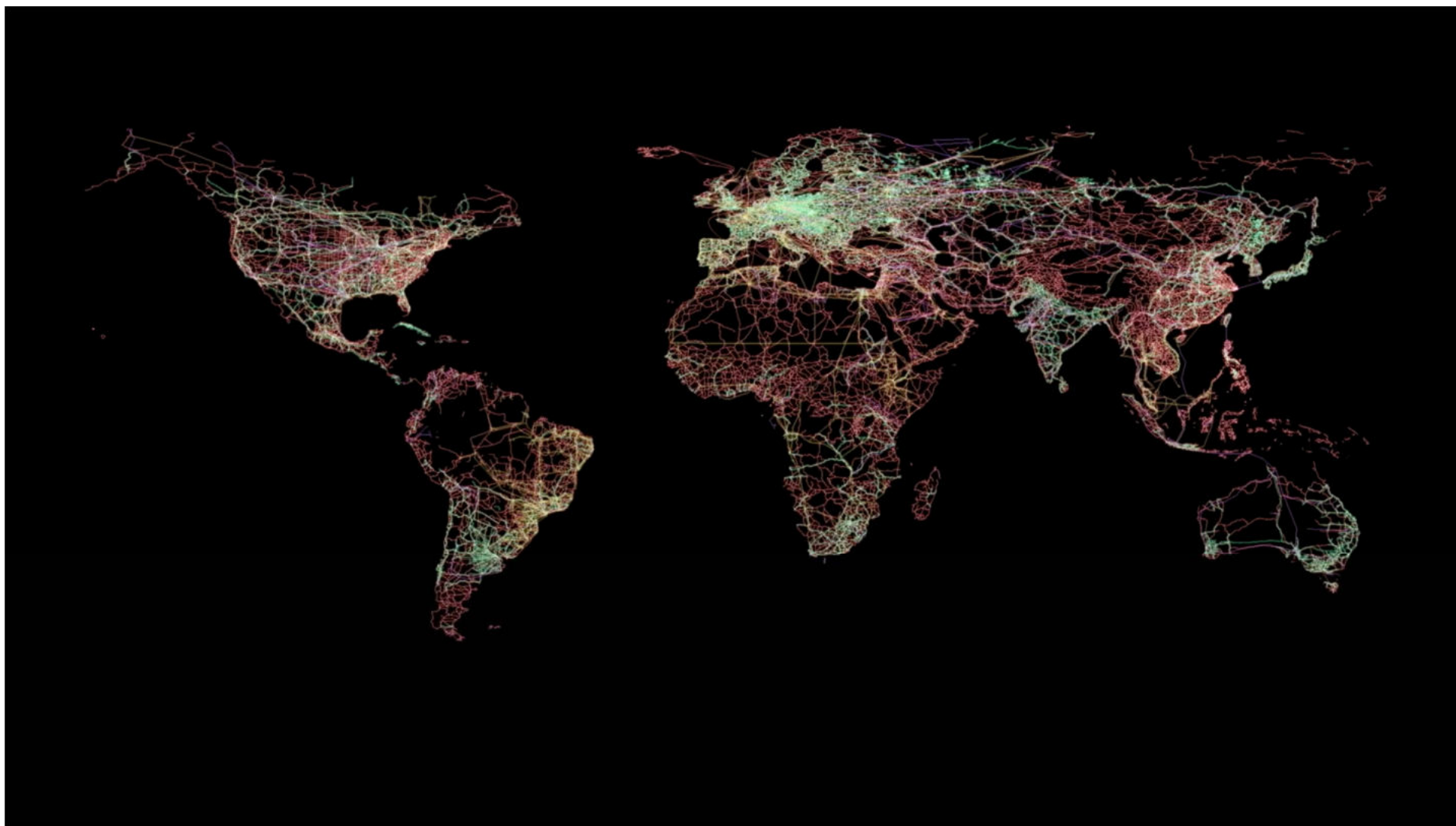
# **The Future of the World Transportation System**

By Parag Khanna  
Managing Partner, FutureMap









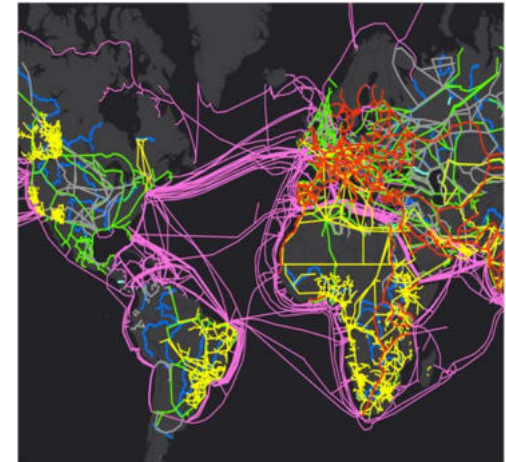
# Cartographic Evolution: From Natural to Functional Geography



