

EMERGING DYNAMICS IN EURASIA AND THE SHANGHAI COOPERATION ORGANIZATION

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Abstract: *The article is an attempt to understand how the changing dynamics in Eurasia have impacted on the Shanghai Cooperation Organization (SCO). Factors such as the strengthening of strategic partnership was evident during the recent summit in New Delhi. India played a leading role during the virtual summit. The Central Asian states are concerned about the fallout of Russia's military intervention in Ukraine. Certain suggestions have been made for rejuvenating the organization.*

Keywords: *India, Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, Russian war in Ukraine, Changing dynamics, Iran*

In the present decade global rivalries have sharpened enormously in the wake of Russian military intervention in Ukraine. This has brought about a fundamental shift in Europe, Asia particularly in Eurasia. The core of change is geopolitics. A fierce competition has ensued for influence, control and importantly acquisition of territory both on land and oceans. Many analysts have characterized these developments as a struggle between Unipolar versus Multipolar world order. The competition is largely between the US and its partners the European Union (EU) on the one hand and the Russian Federation and the Peoples Republic of China on the other. The ongoing competition is perceived by many analysts as the beginning of a New Cold War. In the present Cold War the issue at stake is sovereignty and territorial integrity of nations. Russia had already incorporated Ukrainian province of Crimea (2014) and now it has annexed two eastern provinces Luhansk and Donetsk of Ukraine, while China is claiming sovereignty over the whole of South China Sea. This has caused intense tension with the US. In fact, a major reconfiguration is taking place. The Samarkand Declaration of September 2022 stated “The world is undergoing global change as it enters a new age of rapid development and large

scale transformation”.¹

However, the present Cold War differs from the first one in many respects. Importantly it has not led to a bipolar world. Nevertheless, two broad groups espousing diverse ideology have come into existence. The emphasis is on partnerships with like-minded countries. Secondly the nature of intervention has changed. It is the use of massive military force to achieve the desired goal. Russia has used large-scale military force, yet even a year of fighting Russia is nowhere near its objectives being realized. Moreover, Russian military action has given a fillip to militarisation elsewhere. The EU and the North Atlantic Treaty Organization (NATO) have substantially increased their defence expenditure. Other countries seeking to enhance their defence budget are France, Japan, Taiwan and ASEAN. China is also further augmenting its defence capabilities. This trend towards rising militarisation points to an uncertain future.

Regional conflicts have added a new dimension to global rivalries. The most prominent is the India-China violent clashes on its disputed boundary. In June of 2020 violent clashes, several Indian armed forces personnel were killed. The military stand-off on the Line of Actual Control (LAC) continues till date. In 2022 violence broke out between Kyrgyzstan and Tajikistan over their contested border. The instability in Afghanistan has a vital bearing on the security of Eurasia. China's heavy projection of power around Taiwan and East China Sea have created tensions in the region.

Besides two other issues have also impinged on the changing dynamics in Europe, Asia and Eurasia. First the pandemic and the lockdown that followed led to isolation of countries from each other. Lack of interaction affected exchange of discussion, information, or to initiate collective research among experts. It only led to the weakening of the globalisation process. The economic situation was also affected, trade and transit activity was curtailed. This in turn led to food and energy insecurity. Second, environmental degradation and climate change issues, which have assumed serious proportion also impacted on Eurasia. Unseasonal rains have caused havoc and destruction to agriculture property and human lives. This was amply proved by the recent (2022) floods in Pakistan. Extreme weather conditions, melting of glaciers have

¹ The Samarkand Declaration of the Heads of State Council of the Shanghai Cooperation Organization.

caused water scarcity to the life giving rivers of Central Asia; Amu Darya and Syr Darya, drying-up of the Aral Sea, forest fires in Russia are some of the grave concerns. In many places new approaches are needed to promote more just/equitable, effective international cooperation, and sustainable economic development.

In addition, a new phenomenon has arisen in the form of large-scale protests by the people. Whether the protests are for food scarcity as it happened in Pakistan, (Gilgit, Baltistan,) or the anti-hijab movement in Iran, corruption in high places, political views, have the potentiality to shape the dynamics in Eurasia.

The Shanghai Cooperation Organization (SCO) space is located between the two conflict zones and is undergoing fundamental shifts. The SCO comprises of eight countries; Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, Uzbekistan, India and Pakistan. The SCO space encompasses vast land mass with rich natural resources. Central Asia considered as the 'Core of SCO' is likely to face competition among major and regional powers for influence, possibly control for its strategic location. In view of the emerging difficult and challenging times, regional organizations are expected to play a role in protecting the interests of its members as well as of the region. Ironically Russia and China SCO's two founding and leading members are the key players in the ongoing turbulence in the global order. Given the turbulent and tense global situation, can the SCO play its expected role of a regional organisation?

