

Special Report Belt and Road Initiative

Ancient Silk Road was also founded on tax and credit

The 'One Belt, One Road' plan would have been familiar in China 2,500 years ago



Mongols: Progressive tax policies © Alamy

Peter Frankopan MAY 10 2016

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The links between the countries and peoples living along the arteries and veins criss-crossing Asia are nothing new. For millennia, silk roads, sometimes collectively referred to as the Silk Road, brought peoples, goods and ideas into contact with each other.

Two and a half thousand years ago, Chinese writers set about a systematic approach to gathering information about the peoples beyond the deserts and mountain ranges that protect China's interior, assessing their markets, leaders, strengths and weaknesses. That found a parallel in the works of authors such as Herodotus, whose attention was likewise on the land bridge that connects east and west.

There was good reason for the attention lavished then on the “heart of the world” — just as there is today. Two thousand years ago, the significance came in part because of the natural wealth — silver, gold and lapis lazuli — found in rich supply in what is now Iran, Iraq, Afghanistan and the central Asian states. The great cities such as Samarkand, Mosul and Merv offered great commercial opportunities, thanks to their large, rich elites.

Just as important were the connections that linked the cities, towns and oases. Control of these arteries allowed empires to be built — and were crucial in their fall. Known since the late 19th century as the silk roads, these networks carried goods, merchants and evangelists who brought ideas about faith and salvation, enabling the spread of Buddhism and Hinduism, Judaism, Islam and Christianity — the latter taking root quicker and more successfully in Asia than it did in the Mediterranean.

Trade, though, was the oil in the engine of vibrant exchange over many centuries. Those who were able to build credit networks did particularly well. Minority groups bound over long distances by family connections, religious practices and common identities developed systems to lend, borrow and pay for goods that were sometimes thousands of miles away.

In late antiquity, it was the Sogdians who dominated transcontinental trade, while more recently, Armenians played a prominent role thanks to their linguistic skills. Indeed, recent research suggests that the silk roads were fundamental to the development of Yiddish, a transnational language of Jewish traders plying the silk routes.

Many goods were traded along these networks, in both directions, including spices, silks, minerals and human beings — sold in huge numbers in the Middle Ages.

But problems also flowed through the arteries: violence and disease, most notably the Black Death, which originated in central Asia and passed from town to town, ravaging all in its path.

Control of highways and cities meant control of taxes. States and leaders with ambitions — from the age of Alexander the Great to Britain and Russia in the 19th century — were drawn to the heart of the world.

Few understood this better than the Mongols, whose vast 13th and 14th century empire, extending from the Pacific to the Black Sea and Mediterranean, was not characterised by violence and chaos, but by careful and deliberate investment into major urban centres. They employed what we would today call progressive tax policies, which encouraged trade within and between cities to stimulate greater revenues for the state.

In the 20th century, it was the turn of the Soviet Union and United States to wrestle for influence in Afghanistan, Iran and Iraq. Attempting to control the countries lying in the “heart of the world” was a significant feature of the Cold War.

Now it is China’s turn to cast its eye towards [the silk roads](#). The combination of opportunities and challenges offered by the “One Belt, One Road” plan would have been familiar in the Chinese capital 2,500 years ago.

Peter Frankopan is author of [The Silk Roads: A New History of the World](#), published by Bloomsbury (UK) and Knopf (USA)

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