

# THE SHANGHAI COOPERATION ORGANISATION: EVOLUTION, CONTEMPORARY RELEVANCE AND FUTURE TRAJECTORY

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## **INTRODUCTION**

The security architecture of the Central Asian region is in a phase of rapid transition. The role of the Shanghai Cooperation Organisation (SCO) in this context has been very relevant. In its eleven years of existence, the SCO has evolved as an organisational structure, expanding formal ties with the major regional players and other multilateral institutions. However, to analyse whether the SCO has been successful in addressing the major security concerns of the region requires a thorough understanding of the security architecture of the region.

The Shanghai Cooperation Organisation was formed in 2001, to address the major security concerns of the region. The strategic vacuum that occurred after the demise of the Soviet Union, and the various other security challenges like border security, Islamist fundamentalism and the inefficient and corrupt governments gave China the strategic space to engage with the region through the SCO, which sought to address these challenges. In January 2004, the Regional Anti-Terrorist Structure (RATS) was formed

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mainly to coordinate the member states' actions against terrorism, separatism and extremism, and till date, has remained a strong arm of the SCO.<sup>1</sup>

The RATS is an integral part of the mechanism of the SCO in dealing with terrorism. The SCO has China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan as full members and India, Iran, Mongolia, Afghanistan and Pakistan as official observers. Belarus and Sri Lanka and Turkey are the organisation's dialogue partners<sup>2</sup>. India has often expressed its

interest in assuming a more active role in the organisation. The interest of India in the Central Asian region stems mainly from the prospects of energy cooperation and concerns on the religious extremism and Islamist fundamentalism. This concern of India has been reflected in its observer status in the SCO. Though currently India has less presence in the region, its role in the SCO, along with the emerging cooperation in the energy sector, is expected to give it a foothold in the region.

It is significant in this context to analyse the eleven years of the SCO's existence and make projections for its future. There is a prominent view among the strategic community that the SCO has been evolving as a China dominated counter-balance to the US-led North Atlantic Treaty Organisation (NATO). This view has gained salience in the context of the USA's declaration of gradual withdrawal from Afghanistan which is also expected to reduce its presence in Central Asia considerably. However, it is to be remembered that the configuration and purpose of both are totally different. The evolving strategic complexes and the SCO's role in them are

1. "The Regional Anti-Terrorist Structure of the Shanghai Cooperation Organization (RATS SCO)", Agentura.ru, see, <http://www.agentura.ru/english/dossier/ratssco>, accessed on August 13, 2012.
2. "SCO Accepts Afghanistan as Observer, Turkey as Dialogue Partner", Xinhua net.com, see, [http://news.xinhuanet.com/english/china/2012-06/07/c\\_131637206.htm](http://news.xinhuanet.com/english/china/2012-06/07/c_131637206.htm), accessed on September 19, 2012.

significant to understand the strategic options that India has in the SCO.

### GENESIS AND EVOLUTION

After the end of the Cold War and the demise of the Soviet Union, there was a strategic vacuum in the region. The newly formed Central Asian states were looking forth for asserting strategic autonomy, out of Russia's influence. On the other hand, China had border issues with Russia and the newly emerged Central Asian states had been a major security concern for China in its western borders in the 1990s<sup>3</sup>. The border disputes were the only

obstacle in establishing cooperation between China and Central Asia. Since this perception was mutual, China seized the opportunity to establish a friendly relationship with the Central Asian Republics (CARs) and Russia. This formed the context for the formation of the Shanghai Five. It was formed in 1996 to develop Confidence-Building Measures (CBMs) in the troubled border area between the member nations and with a larger goal to demilitarise the border between China and the Soviet Union. The Shanghai Five comprised like-minded nations with similar norms and goals and reflected the major security concern of the region at that point of time, which was the settlement of border disputes and resolution of potential disputes in the newly independent Central Asian nations. The organisation was largely successful in meeting these goals. The resolution of most of the border disputes of China with its neighbours can be attributed to this organisation and the confidence-building measures initiated under it. The member countries met in 1996 and 1997 and signed the Agreement on Reduction of Military Forces in Border Regions which contributed greatly

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3. Thomas W Robinson, "The Sino-Soviet Border Dispute: Background, Development and the March 1969 Clashes", *The American Political Science Review*, vol .66, no.4, p.1175, December 1975, p. 1175, <http://www.centralnation.com/recall/zhenbaodao1969.pdf>, accessed on September 19, 2012.

to the peace-building measures and peaceful settlement of border disputes<sup>4</sup>.