The Shanghai Cooperation Organization

From the geopolitical perspective major shifts have occurred in the SCO spaces. Russia and China have further cemented their strategic partnership. As declared by the former Chinese Foreign Minister Wang Yi that Russia - China partnership is "Rock Solid". China has been steadfast in its diplomatic support to Russia on the Ukrainian issue in the United Nations Security Council (UNSC) and other bodies. The question is how will the partnership shape the future of Asia including Eurasia? Will they experience cooperation as in the past, or competition, or possibly, even confrontation? There are differences between Russia and China on important geopolitical, strategic and economic issues, but currently the cooperative tendency is uppermost, while the competitive one is at the secondary level. For the present the partnership

appears tactical as both the powers need each other.

The Central Asian States (CAS) are likely to come under pressure from Russia to support its action in Ukraine, though a sense of unease prevails in the Central Asian region. Reportedly Uzbek Foreign Minister Abdulaziz Kamilov told lawmakers in a speech on 17 March 2022 that Uzbekistan does not recognize the pro Russia separatists controlled districts in Ukraine's Donbass known as Donetsk Peoples Republic and Luhansk Peoples Republic. He also called for a "peaceful solution" to end Russia's unprovoked attack against Ukraine.² Earlier a demonstration in Bishkek in favour of Ukraine was dispersed. Recently Russia had proposed a gas union between Kazakhstan, Uzbekistan and Russia. Though Kazakhstan and Uzbekistan were lukewarm to the idea possibly for fear of Russian domination, but believably the Union Gas agreement has been signed.

The chief concern of the CAS is security and Russia's vulnerability. Last year (2022) there were violent border clashes, at the time the Samarkand-UZ SCO annual summit was to begin, between Kyrgyzstan and Tajikistan. Russia was too preoccupied with Ukraine and merely counselled the two warring states to find a peaceful solution. Though they are members of the Collective Security Treaty Organization (CSTO). In view of the uncertain situation the CAS are seeking support elsewhere. The case in point is the formation of a Turkic Union initiated by Turkey. They participated in a US sponsored military exercise in Tajikistan. Other participants were Kazakhstan, Kyrgyzstan, Uzbekistan, Mongolia and Pakistan.³ Apart from strengthening regional cooperation, the CAS would have to augment their respective defence strength.

In the economic sphere the biggest concern is their landlocked status and disruption of their transport corridors. The uncertainty at the wider level and stringent sanctions on Russia and Iran has negatively impacted on their exports especially of energy. In turn it is causing food insecurity. Kazakhstan and Turkmenistan are rich in energy sources and Europe was/is one of their major markets. But due to the prevailing conflict situation new ways to circumvent Russia and Iran under sanctions is proving near impossible. Recently Kazakhstan was able to send energy to Europe via the Caspian Sea-Azerbaijan-Georgia-Turkey and thence to Europe. Nevertheless, the nature of Russian-

² <http://www.rfer.org/a/uzbek-foreign-minister-ill-ukraine/317778/>

³ Harsh Pant, *India and the SCO: A Parade of Discontent*.

Chinese partnership would impact on Central Asia. Russia's recent foreign policy document "Ruskii Mir" or Russia's world has accorded a high priority to Asia and its concept of Greater Eurasia includes all the post-Soviet States. China's project Eurasian Partnership also focuses on the Central Asian region.

India, one of the leading members has been caught in a bind. On the one hand its ties with Russia have been partially restored India is importing Russian energy and its defence cooperation has not been completely suspended. However, India has not supported Russia over its military action in Ukraine. In any discussion on Ukraine in the UNSC, India has abstained. On the other hand, India's ties with China are troubled over the long-standing contested boundary issue. In fact, China intervened violently on the boundary 2020 as mentioned, and the stand-off continues till date. This limits aspirations to play a role in its extended/strategic neighbourhood; Central Asia.

