

: Global Governance Spotlight

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The Shanghai Cooperation Organisation. A Regional Agenda with Geopolitical Significance?

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The founding of the Shanghai Cooperation Organisation (SCO) in 2001 attracted considerable interest from the international community. During the first few years of its existence, however, it came to be regarded as a Chinese-Russian alliance, set up primarily as a counterweight to the West to mitigate the geopolitical influence of NATO and the US in Central Asia, and within a few years, Western interest in the SCO – dubbed the “NATO of the East” and even “a club of Asian autocracies” – noticeably declined. Despite a recent resurgence of interest, the SCO’s effectiveness, structure and future direction have been the subject of mounting criticism, so it is hardly surprising that it is only mentioned in passing in the EU’s Strategy for Central Asia (2007) and the Joint Progress Report on the EU’s relations with Central Asia (2010). Neither the EU nor NATO has a clear policy towards the SCO even today. However, in view of the post-2014 situation in Afghanistan and the SCO’s possible enlargement to include India and Pakistan, to be decided at its next summit in the Russian city of Ufa in 2015, this position requires serious reconsideration.

The growing importance of the SCO?

There are three main reasons for the West’s renewed interest in the SCO:

Firstly, the planned withdrawal of the International Security Assistance Force (ISAF) from Afghanistan plays a key role. Ever since the decision on the with-

drawal of NATO forces and the progressive handover of responsibilities to Afghan troops was taken in 2010, one question has remained unanswered: who has the capability to safeguard stability in the region post-2014? The SCO has frequently been mentioned in this context: all of Afghanistan’s Central Asian neighbours are SCO members, with the sole exception of Turkmenistan, which has observer status.

Secondly, at the SCO’s latest summit in Dushanbe in September 2014, a key topic on the agenda was the possible admission of India and Pakistan, which have had observer status since 2005, as SCO members next year. Both the Chinese leader Xi Jinping and Russian President Vladimir Putin have welcomed the possibility of these accessions. Plans for the SCO’s enlargement have been on the table for some time, but the current geopolitical situation may have prompted Putin to reconsider his position on the SCO. In view of the tense situation in Ukraine, Russia may well have an interest in creating a viable counterweight to Europe, with the SCO’s assistance – and accession by India and Pakistan would instantly, and substantially, increase the organisation’s reach. The same applies to possible membership for Afghanistan, another topic of discussion at the summit.

Thirdly, the SCO has carved out its own specific identity in Eurasia, providing a forum for the coordination of certain aspects of security and economic relations. Furthermore, its members have developed a set of principles (the SCO Charter) which guides their actions in a range of areas, including their assessment of international crises, with a particular

emphasis on territorial integrity and the principle of non-interference in states' internal affairs. In view of the annexation of Crimea in March 2014 by Russia, a founder member of the SCO, and the continued lack of clarity over the status of eastern Ukraine, these principles currently present the SCO with a major challenge. On the one hand, Russia's conduct has violated the principles enshrined in the SCO Charter; on the other, there are Russian minorities living in all the Central Asian countries and Russia has a strong military presence there. At the summit, support for President Putin was muted, with only Uzbekistan's President Karimov and Kazakhstan's President

Nazarbayev voicing a measure of understanding – mainly in bilateral meetings – for Russia's actions in Ukraine, largely with reference to the complex historical links between these two countries. It therefore comes as no surprise that at the SCO summit a few weeks ago, Putin did not receive a resounding endorsement of Russia's actions in Ukraine. Instead, the joint declaration issued at the end of the summit merely contained a perfunctory comment that all member states would welcome a swift restoration of peace in Ukraine.

Instead, other topics were the main focus of attention at the 14th SCO summit. As in previous years, it was the situation in Afghanistan which attracted most security policy interest. There was also an exchange of views on the situation in Syria and Iran. Among other things, it highlighted the dangers posed by public protests such as the Maidan demonstrations in Kiev, the influence of separatist movements, and the increase in terrorist attacks, reflecting all member governments' well-founded concerns about rising public discontent which could potentially erupt into protests – or perhaps even fresh “colour revolutions” – and spiral out of control, posing a threat to political elites, especially in the Central Asian countries. In China, the terrorist attacks at the railway stations at Guangzhou (6 May 2014), Urumqi (30 April 2014) and Kunming (1 March 2014) have already led to tougher measures against Uighur factions, which the Chinese hold responsible for these attacks.