After the border disputes were amicably settled, the leaders of the Shanghai Five sought to expand it into a regional structure for multilateral cooperation<sup>5</sup>. The rising separatist tendencies in China's western borders and the need for engaging with the Central Asian states in the context of China's burgeoning energy needs were China's motives behind the formation of the SCO. On June 15, 2000, the heads of the member states signed the "Declaration on Establishment of the Shanghai Cooperation Organisation"<sup>6</sup> to form an expanded organisation for regional cooperation, the Shanghai Cooperation Organisation, which now included the Central Asian state of Uzbekistan. The SCO was formed in June 2001.<sup>7</sup> It was during this time that the "Shanghai Convention on the Fight Against Terrorism, Separatism and Extremism", the so-called "three evils", was also signed. This was a prudent move as the region was slipping into the hands of fundamentalist elements at this point of time. In 2002, the SCO Charter was signed by the heads of SCO member states at St. Petersburg, expounding the purposes and principles of the SCO, its organisational structure, operational aspects and cooperation orientation.<sup>8</sup>

From 2004, the organisation was seen transforming from a purely regional organisation to one that seeks more international cooperation and

4. Gao Fie, *The Shanghai Cooperation Organization and China's New Diplomacy, Discussion Paper* (The Hague: Netherlands Institute of International Relations 'Clingendael', July 2010), see, [http://www.clingendael.nl/publications/2010/20100700\\_The%20Shanghai%20Cooperation%20Organization%20and%20China's%20New%20Diplomacy.pdf](http://www.clingendael.nl/publications/2010/20100700_The%20Shanghai%20Cooperation%20Organization%20and%20China's%20New%20Diplomacy.pdf), accessed on September 10, 2012.
5. Murat Laumulin, "The Shanghai Cooperation Organization as 'Geopolitical Bluff?': A View from Astana" (Paris: Institut Français des Relations Internationales Research Centre, July 2006), see, <http://www.ifri.org/downloads/laumullinenglish.pdf>, accessed on August 28, 2012.
6. Marcel de Haas, "The Shanghai Cooperation Organisation: Towards a Full-Grown Security Alliance?" (The Hague: Netherlands Institute of International Relations Clingendael, November 2007), see, [http://www.clingendael.nl/publications/2007/20071100\\_cscp\\_security\\_paper\\_3.pdf](http://www.clingendael.nl/publications/2007/20071100_cscp_security_paper_3.pdf), accessed on August 27, 2012.
7. Alyson J. K. Bailes, Pál Dunay, Pan Guang and Mikhail Troitskiy, "The Shanghai Cooperation Organization", *SIPRI Policy Paper* (Sweden: Stockholm International Peace Research Institute, May 2007), p.1, see, [http://www.voltairenet.org/IMG/pdf/SIPRI-Shangai\\_Coop\\_Org.pdf](http://www.voltairenet.org/IMG/pdf/SIPRI-Shangai_Coop_Org.pdf), accessed on September 10, 2012.
8. "Shanghai Cooperation Organization", Ministry of Foreign Affairs of the Peoples Republic of China, January 2004, see <http://www.fmprc.gov.cn/eng/topics/sco/t57970.htm>, accessed on September 7, 2012.

participation. The SCO has been successful in this to a large extent. In 2004, the SCO received observer status at the United Nations. Thus, the genesis and evolution of the SCO can be demarcated into three periods: the first one that extends from 1996-2001, mainly aimed at the solving of border disputes; the second from 2001 till now, with a focus on fighting against the “three evils”; and the present phase where the organisation is striving to become a multilateral forum of global relevance.

### **MANDATE AND THE MECHANISM OF SCO**

The mandate of the SCO has undergone specific changes from that of the Shanghai Five, to reflect the region’s current security environment. The primary mandate of the organisation has been to strengthen mutual trust and good neighbourly and friendly relations among member states. The Shanghai Five was formed with an aim of military force reduction, establishing confidence-building measures and increasing transparency in the 7,400-km-long border area of the member states<sup>9</sup>. However, following the transformations in the regional security fabric due to violence and unrest in Kazakhstan, Kyrgyzstan, Tajikistan and Xinjiang, greater focus was given later to countering the three evils: “separatism, terrorism and religious extremism”. With the multi-ethnic profile of the member states, it was necessary to have a structure like this in place to deal with conflicts that could upset the regional security.

The core of the SCO’s mandate can be derived from its declaration which states: “The SCO aims to strengthen mutual trust and good neighborly and friendly relations among member states in politics, economy, trade, science, technology, culture, education, energy, transportation, environmental protection and other fields.”<sup>10</sup> Adherence to the UN Charter and the five principles of peaceful coexistence is also stipulated by the Charter<sup>11</sup>.