Natural Geography



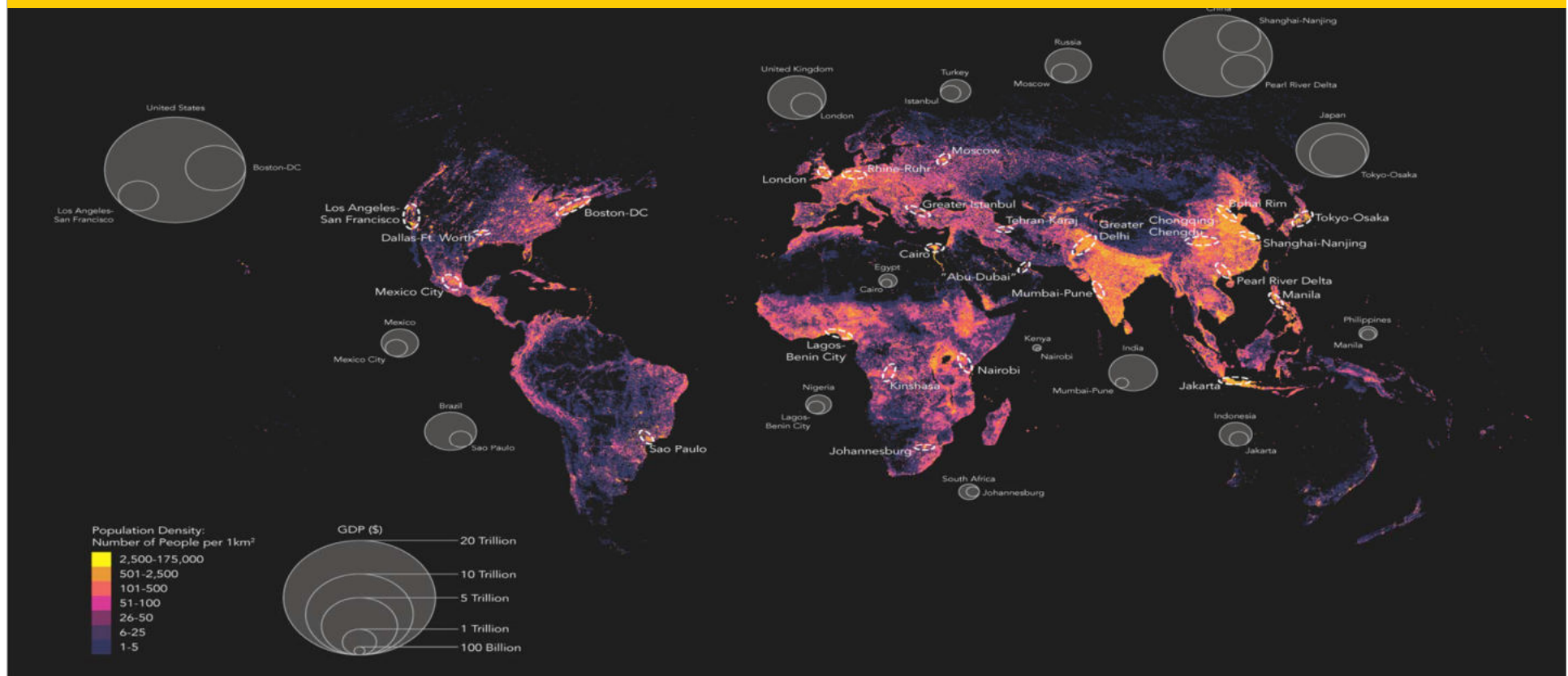
Political Geography



Functional Geography

**“What we build today will last centuries.” - *Santiago Calatrava***

# Planetary Urbanization: Megacity Archipelagos Define Humanity



# The Asian Center of Gravity