In view of the escalating uncertainty around and difficulties within its space, the SCO faces a herculean task of keeping divisive tendencies at bay and ensure regional security. In reality over the past twenty one years the SCO could not emerge as a cohesive and a compact organization. The nature of SCO's formation in 2001 needs to be understood. The SCO evolved from the Shanghai Five, a Chinese initiative. It was formed at Beijing for a very specific and narrow range of goals and objectives of ensuring regional safety and stability.⁴

The SCO evolved from the Shanghai Five Agreement of 1996 after the settlement of borders between China and Russia, Kazakhstan, Kyrgyzstan and Tajikistan. The Agreement underscored Chinese interest of maintaining peace, stability and good neighbourly attitude on the border. The SCO Declaration of 2001 stated "...every member should strictly honour the principles of good neighbourliness, equality and mutual benefit, friendly cooperation and development".⁵

Subsequently the SCO widened its agenda to include economic development, adopted Programmes on Connectivity, and an energy club. In keeping with its institutional framework the SCO also established its structure. They are: Heads of State, Heads of Government, Council of Ministers of

⁴ Sergey Marochkin and Yuri Bezborodov, eds., **The Shanghai Cooperation Organization: Exploring New Horizons** (Routledge, 2022), p. 2.

⁵ Sun Zhuangzhi, New and Old Regionalism, The SCO and Sino Central Asian Relations, *The Review of International Affairs*, vol. 3, no. 4, Summer 2004, p. 601.

Foreign Affairs, Defence, etc. Among the structures was the Regional Anti-Terrorist Structure tasked to arrange studies of regional terrorist movement and exchange information about counter terrorist policies. However, several commendable Declarations, Resolutions were passed, but the SCO could not emerge as an efficient regional organization. The reason is that SCO was not formed in an evolutionary manner, but rather from top to bottom. Its decisions were/are based on consensus. Hence members approached issues being discussed from their national interests' perspective. For instance, at the Samarkand Summit, September 2022 President Xi Jinping said "it is important to continue our efforts to achieve the complementarity of the Belt and Road Initiative with national development strategies, and regional cooperation initiatives, expand sub- multilateral cooperation and sub-regional cooperation, and create more growth drivers in cooperation ...".⁶ The main obstacles to closer cooperation were "... civilizational diversity and lack of common uniting values ...".⁶ Other factors that impacted on SCO were a "high level of bureaucratization in decision making and divergence between Russian and Chinese approaches to further vectors of SCO development".⁷

One of SCO's structures Regional Anti-Terrorist Structure (RATS) has been functioning regularly. It organises military drills in SCO countries to showcase counter terrorism measures. It also organises "Peace Mission", a military exercise in Russia. Members participate and familiarize themselves with the technology employed and interact with each other. However, RATS does not have its own force to track terrorists and their activities.

An Assessment

The SCO is neither a provider of regional security nor a 'discussion club', or, that its efficacy is limited. Nevertheless, the SCO provides an excellent platform for Members to discuss regional issues and understand each-others' point of view. A legal framework approved by all is still in a formative stage and needs to be expedited. This would enable Members to act in a concerted manner. A decision once approved the legal framework would ensure its implementation. Today the primary task before SCO is to overcome

⁶ Olga Bogatyreva and Aida Orozobekova, *Humanitarian Cooperation in SCO Current Situation and Development Features* in Sergey Marochkin and Yury Bezborodov, p. 97, n. 4.

⁷ Olga Porshineva, Mirzhod Rakhimov and Sergey Raznkov, *The formation and institutional development of the SCO: historical and legal aspects*, in Sergey Marochkin and Yury Bezborodov, p. 21, n.4.

the divisive tendencies that have crept in by exploring new areas of common concern. These could be collaborative research on pandemic and post pandemic problems, climate change, food, and energy security. As Chairman for the current year (2023) India will have to strive to infuse a common vision and ensure that the SCO emerges as an efficient and an effective regional organization. India's aim should be 'reunite and rejuvenate' the SCO.

SCO Challenges & Opportunities for India

In the backdrop of the yearlong Russia-Ukraine conflict, some probable challenges that India should take into consideration in its outlook, are the heightened geopolitical and security issues that can impact the future of the SCO. Some of these stem from the closer Sino-Russian cooperation, others from the renewed interest and outreach of the US to be more of an active partner in Central Asia with the respective states.

Over the past year the US has promoted a more open defense bilateral engagement in Central Asia through its Central command structure, with regular high level visits from its senior most commanders, enhancing training through exercises on one hand. On the other hand, sponsored visits to the US, of trade delegations, government entities/agencies from the CAS.

These activities are to an extent, reinvigorating the ground-space lost by the US after its hasty retreat from Afghanistan in August of 2021, and the long looming shadow of the Ukraine-Russia war, which are reshaping the geopolitical, defense-security, economic and diplomacy arenas of the CAS. These very same countries also belong to the SCO, the spillover effect is inevitable.

Within the SCO India's soft power, regional power status, critical geo-strategic space, and a very large growing economic market-entity, have helped in cementing its stature as a certain counter balance to Russia and China. The latter two enjoying a longstanding political and geographical link with the CAS, and in recent years China's overwhelming economic clout to affect change.