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9. Osman Gökhan Yandas, “Emerging Regional Security Complex in Central Asia: Shanghai Cooperation Organization (SCO) And Challenges of The Post 9/11 World”, *Middle East Technical University*, June 2005, see, [etd.lib.metu.edu.tr/upload/12606201/index.pdf](http://etd.lib.metu.edu.tr/upload/12606201/index.pdf), accessed on August 29, 2012.

10. Kajari Sahai, “Declaration of the Shanghai Cooperation Organization”, *China Report* (Sage Publications, 2002), see, [http://www2.ohchr.org/english/bodies/hrc/docs/ngos/HRIC\\_parallel\\_report\\_Kazakhstan\\_Annex1HRC102.pdf](http://www2.ohchr.org/english/bodies/hrc/docs/ngos/HRIC_parallel_report_Kazakhstan_Annex1HRC102.pdf), accessed on September 1, 2012.

11. Ibid.

The SCO's mandate also stipulates cooperation in the "maintenance and strengthening of peace, security and stability", to counter the three evils, "terrorism, separatism and extremism in all their manifestations", and to jointly fight against "illicit narcotics, arms trafficking and other types of criminal activity".<sup>12</sup> This was signed in the meeting of the heads of states in Shanghai on June 15, 2001, which also marked the signing of the "Declaration on Establishment of the Shanghai Cooperation Organisation".

The SCO seeks to embody the "Shanghai spirit" which calls for mutual cooperation irrespective of the ideological affinities of the member states. On its anniversary in 2006, the SCO acknowledged the relevance of the "Shanghai spirit". It declared that the "SCO owes its smooth growth to its consistent adherence to the 'Shanghai spirit' based on mutual trust, mutual benefit, equality, consultations, respect for the diversity and aspiration toward common development"<sup>13</sup>. The functional framework of the SCO is based on consensus-based decision-making. Any nation can veto a decision that may be detrimental to their national interests. New members are admitted to the organisation "on the basis of unanimous agreement through consultation among member states".<sup>14</sup> Thus, in principle, the SCO grants equal power to all member states.<sup>15</sup> This is also often used to substantiate the argument that the SCO is not a mere mouthpiece of China.

Initially, a bilateral mechanism, the SCO has now become a multilateral forum, including most of the major powers in the region, reflecting the realities of the multipolar world. The notable feature of the SCO, however, is that its mandate has expanded and accommodated the changing nature

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12. "Shanghai Cooperation Organization and Counter-Terrorism Fact Sheet", *Implementation of the International Covenant on Civil and Political Rights in Kazakhstan*, June 3, 2011, see [http://www2.ohchr.org/english/bodies/hrc/docs/ngos/HRIC\\_parallel\\_report\\_Kazakhstan\\_HRC102.pdf](http://www2.ohchr.org/english/bodies/hrc/docs/ngos/HRIC_parallel_report_Kazakhstan_HRC102.pdf), accessed on September 18, 2012.

13. Alexander Lukin, "The Shanghai Cooperation Organization: What Next?", *Russia in Global Affairs*, vol. 5, no. 3, September 2007, p.141, see [http://eng.globalaffairs.ru/number/n\\_9132](http://eng.globalaffairs.ru/number/n_9132), accessed on October 4, 2012.

14. "Declaration of Shanghai Cooperation Organization", *People's Daily*, June 15, 2001, see [http://english.peopledaily.com.cn/200106/15/eng20010615\\_72738.html](http://english.peopledaily.com.cn/200106/15/eng20010615_72738.html), accessed on October 8, 2012.

15. Stephen Aris, "Russian- Chinese Relations through the Lens of the SCO", *Ifri*, (Paris: Russia/NIS Centre, 2008), see [http://www.ifri.org/files/Russie/Ifri\\_RNV\\_Aris\\_SCO\\_Eng.pdf](http://www.ifri.org/files/Russie/Ifri_RNV_Aris_SCO_Eng.pdf), accessed on October 7, 2012.

of regional security concerns over the years. Though its focus was initially limited to aims like establishing confidence-building measures across the borders, the SCO now aims at a comprehensive regional development that covers the economic, security and cultural spheres. The organisation has also sought to serve some of the major interests of the region like terrorism, drug trafficking, economic integration and cultural interactions. However, to say with firm conviction that the SCO has been a tailor-made model for the Central Asian security architecture, one has to assess whether the mandate of the SCO has been fulfilled in the last one decade of its existence.