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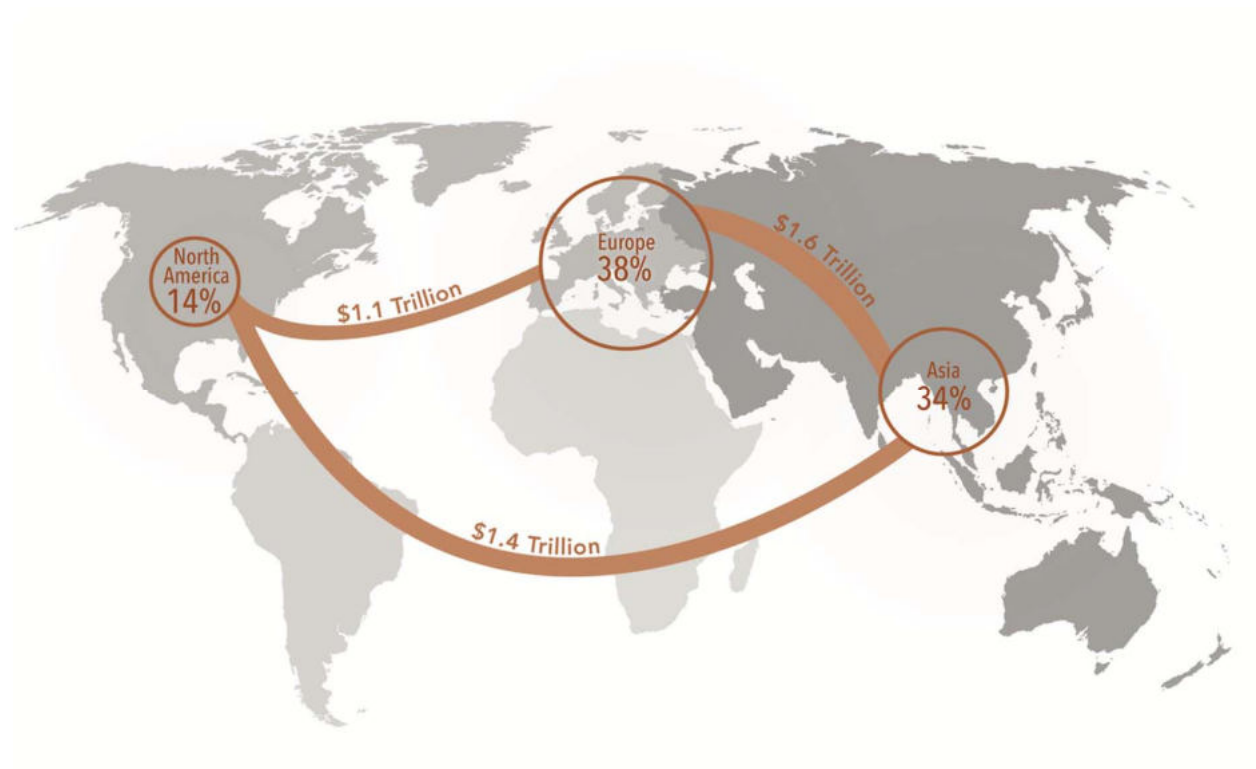


POPULATION: Asia = 5 Billion > Americas (1 Billion) + Europe/Middle East/Africa (2 Billion)

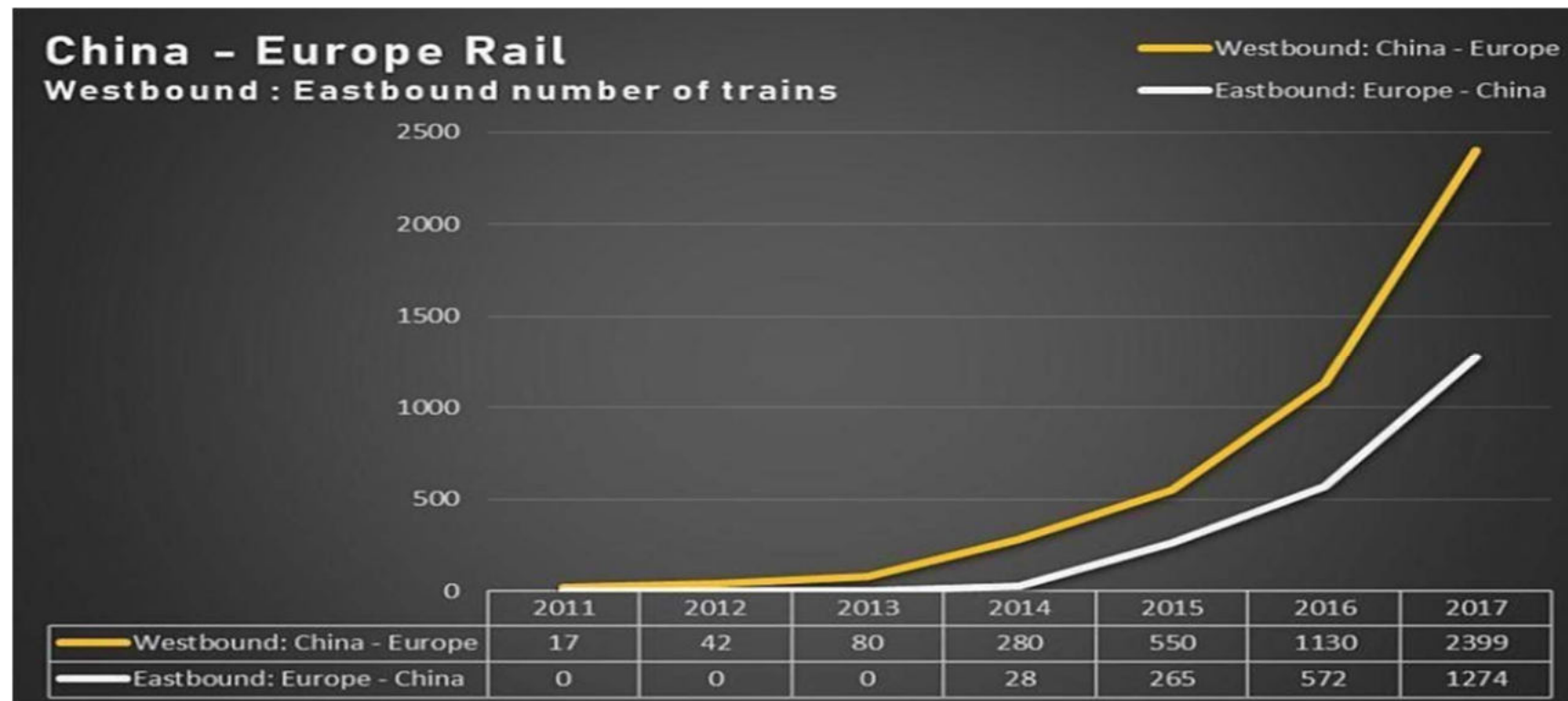
# From Transatlantic to Eurasian: The New Trade Axis