In the economic field, the SCO's draft Development Strategy for the coming decade to 2025 – which also addresses the issue of the SCO's organisational structure – has now been agreed. Further progress is also expected on the establishment and operationalisation of the SCO Development Bank and Development Fund, both of which will have a key role to play in future joint project work in fields such as transport infrastructure.

Range and objectives: diverse expectations

For the West, reaching a shared understanding on the SCO continues to be hampered by the fact that the SCO's members themselves have highly divergent views about its scope and objectives.

For the Chinese leadership, the SCO has great symbolic significance, not least due to its status as the first regional organisation to have been (co-) founded by China. It is also the physical embodiment of China's New Security Concept, adopted in the late 1990s, in which the Chinese government emphasises that security can only be achieved in cooperation with others through multilateral mechanisms. But the SCO now appears to be facing competition: during a 10-day tour of Central Asia in September 2013, Chinese President Xi Jinping proposed building a

The SCO at a glance

Member States

China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan

Observer States

Afghanistan, India, Iran, Pakistan, Mongolia

Dialogue Partners

Belarus, Sri Lanka, Turkey

[The role of the Observer States and Dialogue Partners in the SCO is not clearly defined.]

Establishment

The SCO evolved from the Shanghai Five mechanism, founded in 1996 when China, Russia, Kazakhstan and Kyrgyzstan met in Shanghai to discuss security confidence-building measures in their border areas. The SCO was founded at a summit in Shanghai in June 2001.

Main institutions

SCO Secretariat in Beijing; Regional Anti-Terrorist Structure (RATS) in Tashkent (2004); Interbank Association (2005) as the forum for coordination between the national banks; Business Council (2006), based in Moscow, to advise on the implementation of SCO projects; and SCO Forum (2006) as a consultative mechanism providing independent expert and scholarly advice.

Aims

To promote cooperation on issues of regional security, mainly combating extremism, terrorism, separatism, drug trafficking and transnational crime; to foster economic cooperation (the SCO still serves primarily as a platform for China's bilateral trade with the other member states, whereas trade among the Central Asian member states has scarcely benefited from the SCO)

Shanghai Spirit

Stands for cooperation on the basis of “mutual trust, mutual benefit, equality, consultation, respect for diverse cultures and pursuit of common development”.

new Silk Road Economic Belt to intensify economic cooperation between China and the countries in the Eurasian region. Chinese policies towards Central Asia, Western Asia, the Caucasus and the Black Sea would be united conceptually within this new initiative. Precisely what kind of relationship is envisaged between the Silk Road Economic Belt and the SCO is still unclear.

Russia's position towards the SCO is much more muted. As the only regional organisation with both Russian and Chinese membership, the SCO provides Russia with an opportunity to exert a measure of restraint on China's engagement in Central Asia. However, Russia's main concern is to prevent the SCO from evolving in any direction that could result in a loss of Russian influence in Central Asia. Discussions about free trade areas or more far-reaching military cooperation within the SCO framework are therefore generally blocked by Russia. For Moscow, it is also extremely important to ensure that certain topics are discussed solely in post-Soviet formats. Many of the Central Asian SCO members also belong to other – Russian-dominated – regional organisations, many of which have similar geographical scope to the SCO. Prime examples are the Collective Security Treaty Organization (CSTO), which mainly deals with military and security cooperation, and the Eurasian Economic Community (EurAsEC), whose priority is economic cooperation. Four SCO member states (plus Armenia and Belarus respectively) belong to these two organisations. Furthermore, Putin has vigorously promoted the establishment of a Customs Union between Russia, Belarus and Kazakhstan as the basis for the Eurasian Economic Union post-2015 (Ukraine was originally to have been a member as well). However, as already mentioned, recent events may well have prompted a rethink by Putin and a desire for a stronger SCO as a counterweight to Europe.