### SECURITY ARCHITECTURE OF CENTRAL ASIA

Soon after the independence of the Central Asian nations, the basic issues that marred Central Asia were corruption, border disputes, poverty and basic governance. The strategic vacuum that occurred after the collapse of the Soviet Union led to the rule of oppressive and inefficient political regimes which aggravated the security threats of the region. The main security challenges that destabilise Central Asia today are terrorism, drug networks, corruption, smuggling, social disparity between the rich and poor, ethnic clashes and insurgency<sup>16</sup>. Since 2004, there has been rapid increase in radical Islamism and terrorist activity.<sup>17</sup>

The 'colour revolutions' comprised another event that has featured in the Central Asian security architecture lately. The authoritarian rule of the governments of the Central Asian Republics led to widespread protests for fair elections. The wave of colour revolutions was felt massively in Georgia, Ukraine and Kyrgystan in 2005. These large scale protests which were led by the civil society and racial and terrorist forces, received the attention of the international media and shook the very foundations of the Central Asian governments. Though the governments clamped down on

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16. Robert Axelrod, "Modeling Security Issues of Central Asia", *CMT International*, June 2004, see [http://www-personal.umich.edu/~axe/research/Security\\_Central\\_Asia.pdf](http://www-personal.umich.edu/~axe/research/Security_Central_Asia.pdf), accessed on September 12, 2012.

17. Zyno Baran, S. Frederick Starr and Svante E Cornell, "Islamic Radicalism in Central Asia and the Caucasus: Implications for the EU", *Silk Road Paper* (Washington D.C: Central Asia Caucasus Institute, 2006), p. 33, see <http://www.silkroadstudies.org/new/docs/Silkroadpapers/0607Islam.pdf>, accessed on September 13, 2012.

**China started to enhance its presence in the region after it solved major border disputes with Russia and its Central Asian neighbours. Its strategic positioning in Central Asia has been greatly enhanced by the formation of the SCO, which does not have US presence.**

the protestors heavily, this should only be perceived as short-term stability. For truly stabilising the security structure of Central Asia, it is essential to have transparent and responsible governments in the region. Parallel to this, the Central Asian nations are blessed with immense natural resources which might have facilitated the interest of external powers in the region. This is another major factor that has spurred the cooperation of the Central Asian nations with China through the SCO. This dynamics can be elucidated from the example of Turkmenistan. Turkmenistan had proven oil reserves of around 600 million barrels in January 2012<sup>18</sup>. But the country faces a challenge in terms of selling it to the world markets profitably due to its geographical distance from potential markets. It also lacks the capacity to invest in pipeline infrastructure in order to transport it and requires capital, technical support and political assistance. This explains the renewal of the Central Asian nations' relations with China.

The role played by external powers is closely intertwined with the security architecture of Central Asia. The US, Russia and China are the major powers that seek to extend their leverage in the region. Soon after the Soviet collapse, the US Congress passed the Freedom Support Act (FSA) in 1992, in order to give aid to the Central Asian Republics. In 1999, the US adopted the "Silk Road Strategy Act", which was inclusive of economic aid, border controls and transportation and communication enhancement<sup>19</sup>. China started to enhance its presence in the region after it solved major border disputes with Russia and its Central Asian neighbours. Its strategic positioning in Central Asia has been greatly enhanced by the formation

18. "Turkmenistan", *Country Analysis Briefs*, (Energy Information Administration, January 2012), p.1, see <http://www.eia.gov/EMEUCabs/Turkmenistan/pdf.pdf>, accessed on September 18, 2012.

19. Arun Sahgal & Vinod Anand, "Strategic Environment in Central Asia and India", *Reconnecting India and Central Asia*, p.41, see, <http://www.silkroadstudies.org/new/docs/publications/1004Joshi-V-Strategic.pdf>, accessed on September 12, 2012.



of the SCO, which does not have US presence. Russia's interest in the region has been mostly related to its ambition of regaining control over its former satellites by reducing the North Atlantic Treaty Organisation's (NATO's) presence. Besides, the stability of the region is in the interest of Russia and China. This is because the separatist movements in Chechnya and Xinjiang which have profound security implications for Russia and China respectively have been sympathised with, and funded by, Central Asian fundamentalists.<sup>20</sup>

Though the Central Asian nations have the potential for economic development, they still occupy a modest places in the world Human Development Index.<sup>21</sup> This can be attributed to the weakness of the government in transforming the potentials into reality. These socio-economic factors lead to social tensions and allow room for external terrorist agents to function. Thus, the fundamental task before the SCO and the international community is to address these socio-economic disparities so that security in other spheres can be ensured.

Thus, the security architecture and the resources in Central Asia have induced the regional and extra-regional powers to intervene here. This is also the prime driving factor of the Shanghai Cooperation Organisation, which aims at "safeguarding regional peace, security and stability".

