# IS REGIONAL COOPERATION POSSIBLE WITHOUT BILATERAL COOPERATION?

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Abstract. This paper argues that while regional cooperation is often viewed as a positive good, it is not sustainable in the long term without strong ties between its constituents. The Shanghai Cooperation Organization exemplifies this reality, given the significant and long-standing tensions between two of its members, India and China. The essay examines the contradictions in Sino-Indian relations and the difficulties in the Russia-India-China trilateral mechanism to underscore that the SCO's progress is not what it seems. It raises some questions for the SCO and offers a set of recommendations to address, however indirectly, some of these challenges.

**Keywords** bilateral relations; regional cooperation; India-China relationship; Russia-India-China (RIC) trilateral; development model

#### Introduction

Regional cooperation is widely regarded as a beneficial endeavor. Since the end of the Cold War, regional organizations of various hues have proliferated. Taking advantage of what might be called the 'peace dividend' - a period of general global and regional inter-state peace, even if multiple civil wars have continued - most regional organizations have focused on economic cooperation. In the West, the European Union emerged in the 1990s, followed by the introduction of a common currency for the region. Meanwhile, in Central Asia, the Shanghai Five - later reorganized as the Shanghai Cooperation Organization (SCO) - took shape. Elsewhere, older regional groupings like ASEAN have become stronger with additional platforms, such as the East Asia Summit and the ASEAN Regional Forum, which were established to expand ASEAN's ability to work with external members on political and security issues of common interest and concern.

However, other regional organizations, such as the South Asian Association for Regional Cooperation (SAARC), remained moribund, primarily owing to ongoing tensions between India and Pakistan.



This is open-access article distributed under the terms of the Creative Commons Attribution 4.0 International License This paper, therefore, asks whether multilateral cooperation is possible without bilateral cooperation among constituent members. It argues that regional or multilateral cooperation is not possible without bilateral cooperation and the foundation of peace and stability in bilateral ties.

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This paper presents its argument in the context of current India-China relations and the Russia-India-China trilateral. It is divided into three main sections that examine the contradictions in Sino-Indian ties, the difficulties in the RIC trilateral, and the nature of the SCO's 'progress'. It concludes with a brief set of questions for the SCO and recommendations.

## **Difficulties in India-China Relations**

Major clashes between Indian and Chinese troops along their disputed boundary – or the Line of Actual Control (LAC) – in eastern Ladakh in India in the summer of 2020 resulted in the first casualties in the dispute since 1975, and Chinese transgressions were seen as undermining decades worth of bilateral agreements and confidence-building measures between the two sides. A 'thaw' is underway in bilateral ties beginning in October 2024 with the conclusion of a 'new patrolling agreement' between the militaries and a brief meeting between Indian Prime Minister Narendra Modi and Communist Party of China General Secretary and Chinese President

Xi Jinping on the sidelines of the BRICS leaders' summit at Kazan in Russia. Subsequently, Special Representatives on the boundary issue from the two countries met in December with their Vice-Minister-level officials, and followed up in January 2025.

Suspicions and contradictions in the relationship remain high; however, the pace of progress towards fully functional ties is slowing, even if the current phase is called a 'normalization' of ties.<sup>1</sup>

For instance, the June 2025 SCO Defense Ministers' Meeting concluded in the Chinese city of Qingdao without a joint statement. India had refused to sign on as the draft document avoided mention of the Pakistan-sponsored Pahalgam terrorist attack in April, while highlighting terrorist incidents in Pakistan.<sup>2</sup> India argued that signing the document would undermine its positions and policies on state-sponsored terrorism.

In response to remarks by the Indian Defense Minister at a meeting with his Chinese counterpart on the sidelines of the SCO meet that stressed "the need to create good unneighborly conditions" among other things<sup>3</sup>, Beijing declared that "China stands ready to maintain communication with India on issues including delimitation negotiation and border management, jointly keep the border areas peaceful and tranquil, and promote cross-border exchange and cooperation". <sup>4</sup>

However, the previous 60 days had also seen Sino-Pak military collusion during Op Sindoor, a trilateral between Chinese, Pakistani and Afghan foreign ministers in Beijing soon after the declaration of a ceasefire as well as the inaugural Bangladesh-China-Pakistan meeting of senior foreign ministry officials in Kunming in June an effort effectively, to box India in South Asia and which heightens concerns in New Delhi about China's sincerity about improving ties with India.