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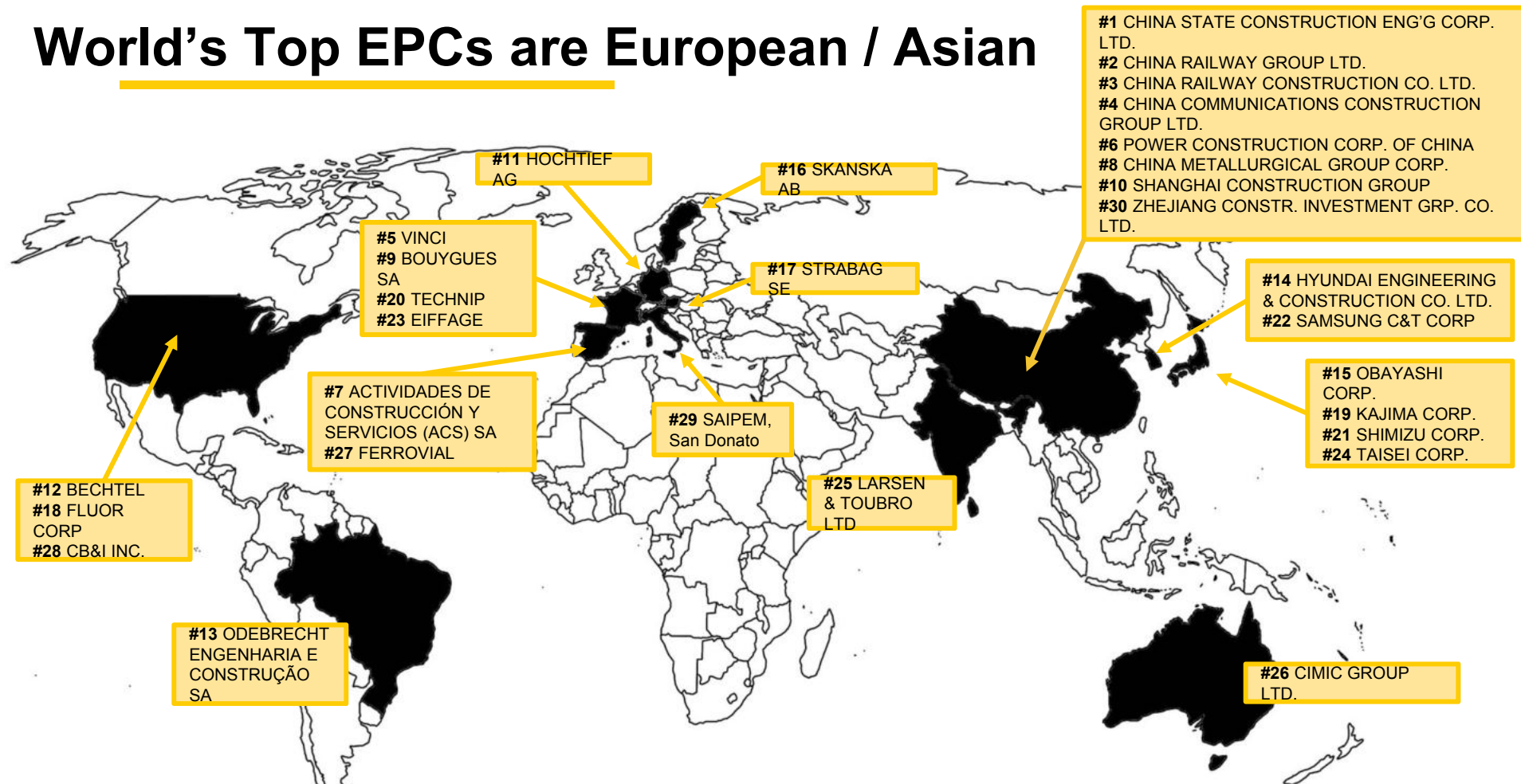
- North America least trade dependent region
- Asia catching up to Europe in share of total world trade
- Euro-Asian axis largest and fastest growing trade dyad despite lacking FTAs and infrastructure