## **ROLE OF CHINA IN THE SCO**

The role of China in the SCO is widely discussed and debated in the strategic community. There have been conflicting perspectives on whether the SCO is transforming into a strong arm of China in counter-balancing the West and NATO in the region. There have also been views that the mandate and functioning of the SCO is tailored to meet the interests and security concerns of China. It will be worthwhile to analyse China's role in the SCO

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20 Michael Snyder, "The Shanghai Cooperation Organization: A New Order in Central Asia", Stanford University, 2008, p.17, see, <http://sjeaa.stanford.edu/journal81/CE2.pdf>, accessed on 13 September 2012.

21. Jacqueline McLaren Miller, "Central Asian Security: Two Recommendations for International Action", *EWI Briefing Paper* (East West Institute, April 2010), p.6, see <http://www.isn.ethz.ch/isn/Digital-Library/Publications/Detail/?ots591=0c54e3b3-1e9c-be1e-2c24-a6a8c7060233&lng=en&id=115687>, accessed on September 13, 2012.

**Through the SCO, China has succeeded in achieving its larger goals of strengthening its relations with Russia, garnering the support of the Central Asian nations to counter the transcending fundamentalist elements to its troubled Xinjiang province, and promoting trade and cultural relations which is primary to its concept of soft power diplomacy.**

and the larger goals that China seeks to achieve through this regional security organisation.

The importance of the SCO to China can be assessed from its strategy in the emerging geopolitical scenario, where it seeks increasing international participation through multilateral fora. Through the SCO, China has succeeded in achieving its larger goals of strengthening its relations with Russia, garnering the support of the Central Asian nations to counter the transcending fundamentalist elements to its troubled Xinjiang province, and promoting trade and cultural relations which is primary to its

concept of soft power diplomacy. The SCO, which has two of the permanent members of the UN, can also evolve into a voting bloc and benefit China in the international fora. The main factor, however is that the SCO plays an important role in the shaping of China's Central Asian policy. So the role of China in the SCO can be mostly derived from its interests and policies towards Central Asia.

The importance of Central Asia to China has now become vital due to various reasons. The most prominent among them are Central Asia's energy resources, countering Islamic fundamentalism to stabilise its west and its larger need to immune itself from the 'strategic encirclement' of the United States<sup>22</sup>. To attain these goals, China seeks to project its image as a responsible power in the region and to shed its image as a regional hegemon. Central Asia is also a part of China's "periphery" which it considers crucial for the nation's stability. A stable Central Asia would be

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22. Fen Wang, "Case Study: Grand Strategy in the Great Game" (Burlington: Institute of Environmental Diplomacy and Security and the University of Vermont, January 2012), p.6, [http://www.uvm.edu/ieds/sites/default/files/SCO\\_casestudy\\_V4.pdf](http://www.uvm.edu/ieds/sites/default/files/SCO_casestudy_V4.pdf), accessed on October 10, 2012.

sought by China so that it can focus more on its internal developments. The SCO is an apt platform for China to attain this objective. By the 2001 SCO Treaty, China is stipulated as a member of a collective security organisation which legalised the projection of Chinese troops beyond China's borders at the request of any one of the other signatories. Following this, China held its combined military exercises with the Kyrgyz border forces in October 2002<sup>23</sup>. In August 2003, the representatives of the General Staff of the Chinese People's Liberation Army (PLA) and Kyrgyz Defence Minister Esen Topoyev met in Kyrgyzstan where China agreed to provide military and technical aid to the Kyrgyz Army<sup>24</sup>. These factors reflect China's effort to solidify its commitments to Central Asia through the SCO.

China is also reaping the benefits of its strategy in the SCO. China has been successful in assembling many of the member countries under the banner of "fight against the three evils" to counter separatism in Xinjiang. Kazakhstan, Uzbekistan and Pakistan have put restrictions and have also disbanded many Uyghur political parties<sup>25</sup>. This will considerably reduce the support base for the Uyghurs in Xinjiang.

A common perception about the SCO is that it is a Russian and Chinese led alliance to counter balance the NATO. But, the SCO has become a military alliance like NATO and has been formed to meet regional security concerns rather than global ones. Director of the SCO Studies Centre in Shanghai Pan Guang's views support this argument. He says, "The relationship between China, Russia and the Central Asian states – under the SCO umbrella – constitutes a close partnership with constructive intentions while stopping short of a military alliance".<sup>26</sup> However, since NATO expansion poses a threat to China and Russia alike, the SCO might be used as a tool at least

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23. Wilson Chun Hei Chau, "Explaining China's Participation in Bilateral and Multilateral Military Exercises", *Security Challenges*, vol. 7, no. 3, 2011, p. 51, see, <http://www.securitychallenges.org.au/ArticlePDFs/vol7no3Chau.pdf>, accessed on September 19, 2012.

24. Ann McMillan, "Xinjiang and Central Asia Interdependency – Not Integration" in Colin Mackerras and Michael Clarke, eds., *China, Xinjiang and Central Asia: History, Transition and Cross border Interaction Into the 21st Century* (Taylor & Francis, Routledge, 2009), see <http://books.google.co.in/books>, accessed on October 18, 2012.