Pakistan the other SCO member is beholden to China. China being its all-weather friend is a key shaper in its engagements in multilateral forums, along-with its long-standing animosity toward India, in either thwarting meaningful dialogue or looking for constructive solutions. Especially in the

twin areas of terrorism and narcotics control, which are not only major SCO issues, but also of global concern.

The SCO member states amongst themselves today, confront an alignment dilemma brought about by the ongoing European conflict, with little room for consensus building to effect any cohesive decision making. On the one hand for the record, there is a clear Sino- Russian camp, the CAS bloc caught between these two heavyweights, India trying its utmost to balance its interests on a knife edge keeping a quasi-neutral stand; and Pakistan given its dire economic state, caught in a pincer of competing interests. China, its all-weather friend no longer bailing them out and international lending agencies very reluctantly attempting to help them out.

SCO collectively have to find ways and means to keep the organization proactively relevant, in the face of such competing schisms; and not just become another defunct or irrelevant alphabet soup of multilateral entities, that either fall by the wayside, or become just paper pushing international bodies.

At this juncture there is a real danger of such a scenario, should the Sino-Russian newfound vested camaraderie push the CAS and Pakistan toward a polarization, leaving India an unenviable loner within the grouping. With the very remote of possibilities of the SCO breaking up; never-the-less it's important to keep it in the calculus however slim. The 2022 Samarkand summit had brought the talk of SCO expansion/induction of new observer member-states to the table, where Iran and North Korea were bandied about. In the highly unlikely scenario, if these countries were to be allowed in, India would find itself as a clear outlier, further isolating or undermining the relevance of SCO as an important multilateral fora.

On the other hand, there are multiple opportunities that India can leverage and drive during its current 2023 SCO chairmanship.

One of the major announcements made at the conclusion of the 2022 summit was the declaration of Varanasi, India as the first tourism city of the SCO. Indian PM Modi also reiterated and promoted India as a highly competitive, competent medi-tourism hub. This combination of regular and medi-tourism can be leveraged for more direct engagement in the people scape.

The concerted promotion of tourism post the pandemic will act as a major economic fillip to all the SCO states especially the Central Asian ones. Tourism has not been accorded the primacy that it deserves, when compared to other

global regions, it is a major direct and indirect employer, with a trickledown effect to other supporting industries, such as hospitality, travel, arts, crafts and handicrafts. The people to people engagements will also help foster a better understanding, in down-playing/reducing suspicions amongst the SCO states.

Air connectivity for both passenger and cargo services is woefully under-utilized and exploited by the SCO member states. Using India as an example, Indian air carriers currently only serve the Russian and Chinese market. Here too only one city in Russia and few cities in China; no Indian carrier currently serves-flies to Central Asia. The business case for passenger traffic may not seem attractive, but when combined with cargo traffic the financial profitability is very attractive. Given the limited shelf life of fresh perishable products, the scope is huge, especially given the market size of India and China, which are large consumers of these products.

When properly utilized, such bilateral flying rights can be a major economic booster for all the SCO countries, both intra and inter-regionally, as permitted under current international protocols. The vast unexplored, untapped potential of the SCO states, can be brought into the mainstream, to find their rightful and rich historical legacies, at the forefront of the global mind-space. Such economic ties also bridge differences and act as open quasi-educational experiences. Helping to further international awareness and unity at the people level, versus a rarified-isolated, government to government only approach. The stated purpose of the SCO accord is self-evident in the title itself 'Cooperation', as such the approach needs to be calibrated to that end.

Another major area of India's experience is the field of institution building. This expertise can be shared across the member states, in establishing, or enhancing their existing institutions. Co-opting best practices in assisting governments to serve their citizens better, with the multiplier effect of better shared institutional interaction to foster all round better relations within the SCO. This will further in lowering misgivings-suspicions, real or imagined, within the group, facilitate cross border data exchanges, to address the challenges faced, with a proactive approach as opposed to a reactive one.

India and China as members of the SCO, have the potential and can become a formidable, highly enviable, unbeatable twin-engine global pharmaceutical powerhouse; should they focus their energies to create a common space to develop complementary synergies. Each country using their respective

manufacturing prowess', in the API, Generic drug, new molecule research & discovery, vaccine development, to address global medicine and health challenges.