# Eurasian Trains: West-East Catching up with East-West



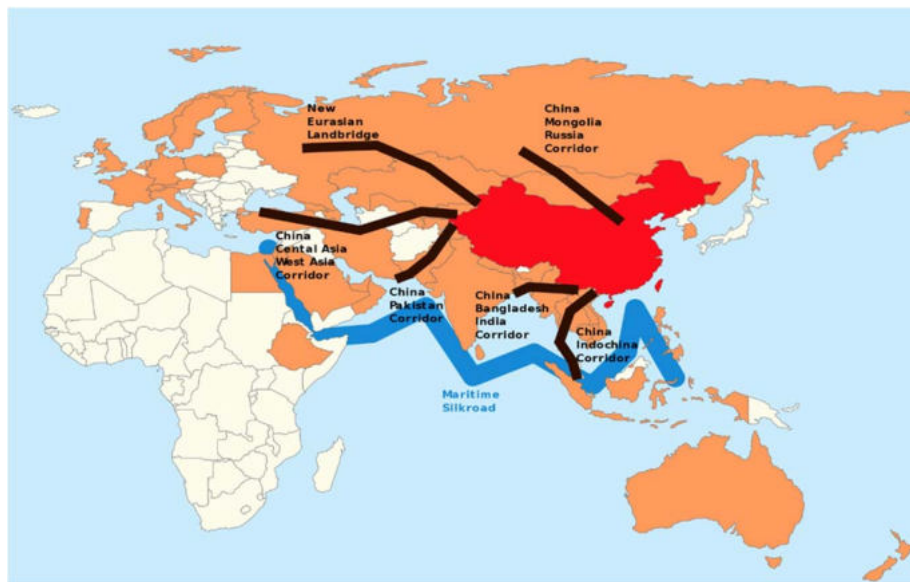
# World's Top EPCs are European / Asian



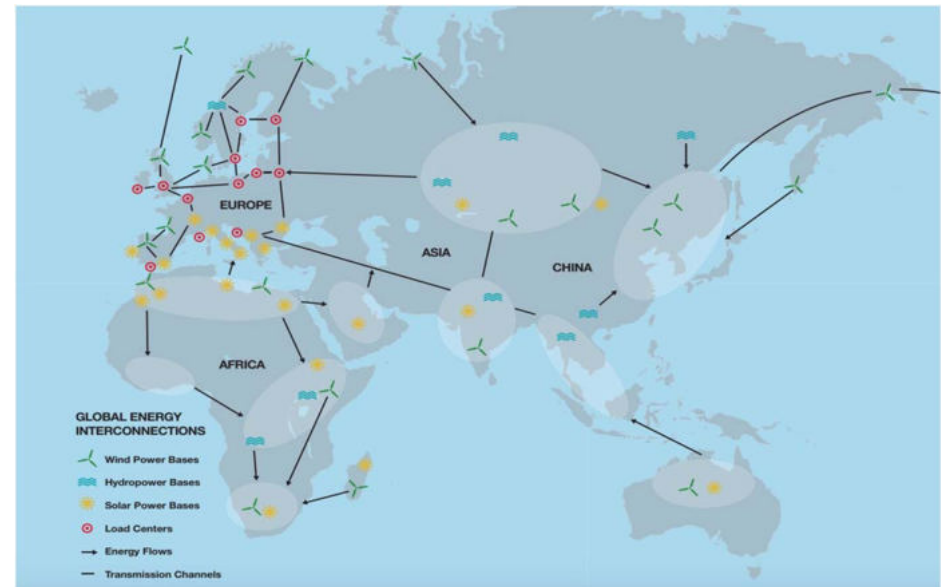
# East Meets West: Eurasia's Iron Silk Roads



# Building Complementarities: Transport & Energy



**Inter-modal connectivity across Eurasia enables transport resilience**



**Comparative energy advantages harnessed through UHVDC transmission**

# Iran: Swaps to Silk Road

## From reserves to production

- \$15b annual investment in gas output
- Large potential South Pars exports
- \$70b in in energy sector FDI needed

## New energy export options

- Bandar Jask oil terminal on Arabian Sea (east of Straits of Hormuz)
- Via Turkmenistan to China/Asia
- Iran-Pakistan-India (IPI)
- Nabucco (via Kurdistan/Turkey)



## From sanctions to connections

- Russia buys 500,000 bpd; \$6B/annual condensate sales
- Bartering: machinery, cement, wheat, consumer goods

## The “last great emerging market”

- 80 million people; 70% urban; \$600b GDP
- 4<sup>th</sup> largest oil/2<sup>nd</sup> largest gas reserves
- FDI expansion: Germany, South Korea
- Airbus: Aviation upgrades

# An Iron Silk Road Through the Hermit Kingdom

- Complementary industrial interventions: Russia, China, South Korea
- Mineral breadbasket: Agriculture and major metal deposits
- Integration without reunification