25. Ariel Pablo Sznajder, "China's Shanghai Cooperation Organization Strategy", *Journal of IPS*, vol. 5, 2006, p. 93, see, <http://irps.ucsd.edu/assets/004/5367.pdf>, accessed on October 2, 2012.

26. Pan Guang, "A Chinese Perspective on the Shanghai Cooperation Organization", *SIPRI Policy Paper* (Stockholm: Stockholm International Peace Research Institute, May 2007), n.17, p.47, see,

to prevent US presence in the region. It is observable that China, through various steps, has endeavoured to reduce the US military presence in Central Asia to a certain extent. By the Asthana Declaration of 2005, the US was urged to set a timetable for the withdrawal of its troops from the member countries.<sup>27</sup> The fact that China does not exert pressure on these nations to implement liberal values like democracy is a luring factor in this context<sup>28</sup>. In spite of the member states' insistence that the SCO is not directed against the West<sup>29</sup>, these factors suggest that China seeks to reduce the US presence in the region using the SCO as a tool to obtain this goal. Another argument projecting the SCO's benign intentions is that the concerns of China and the US in Central Asia converge in areas like counter-terrorism. However, with the US' phased withdrawal from Afghanistan and the SCO's success story in preventing the 'three evils' from erupting, one is led to conclude that the SCO might not seek the support of the US in its future counter-terrorism efforts in the region.

The Shanghai Five and later the SCO have ushered in a decade of close cooperation between China and Russia. Through the SCO, the two nations identified the converging areas of their national interests and forged cooperation in these areas. The border disputes between the two nations have been amicably settled. However, Russia, like China, may have ambitions of having a strong presence in Central Asia. This conflict of interests may lead to ripples in the SCO, if both nations adopt a pragmatic strategy in the SCO, with a larger aim of not undermining the organisation's legitimacy. This can be also be pointed out as one of the challenges that China should foresee in the organisation's future trajectory.

Overall, the SCO has been serving China's global as well as regional strategies. However, it is clear that China has adopted a cooperative rather than coercive stand in the SCO till now. This is in tandem with its global

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27. T.Tugsbilguun, "Does the Shanghai Cooperation Represent an Example of a Military Alliance?", *The Mongolian Journal of International Affairs* (Mongolia, 2009) n.15, p.61, see, [www.mongoliajol.info/index.php/MJIA/article/view/32](http://www.mongoliajol.info/index.php/MJIA/article/view/32), accessed on October 4, 2012.

28. Sahai, n.10, p. 96

29. Flemming Splidsboel Hansen, "The Shanghai Co-operation Organization: Probing the Myths" (Copenhagen: Royal Danish Defence College, December 2008), p. 7, see <http://forsvaret.dk/FAK/Publikationer/Briefs/Documents/The%20Shanghai%20Co-operation%20Organisation%20-%20Probing%20the%20Myths.pdf>, accessed on October 15, 2012.

strategy of promoting a benign image to be accommodated by other players in the international arena.

### **RELEVANCE OF SCO IN THE CURRENT SECURITY ENVIRONMENT**

It is crucial to see whether a prominent regional organisation like the SCO is equipped to meet the challenges in the current security environment in the region. The security architecture of the region faces challenges primarily from the non-state actors. Countering terrorism, separatism and Islamist fundamentalism has been a daunting task before China and the Central Asian states. The SCO's anti-terrorist wing, the Regional Anti-Terrorism Structure (RATS) is very relevant in this context. The three evils are considered extraditable offences within the SCO framework. The 2009 SCO Convention on counter-terrorism and the 2001 Shanghai Convention with a focus on terrorism are important steps taken by the SCO to evolve a consensus on countering terrorism. China also held its first ever joint anti-terror drill with Russia in 2007 named "Cooperation 2007" under the Shanghai Cooperation Organisation<sup>30</sup>. But, currently, RATS is confined to the members of the SCO. The observer states, India and Pakistan, have been suffering from the menace of terrorism. So, the positive engagement of these nations with the RATS is necessary. However, a drawback of the SCO is that while it aims at fighting against terrorism, it is not based on a common definition of terrorism but on some unilateral definitions given by the member states<sup>31</sup>. This implies that the member nations can define terrorism on their own terms and deal with their resistant elements under the umbrella of the SCO. This ambiguous policy has also led to China adopting harsh policies towards the Uyghur separatists in Xinjiang province by branding them as terrorists. China has also been influencing the Central Asian nations to adopt measures against the sympathisers of the Uyghur separatists in Central Asia through the SCO.