The SCO's Central Asian member states on the one hand share Russia's concerns about China's growing economic influence in Central Asia. China has been the most important trade partner in the region since 2011 and now outperforms Russia economically. On the other hand, the SCO is the only platform in which the Central Asian countries are able to play Russian and Chinese interests off against each other. Unlike the other, Russian-dominated formats, the Central Asian governments have a measure of choice here and can use it skilfully for their own purposes, for despite all the risks and criticisms, China is now seen as a serious and, above all, financially powerful alternative to Russia in Central Asia.

The SCO's core business: security cooperation

Notwithstanding the SCO's decision to set up its own Development Bank and Development Fund and the ongoing efforts to drive economic coopera-

tion forward, it is security cooperation which is still the main item on its agenda. Throughout its existence, combating the “three evil forces” – terrorism, extremism and separatism – has been its top priority, with members signing the Shanghai Convention in this policy field a full three months before the 9/11 attacks. Against the backdrop of civil war in Tajikistan (1992-1997) and frequent waves of protest by opposition groups in all member states, which are generally violently suppressed by governments, it is becoming increasingly clear that members' principal concern is to maintain their regimes' political stability.

The SCO lost no time in establishing a Regional Anti-Terrorist Structure (RATS) in Tashkent in 2004; its purpose is to implement the Shanghai Convention and collect data about terrorist, separatist and extremist groups from all over the region. It is not entirely clear, however, what kind of information is stored here, or which specific groups and individuals are the main focus of interest. As RATS was set up by the political leaders of the SCO member states, there is a suspicion that some of the individuals or groups classed as terrorists have simply voiced opposition to their respective regimes, as with the demonstrators at the Maidan or participants in the colour revolutions in Eastern Europe and Central Asia in the mid 2000s. Despite, or perhaps even because of this situation, joint working within the RATS framework is the SCO's greatest institutional success in the context of security cooperation. The military exercises (known as Peace Missions) conducted within the SCO framework also play an important role in combating the “three evil forces”. The scenarios rehearsed in these military exercises, mainly involving troops from China, Russia and Kazakhstan, generally focus on quelling violent unrest in urban settings. China attaches particular importance to these drills.

In parallel, the SCO has in recent years sought to expand the scope of its security cooperation, with an emphasis on combating drug trafficking, with attempts to coordinate member states' domestic policies more effectively by 2016 within the framework of the SCO's Anti-Drug Strategy. The government of Afghanistan is now becoming more involved in this cooperation as well, largely because Afghanistan is responsible for around 80 per cent of the world's opium production (2013). At the same time, all members regard the principle of non-interference in states' internal affairs as key. This concept of security cooperation thus becomes problematical if unrest occurs in a member state and puts the regime at risk. A lack of resources also makes it difficult to follow up agreements with action. During the ethnic clashes between the Kyrgyz and Uzbeks in Osh in June 2010, it became quite apparent that the SCO had no resources or mechanisms to assist the interim government in regaining control of the situation, especially in southern Kyrgyzstan. This impotence instantly triggered a debate about the kind of role that the organisation can realistically hope to play in regional crisis situations.

Outlook: a bold move towards more cooperation?

In light of the above, it is clear that the SCO cannot be described simply as an anti-Western alliance: on the contrary, it has its own specific agenda and objectives and is an important forum for dialogue in the region, bringing governments which would not otherwise convene in this type of format together around the table. Nonetheless, there is a major question mark over the organisation's effectiveness, not only from a Western perspective but also in the SCO member states themselves. Due to a lack of resources, many of the decisions adopted during SCO negotiations cannot be implemented effectively and therefore have little international impact. Without support from other organisations such as NATO and the EU, the SCO lacks the capacity to play a central role in maintaining regional stability in Central and South Asia after the withdrawal of large contingents of the international forces from Afghanistan in 2015. It would therefore be advisable to step up efforts to foster cooperation between NATO/the EU and the SCO, not necessarily with a view to reaching agreement on formal cooperation but with the initial aim of launching smaller joint projects to combat drug trafficking, strengthen border security, or foster closer cooperation in the field of disaster protection, for example. There are already signs of some movement in this direction: in September 2013, the EURICS Foundation held an initial meeting between NATO, EU and SCO think tanks in Bucharest to discuss joint regional security challenges and potential fields of

cooperation. This type of meeting could, in future, establish the basis for cooperation between NATO, EU and SCO representatives in specific areas.

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Further information

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