While the disagreement at the SCO meeting casts a shadow over high-level SCO meetings hosted by China as the rotating president, it also reflects a deeper problem: India-China differences are now at the heart of their interactions in multilateral institutions and, thus, of geopolitics. It calls into question what is meant by 'regional cooperation' in the case of the SCO.

### A Stagnant Russia-India-China Trilateral

At this stage, it is helpful to consider another, perhaps sharper, example of how bilateral tensions can undermine multilateral cooperation. The Russia-India-China (RIC) trilateral mechanism has flown under the radar of international attention somewhat given the prominence on the one hand of its larger cousin, the BRICS grouping, and on the other hand, of more active minilaterals that some of the members, particularly India,

are involved with such as the Quadrilateral Security Dialogue with countries considered strategic competitors by Russia and China. The RIC mechanism is particularly fraught because of long-standing tensions between India and China, exacerbated by Chinese transgressions across the disputed boundary with India in 2020. And yet, the forum has persisted in its various formats, including Track 2/Track 1.5 meetings involving academics, think-tankers, and retired but well-connected diplomats and military officials, as well as meetings of foreign ministers and heads of government, including on the sidelines of larger forums.

In this section, the central question is flipped around to ask how it is that, despite border tensions between two members of the grouping, growing closeness in India-US relations, and the fallout of the Russian invasion of Ukraine, the RIC forum keeps going. This approach also explains how the SCO, too, continues to stay afloat.

There are multiple reasons tied to regional and global geopolitics that provide some motivation for the RIC forum – the general apprehension of the political and economic consequences of a Trump presidency among them. The Chinese, Russian, and Indian economies have all been under various degrees of pressure in recent years. For India, this is a lack of adequate economic growth and the need for foreign investments and technology that it is not getting from the West. At the same time, China needs alternative markets amid economic pressure from Western governments. This reality has surely provided some impetus in both New Delhi and Beijing to at least provide a semblance of progress in resolving tensions at the LAC. At the same time, bilateral tensions are keeping the Indians from fully committing to the RIC. <sup>5</sup>

The Russians have several reasons to drive the revival of the RIC. Their protracted conflict with Ukraine and increasing dependence on China meant they had to recover lost ground at the regional level by engaging with, or promoting, broader regional and global groupings, such as the RIC and BRICS. The Russians have shown interest in both promoting a Eurasian security architecture – to counter China's growing economic influence in the region – and in India-China rapprochement- to counter Western or US-led pressure on Russia. In other words, bilateral tensions at various levels with the Ukrainians, Americans, and Chinese have driven Russia's interest in reviving the RIC format.

The Chinese have similar interests in maintaining appearances that all is well on the diplomatic front during a period of heightened competition with the US, and thus actively promote the RIC, BRICS, and SCO, in which they play dominant roles. Especially in international and regional forums where India and China are both members, these forums allow China to convey the impression that India is neutral or even leaning towards China despite bilateral tensions between the two countries.

In practice, however, several ideas for what the Chinese call 'lowhanging fruit' in the India-China relationship barely move forward. There are frequent calls for scholars' forums, <sup>6</sup> green technology cooperation, benchmarking of energy standards, and joining forces in the fields of agriculture, disaster management, and health. Many of these ideas are not new, and most have been mooted several times before. They have remained on paper partly because these Chinese commitments have always been only rhetorical. While Indian delegations at the RIC's academic forums have often included specialists on these subjects at various meetings, indicating the seriousness with which they were willing to consider bilateral or trilateral cooperation, the Chinese side has included only those from its foreign policy think tanks, not specialists in the subjects under discussion. Meanwhile, many areas suggested for cooperation, including artificial intelligence, are not feasible for multiple reasons, as with the previous ideas - differences in government systems, legal regimes, and so on - and because of the security sensitivities around them.