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30. "China to Hold First ever Joint Anti-Terror Drill with Russia", *The Times of India*, September 1, 2007, see [http://articles.timesofindia.indiatimes.com/2007-09-01/china/27954446\\_1\\_anti-terror-drill-joint-exercise](http://articles.timesofindia.indiatimes.com/2007-09-01/china/27954446_1_anti-terror-drill-joint-exercise), accessed on October 3, 2012.

31. "Shanghai Cooperation Organization: A Vehicle for Human Rights Violations", see [http://www.fidh.org/IMG/pdf/sco\\_report.pdf](http://www.fidh.org/IMG/pdf/sco_report.pdf), accessed on September 23, 2012.

**The SCO has initiated several steps towards strengthening the trade capacity of the region. An extensive programme of multilateral trade and economic cooperation was approved by the SCO in 2003.**

The SCO is far more relevant since it has all the major actors in the region as members, including Afghanistan. This makes it a platform for these nations' meeting along the sidelines of the summits. For instance, the issues of narcotic trade and fundamentalism in Central Asia have been transcending from conflict ridden Afghanistan. Since Afghanistan is an observer country in the SCO, it is capable of fostering a dialogue between Central Asia and Afghanistan in its fora. The SCO's gradual

transition into an organisation of global dimensions will also help a great deal in the region's geostrategic interactions. The 2012 Beijing Summit had officials attending from the United Nations, the Commonwealth of Independent States (CIS), the Eurasian Economic Community and the Collective Security Treaty Organisation. This opening up will help the region in seeking global support for domestic issues.<sup>32</sup>

One of the major issues faced by the Central Asian nations, despite being resource rich, is the inaccessibility to markets. The SCO has initiated several steps towards strengthening the trade capacity of the region. An extensive programme of multilateral trade and economic cooperation was approved by the SCO in 2003. It also established an Interbank Association in 2005 and a Business Council in 2006<sup>33</sup>. The areas of transportation and infrastructure are being focussed on by the SCO to facilitate trade in the region. China has also granted loans worth billions of dollars under the SCO umbrella to member countries for various initiatives.

However, it is to be analysed whether China itself is sticking to the resolutions passed in the SCO. At the Beijing Summit of the SCO, a

32. Andrei Akulov, "The Shanghai Cooperation Organization: A Way Toward a New World Order", *NSNBC*, June 9, 2012, see <http://nsnbc.wordpress.com/2012/06/09/the-shanghai-cooperation-organization-a-way-toward-a-new-world-order/>, accessed on October 27, 2012.

33. Julie Boland, "Ten Years of the Shanghai Cooperation Organization: A Lost Decade? A Partner for the US.?", *Policy Paper* (Washington, D.C: Brookings Institution, June 20, 2011), p.14, see [http://www.brookings.edu/~media/research/files/papers/2011/6/shanghai%20cooperation%20organization%20boland/06\\_shanghai\\_cooperation\\_organization\\_boland](http://www.brookings.edu/~media/research/files/papers/2011/6/shanghai%20cooperation%20organization%20boland/06_shanghai_cooperation_organization_boland), accessed on September 19, 2012.

Declaration on Building a Region with Lasting Peace and Common Prosperity was signed. The document emphasised that “the member states support the building of a world free of nuclear weapons and in strict compliance with the Treaty on the Non-Proliferation of Nuclear Weapons”<sup>34</sup>, while China’s own track record has not been clean on proliferation issues.<sup>35</sup>

It is also to be seen how the SCO has helped to improve the current security concerns of India. India has been recognising the relevance of the SCO which explains it pitching for full membership in the organisation. While addressing the extended session of the 12<sup>th</sup> Summit of the SCO, held in Beijing, External Affairs Minister S M Krishna had said that India believes that the SCO “can potentially play a much larger role in the future for both the security and prosperity” of the region.<sup>36</sup> India’s increasing interest in Central Asia exemplified through its “Look Central Asia Policy”, is also reflected through its active participation in the SCO. South Asia’s lack of connectivity with Central Asia is a major factor that is affecting India-Central Asia relations at a time when India is increasingly looking to Central Asia for energy resources. Though there is road connectivity between the two regions, a seamless and hassle-free rail connectivity is what the regions seek. Such connectivity will also serve to facilitate the Eurasian trade by opening up vast markets.<sup>37</sup> The North- South transport corridor, mooted by

**South Asia’s lack of connectivity with Central Asia is a major factor that is affecting India-Central Asia relations at a time when India is increasingly looking to Central Asia for energy resources.**

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34. Ibid.