Catering to not only to the global North, but also to the global South, this is an undisputed leadership position that India enjoys as a pharmacist to the world, making highly inexpensive, cost competitive medicines and vaccines. This was reiterated most recently and borne out, by the multiple vaccines made and distributed globally, to combat the global Covid-19 pandemic. Health and wellbeing are universal issues that require tremendous capital in all forms to be expended, in providing a certain basic level of service. As farfetched as the notion may appear at the moment the SCO has the potential to lead in this space.

Another outstanding area where India is looked upon as a global leader is the IT arena and the digitalization of government services, distribution of social welfare schemes, financial and healthcare inclusion, citizen and government interaction/interface.

Transparency in the delivery of services, financial disbursements, drastic reduction in plugging leakage of financial benefits to the most deserving and needy of recipients. Enhanced accountability at various levels of government at the local, state and top leadership. Easier government and citizen interaction, to address the common daily needs of people and businesses. Facilitation in the ease of doing business, making the economic environment more competitive, conducive, inviting, and with a smoother potential decision making process, to establish and generate employment opportunities, for all business establishments small to multinational in size.

The other SCO states can look to India as a template for selective implementation of their own digitalization efforts. In turn India can offer its expertise and assets to help build such an infrastructure, either as green-field or brown-field projects.

As the current chairman of the SCO, India can lead non-confrontational areas of cooperation that strengthen the pact, make it a relevant forum for member states to look for solutions that address local problems/issues, yet the lessons learned can be applied globally. Such an approach will not only make it more relevant, but also attract newer members. It can also be an example of a multilateral forum where smaller states are treated equally, their voices heard, and where they feel empowered as constructive contributors with deliverable

results.

The stature of the SCO will rise manifold as a Eurasian grouping that is bridging and striding the proverbial east-west twain. One that is now on a firmer more mature footing, an interlocutor of repute, that is not only a talking forum, but one of actions delivered, striving to its founding ideals. These are a few of the challenges and opportunities that India must navigate as a member of the SCO.

The Way Forward

In order to foster a sense of community interests, it is essential to promote a multilateral approach to issues of common concern. An approach that is based on decisions that have been approved by Members. Of equal importance is its implementation. At present the SCO does not have a mechanism for implementation. Decisions arrived at by consensus often remain Declaratory in nature. It is imperative for SCO to work on the mechanism for implementation. Otherwise it will remain weak. In this regard India's Defence Minister Shri Rajnath Singh said at a meeting of Defence Ministers of SCO countries in November 2019 "... We need approaches which are inclusive, transparent and firmly anchored in multilateralism. Successful multilateralism also needs adherence to the principle of respect for sovereignty and territorial integrity, non-interference and mutual cooperation".⁸ An effective multilateral approach would be an important input in revitalising SCO's cohesiveness and compactness. The following areas can show the way forward.

First, India's rich legacy of cultural interaction with the Member countries should be not only given importance, but also to revive the past historical contracts and cultural interaction. Buddhism was one of the earliest connector with the region. Famous Chinese scholars Fa Hien, Hiuen Tsang visited the subcontinent stayed in monasteries to study Buddhist texts. Al Beruny from Uzbekistan stayed for thirteen years learning Sanskrit and translating medicinal texts. Afansiy Nikitin of Russia came to India in the Fifteenth century. In view of the rich legacy of cultural contacts it is suggested that cultural events be organized in India as well as in SCO countries. Tours to places that showcase Indian culture be organized.

⁸ <http://www.news.com/amp.news/India/India-urges-SCO-nations-to-work-together-to-defeat-terrorism-and-combat-climate-change-2371521.htm>.

Second, environmental degradation and climate change have assumed serious proportions adversely affecting countries. It is suggested that a Core Discussion Group (CDS) be set comprising of three members each country that includes experts as well. The CDS could meet twice a year to exchange information and suggest measures to tackle any likely emergency.

Third, to reconnect with the region India's multi modal transport corridor linking with Central Asia via Iranian port of Chabahar is in a state of limbo. The modalities for Air Freight Cargo need to be worked out. Similarly India's connectivity with Navoi in Uzbekistan should be revived. Importantly India should focus on enhancing and encourage infrastructure development within Central Asia. It would facilitate inter/intra-trade and transit of the region. Another area of promise is the Micro Small Medium Enterprises (MSME). Indian involvement in MSME would be extremely beneficial to both the sides. Involvement in agriculture and industry by introducing innovative technologies, impart training and knowledge. The MSME hold promise of enhancing people to people contacts, which in turn would foster awareness about the other side. The MSME would strengthen India's footprint in Central Asia.

Concluding Observation

The significance of the SCO lies in the geographical space it is located. The need however, is to make the regional organization more effective, if the requisite political will is generated and applied. The SCO can emerge as a regional organization that matters to, and in, Eurasia.

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