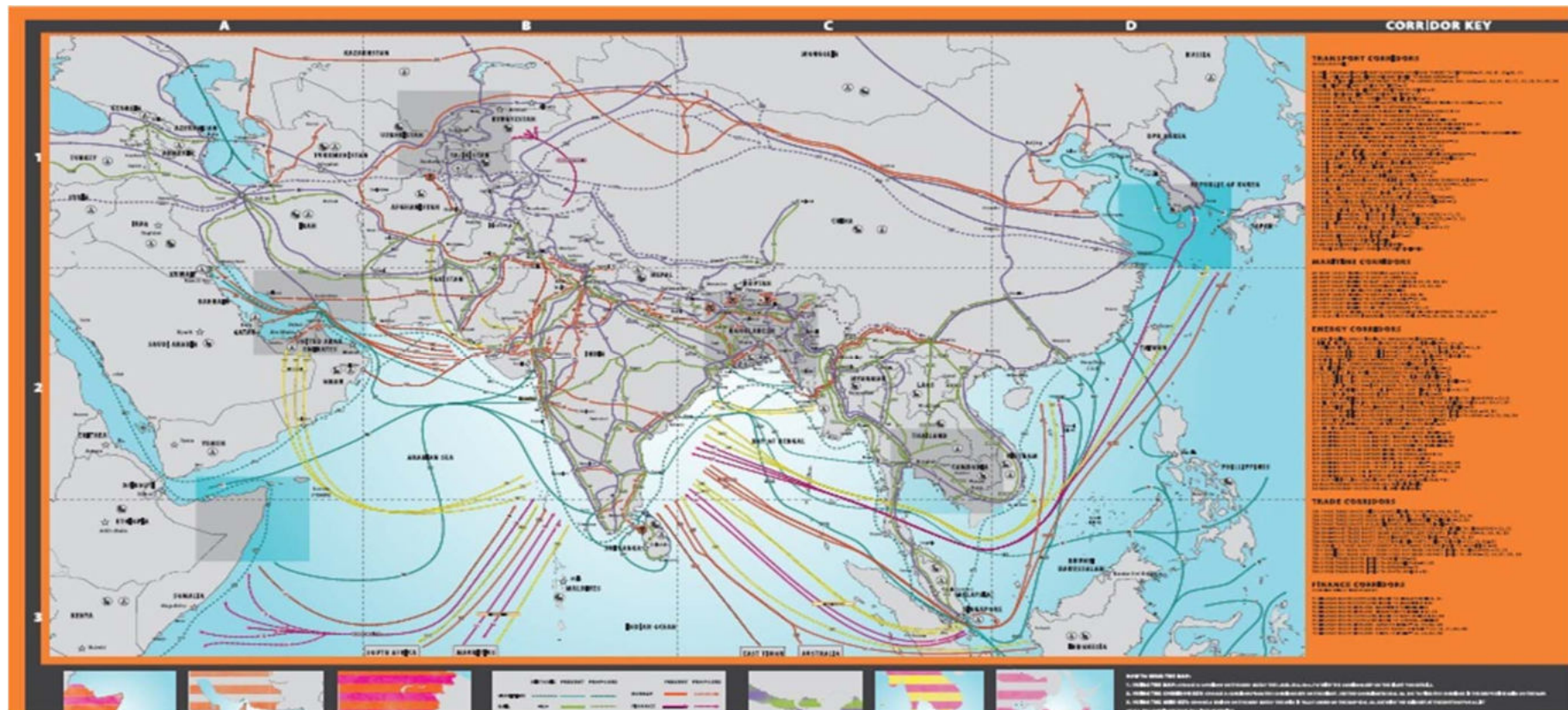
**Rail corridors**



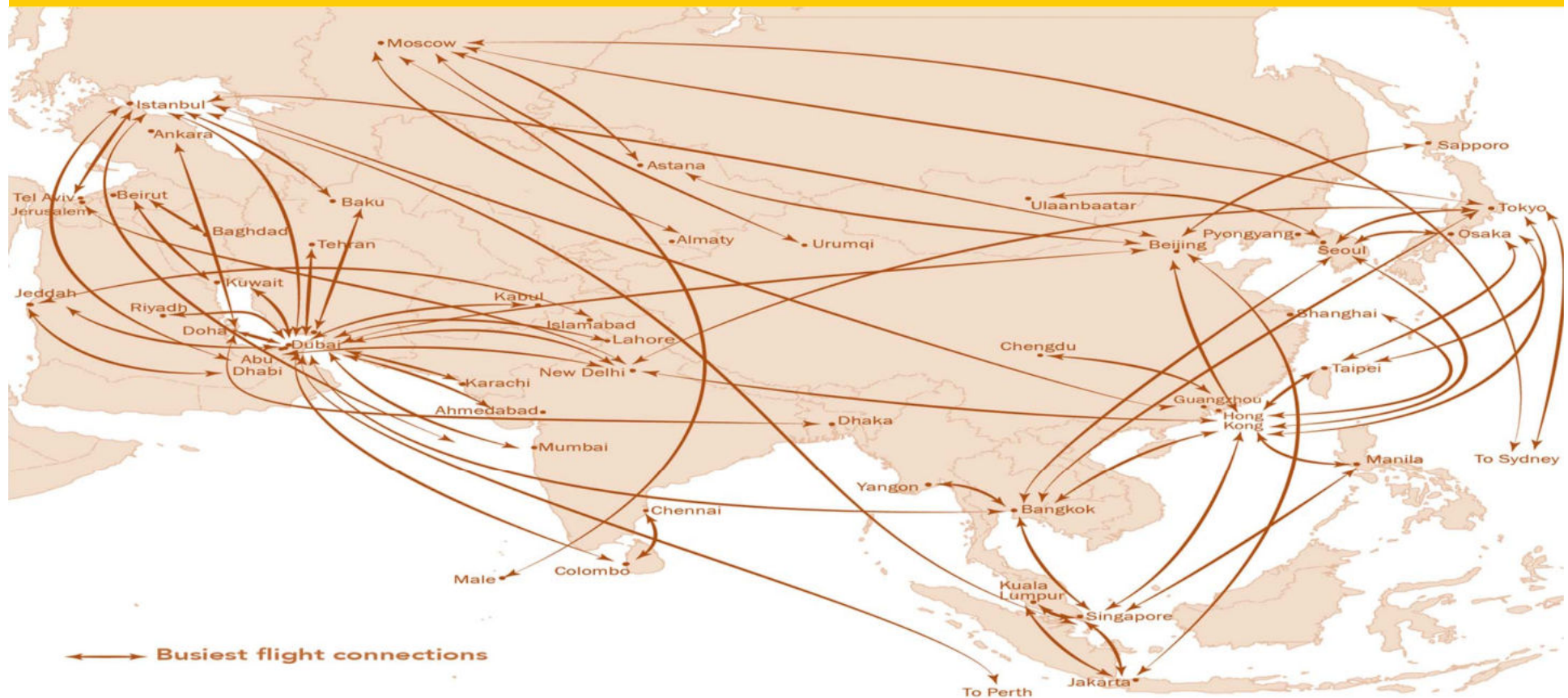
