



## **The SCO: A New Hope or to the Graveyard of Acronyms?** by Matthew Oresman

On May 28, the heads of state of the member nations of the Shanghai Cooperation Organization (China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan) will meet in Moscow to formally approve the charter of the SCO and announce several new initiatives. They include modalities for funding the SCO headquarters in Beijing and counterterrorism center in Bishkek, the new secretary general of the organization, and plans for security and economic cooperation. Still, much remains unclear about the future of the SCO and the Moscow summit, should lay out the future shape of the organization be a significant indicator of the future viability of this group.

In June of last year, the SCO made a big show of announcing its charter in St. Petersburg, but, in reality, no finished document was published. Apparently, there has been tough, behind the scenes negotiation since then, with the Russians wanting more explicit and binding language and the Central Asian wanting a more flexible treaty with specific requirements attached as an appendix. The Russians seem to have won this battle, while the Chinese were rewarded the headquarters and the secretary general. Despite its name, it will be based in Beijing, since none of the Central Asian states have consuls in Shanghai, and Beijing and Moscow do not want to fund new ones.

Originally founded in 1996 (without Uzbekistan) by China to settle border disputes between it and the states of the former Soviet Union, demilitarize their common frontiers, and establish confidence-building activities (CBMs), the Shanghai Forum - as the group was called - has evolved into a formal treaty organization focused on issues well beyond border demarcation. The goals of the SCO mirror those of China in Central Asia: guaranteeing its sovereignty with secure and peaceful borders, protecting its perceived national security by cutting off external support for Uyghur separatists, building trade links with Central Asia and establishing the region as a source of energy to feed China's growing demand, and, lastly, using this relatively successful diplomacy as a strategic lever in its relations with the United States, Russia, and other global powers.

Over the last several years, the Shanghai Forum, and later the SCO, has tried to coalesce into a more active organization, but this process has frequently stalled due to resource shortfalls, lack of common vision, diplomatic rigidity, and inter-state rivalries. In 1999, the group moved beyond CBM and border issues and attempted to create a counterterrorism center in Bishkek, known as the Regional Anti-Terrorism Structure (and the unfortunate acronym RATS). This project has stalled and no assets have been invested or resources committed. In sum, the SCO is an ad hoc discussion forum

that wants to be more. It has no secretariat, permanent personnel, hard assets, or formal mandate. This is likely to come in the next months, along with the eventual establishment of the RATS; in which ever form it takes.

In the wake of the Sept. 11, 2001 terror attacks, the U.S. deployment in the region achieved more of the SCO goals in five months, than it had in five years, allowing the member nations to seize on the momentum of significant military successes against the Taliban, al-Qaeda, the Islamic Movement of Uzbekistan, and other terrorist groups that threatened regional security. Many believed that the U.S. deployment to bases in Afghanistan, Kyrgyzstan, Tajikistan, and Uzbekistan would undermine the need for the SCO, but China and Russia have both invested serious political capital in this project and are unwilling to let it fade away. Even after the June 2002 summit, China and Russia continued to solidify their commitment to Central Asia, with China holding its first even combined military exercise with Kyrgyz border forces in October 2002 and Russia committing new assets to the Kant airbase in Bishkek, which will serve as a forward base for the Rapid Deployment Forces of the newly constituted Collective Security Treaty Organization.

The results of the upcoming summit will, in large part, determine the fate of the SCO. While long-term regional integration and cooperation will be determined more by the relationship between Kazakhstan and Uzbekistan and not China and Russia, the commitment these nations show to the SCO in both political and monetary capital will determine if this group joins the region's graveyard of acronyms.

At the conclusion of the summit, expect to see a final document detailing the responsibilities of the SCO and the obligations of its members. It is extremely unlikely that there will be any sort of mutual defense clause. There will be a renewed commitment to combat transnational threats and increased economic cooperation. Priority will be given to security over economics by focusing on building practical links before attempting a larger, all encompassing strategic union, a major fear for alarmists who see the SCO as China's Warsaw Pact. China will most likely have forced the Central Asian states to continue to support its position on Taiwan, the "three evils" of splitism, extremism, and terrorism, and the need for a multipolar world order, but some of this language, especially that which could be considered anti-American, could be toned down as a result of China and Central Asia's improving ties with the U.S. and the West (these include a recent overture by China to initiate a strategic dialogue with NATO [for more on this issue, see PacNet #50 ]). Also, expect to see detailed funding and organizational modalities committing China and Russia to each pay for roughly 30 percent of the organization's cost, with the Central Asians each picking up a remaining 10 percent. It remains to be seen if "RATS" will be more than an Interpol-like operation, but it is

doubtful that these nations will commit security forces to this center given Russia's commitment to Kant and Tajikistan, China's aversion to deploying troops abroad, and the Central Asian unwillingness and inability to cooperate militarily or even field forces in some cases.

Also left undecided will be the fate of those seeking observer status and full membership into the SCO. Indications are that the members are currently unable to decide who should be given observer status and what that entails. There is still fear that admitting India and Pakistan will derail the organization and an U.S. entry will undermine Chinese and Russian strategic goals in Central Asia.

These decisions and remaining questions have serious implications for the entire region and for U.S. interests there. Despite achieving independence over a decade ago, the nations of Central Asia are still struggling to fully establish their sovereignty and national identity. Interstate conflict is high and attempts at regional integration have repeatedly failed, despite the common understanding that almost every problem in the region - whether the subject is terrorism and drug trafficking or water resources and the spread of HIV/AIDS - is transnational in nature. There is great hope that cooperation with outside powers will allow these states to overcome their inability to engage in collective action. However, there is considerable worry that China and Russia will use their influence to maintain a strategic environment suitable to them, sacrificing long-term political reform for short-term stability.

This underscores U.S. concerns with the SCO; that Russia and China will use their positions to undermine U.S. interest in the region. Very few people seriously believe that China and Russia would join forces with the Central Asians in full political and military opposition to the U.S., but some policy makers are worried that a more robust and institutionalized SCO will cut the U.S. out of the decision making process in these countries. Given America's overwhelming global influence, that is unlikely. Moreover, any endeavor that teaches Central Asian regimes to cooperate and to sacrifice short-term insecurities for long-term gains should be supported. A success for the SCO is not necessarily a loss for the United States, especially since China, Russia, and the United States share the same basic interests in the region.

The Shanghai Cooperation Organization is on track to becoming a formal international organization, moving beyond its days as a talk shop. Still, many obstacles remain, not least of which is internal rivalry and a constant need to justify its existence in light of a U.S. presence in the region. If real resources are brought to bear and political commitments to decrease tension and increase cooperation are followed through, the SCO will survive. This summit will determine if these nations are ready to break the cycle of failure of Central Asia multilateral institutions and embrace a brighter future.

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