35. Urvashi Aneja, “Pakistan-China Relations Recent Developments (Jan-May 2006)”, *IPCS Special Report* (New Delhi: Institute of Peace and Conflict Studies, June 2006), pp.2-4, see [http://www.ipcs.org/pdf\\_file/issue/136564802IPCS-Special-Report-26.pdf](http://www.ipcs.org/pdf_file/issue/136564802IPCS-Special-Report-26.pdf), accessed on September 20, 2012.

36. “Seeing Larger Role for SCO, India Pitches for Full Membership”, *The Indian Express*, June 7, 2012, see <http://www.indianexpress.com/news/seeing-larger-role-for-sco-india-pitches-for-full-membership/958982/3>, accessed on October 23, 2012.

37. “India Initiates Rail Route Plan Through Central Asia”, *Russia and Indian Report*, March 1, 2012, see [http://indrus.in/articles/2012/03/01/india\\_initiates\\_rail\\_route\\_plan\\_through\\_central\\_asia\\_15011.html](http://indrus.in/articles/2012/03/01/india_initiates_rail_route_plan_through_central_asia_15011.html), accessed on September 17, 2012.

India, Russia and Iran in 2000<sup>38</sup> is expected to be the gateway of India to the Central Asian nations, bypassing Pakistan. Many of the nations involved in this project are also associated with the SCO. Thus, a steadily evolving cooperation is quite visible in the region. Multilateral frameworks like the SCO will definitely propel this evolving dynamics.

### **FUTURE TRAJECTORY**

On a larger canvas, the SCO's role, just like any other successful regional organisation, is relevant since it will prevent the unilateralism of states which is good for the stability and peace of the region. The future trajectory of the SCO will be shaped by the arising security concerns of the region and the strategic perceptions of the member states.

The inclusion of Afghanistan as an observer state in 2012<sup>39</sup> further makes the future trajectory of the SCO important for the region. In the context of the USA having declared a phased withdrawal from Afghanistan, there is a need for a new security framework in the region in order to fill the strategic vacuum. Afghanistan has also been the focus of the New Silk Route initiative of the US. This will enhance its role as a trade transit route. In this context also, Afghanistan's partnership becomes relevant for the SCO. It is to be seen what kinds of engagement the SCO will have with Afghanistan. This will have implications not only for Central Asia, but also all other regional players like India. At this juncture, the SCO should be involved in the reconstruction of Afghanistan and should give priority to creating a secure environment in the region. Afghanistan has also been the focus of the New Silk Route initiative of the US. This will enhance its role as a trade transit route. In this context

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38. Debidatta Aurobinda Mahapatra, "The North-South Corridor: Prospects of Multilateral Trade in Eurasia", *Russia and India Report*, March 14, 2012, see [http://indrus.in/articles/2012/03/14/the\\_north-south\\_corridor\\_prospects\\_of\\_multilateral\\_trade\\_in\\_eurasia\\_15134.html](http://indrus.in/articles/2012/03/14/the_north-south_corridor_prospects_of_multilateral_trade_in_eurasia_15134.html), accessed on October 1, 2012

39. Khushnood Nabizada, "Shanghai Cooperation Organization Accept Afghanistan as Observer", *Khaama Press*, June 7, 2012, see <http://www.khaama.com/shanghai-cooperation-organization-accept-afghanistan-as-observer-745>, accessed on September 18, 2012.



also, Afghanistan's partnership becomes relevant for the SCO.<sup>40</sup>

The SCO's emergence as a counter-balance to the Western alliance is a factor that is much debated while its future trajectory is discussed. The SCO's membership in itself, involving Central Asia, India, Pakistan and Turkey, manifests its success in balancing the Western influence in the region. Moves like the decision to accommodate the pro-Western Turkey as a dialogue partner should also be seen in the light of the future trajectory of SCO. However, the SCO does not possess the infrastructure and capability to replace NATO yet. However, the strength of the organisation which will promote its future growth in the region is that it focusses more on non-traditional security concerns like terrorism which is faced by all the nations associated with the SCO. Trade and energy relations, which are also one of the major concerns of the SCO, will induce the active participation of nations.

The security scenario in the Central Asian region is going through a period of rapid transition. At this juncture, it will be prudent for the SCO to outgrow any mutual distrust that may be detrimental to the cooperative mechanism and evolve as an active multilateral forum that strives for the stability and progress of the region. It should not seek to evolve as an alternative to NATO, but as a unique alliance of the regional powers for addressing their own security concerns. India's role in this strategic alliance will also be significant in the years to come.

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40. Sreemati Ganguly, "2012 Meet of the Shanghai Cooperation Organization (SCO): A Step Towards the Future?" (Calcutta: Institute of Foreign Policy Studies, 2012), see <http://www.caluniv.ac.in/ifps/Sreemati%20Ganguly.pdf>, accessed on September 17, 2012.