**Industrial corridors**



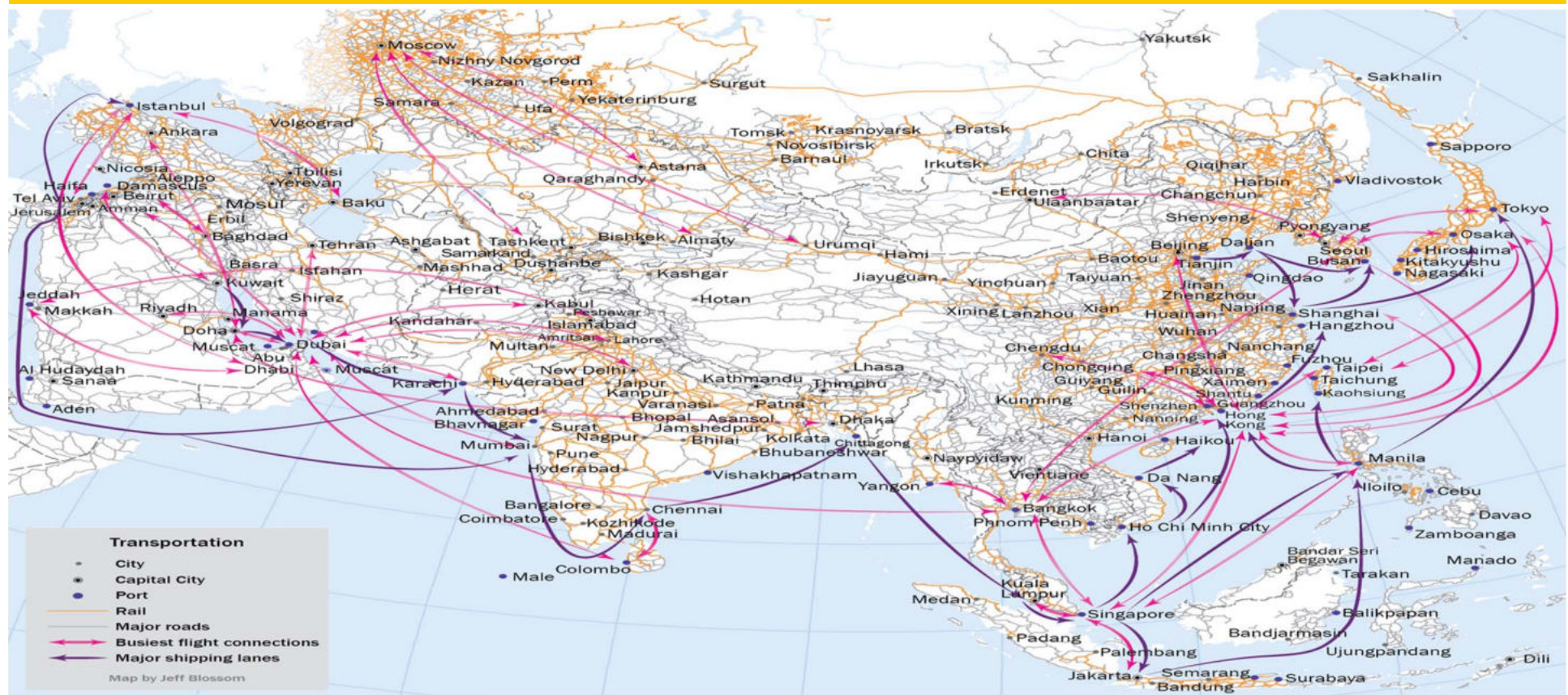
# The Indian Ocean as the New Maritime Epicenter



# All of the World's Busiest International Flight Routes are Asian

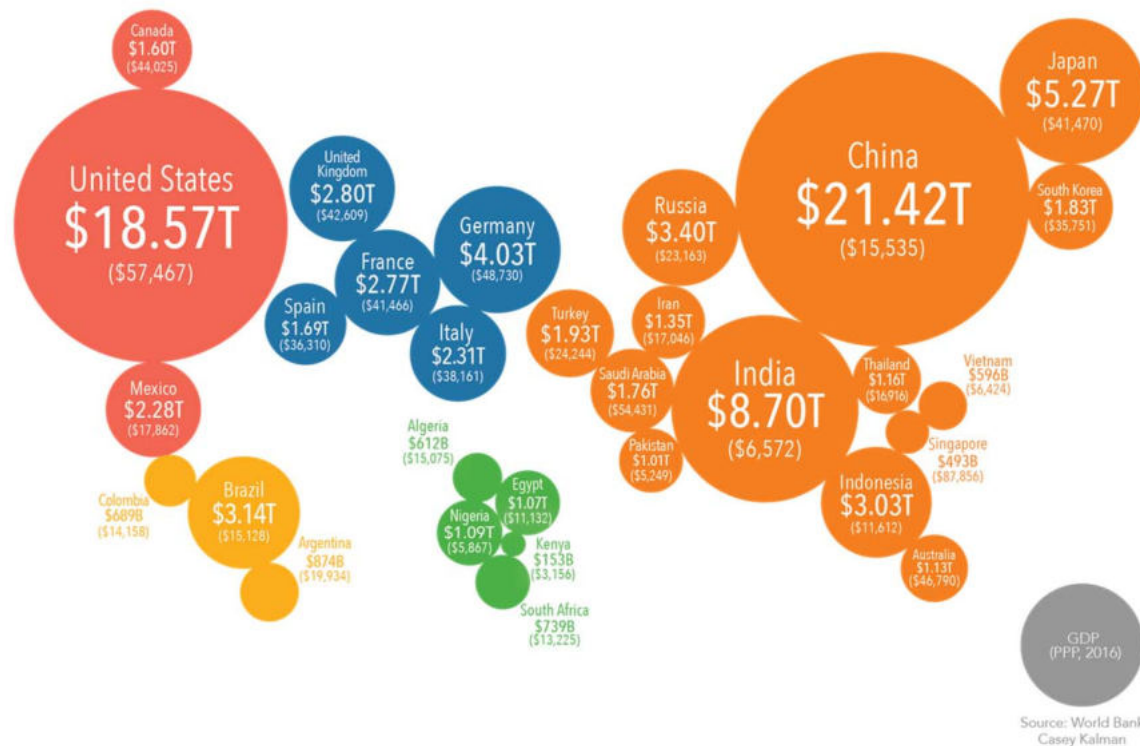


# Building the Asian System: Transport Linkages



# Rise of the Asian Economic System

- Economic multipolarity: Asia's geo-economic regional expanse versus North America and Europe
- Increasingly integrated sub-regional systems: West Asia, South Asia, Central Asia, Southeast Asia, Northeast Asia, Oceania
- Intra-Asian trade integration > rate of global trade growth
- Swing states: Asianization of Russia, Turkey, Saudi via trade/investment reorientation
- SWFs, capital markets, currency agreements, FDI



# The Asia Opportunity: Beyond “China Plus”

## China represents ...



**1/3 of population**



**1/2 of GDP**



**1/2 of outbound capital**



**1/2 of inbound FDI**



# Towards a Global Hyperloop



# *Pax Urbanica: The Global Urban Network Civilization*



The background of the slide is a dark image of a globe with a complex network of glowing orange lines crisscrossing over it, representing global connectivity or a network. The lines are most concentrated over the landmasses of North and South America.

# ***THANK YOU!***

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