## The SCO's 'Progress'

It is important to assess the SCO's progress. It is more correct to view the state of affairs at the SCO not as effective regional cooperation but essentially as the sum of activities in a series of bilateral relationships. In other words, progress in the sum of bilateral relations of major powers like China/Russia with individual SCO members is being incorrectly viewed as the SCO's progress, even though China's relations with India have actually moved in a negative direction since India and Pakistan became full members of the SCO. Similarly, the brief conflict between India and Pakistan in May 2025, known as Operation Sindoor on the Indian side, is another example of how bilateral relations between the two prominent SCO members have nosedived in recent times. Indeed, Pakistani analysts themselves assess that "many members of the group have been embroiled in wars and conflicts, undermining the very fabric of SCO multilateralism."<sup>7</sup> And yet, as late as the 23rd Meeting of the Council of Heads of Government of Member States in October 2024, the organization was "reaffirm[ing] the commitment to the peaceful settlement of differences and disputes between countries through dialogue and consultations." 8

There is also a tendency to confuse size with effectiveness. Statistics that are frequently promoted about the SCO are a case in point. For instance, the SCO is showcased as "the world's largest regional organization in terms of geographic scope and population, covering 25% of the area of the world. However, if one were to remove Russia and China from the mix, it would be considerably smaller, both in

geographic scope and in population. Another statistic shows that the SCO accounts for 41% of the world's population (as of 2021). <sup>10</sup> Once again, pull India, China, and Pakistan out of the equation, and consider the quality of human resources, there is very little left to boast about. Moreover, even among these three countries, the significance of their bilateral trade relationships still pales in comparison to China's traditional bilateral ties with non-SCO members. Another statistic that becomes meaningless once China and India are removed from the picture is the claim that, as of 2021, the combined nominal GDP of SCO countries accounted for 24% of the world's total.<sup>11</sup>

China has often declared the SCO a key priority in its foreign policy. Indeed, China's neighborhood diplomacy is a significant aspect of its foreign and security policies. However, the record shows that China's neighborhood diplomacy does not necessarily entail the strengthening of regional cooperation structures. There is a tendency to confuse China's achievements in bilateral relationships with its progress in regional cooperation. It must be underlined that the sum of bilateral relationships does not equal regional cooperation.

Regional cooperation does not occur when one party remains consistently the dominant player. Under the circumstances, the SCO is a paper tiger – little is achieved beyond grand statements – actual work or progress happens at the bilateral level. On complex security issues, including counter-terrorism, progress is at the level of individual bilateral relationships – practical regional cooperation is either non-existent or misguided, as evidenced by the nature of the regional anti-terrorism exercises under the SCO's aegis. The SCO's anti-terror exercises use methods and weaponry that are inappropriate primarily to actual counter-terror operations that respect human rights and are interested in minimizing civilian casualties. Indeed, there is disagreement within the organization over what constitutes terrorism or extremism, with the preferences of China and Russia usually prevailing, as evidenced by the absence of a joint statement at the June 2025 SCO Defense Ministers' Meeting.

While the SCO has certainly offered a better impression of progress and regular activity than the SAARC, which India dominates, one has to question if the SCO is an organization intended to preserve the status quo or to achieve something greater than the sum of its parts. Preserving the status quo is easier, after all.

## Why do we have this situation?

At the fundamental level, the SCO is unevenly balanced, and member states lack mutual trust. Russia and China are by far the dominant players and are unwilling to give up on their advantages. This is why the SAARC has also failed: India and Pakistan, now members of the SCO, failed to sacrifice their individual interests for the collective good.

In a September 2024 briefing, Chinese Vice Foreign Minister Sun Weidong highlighted his country's priorities during its SCO chairmanship. Among these were the objectives of enhancing the "effectiveness of the SCO mechanism", and deepening "practical cooperation across various fields", including "financing for development, climate change and green development, industrialization, digital economy and connectivity." <sup>12</sup>

On the surface, these are all laudable aims. However, these Chinese declarations also promote Chinese interests and Chinese standards rather than regional interests. Consider poverty reduction: it is no longer just a development question but also a political slogan for the CPC and another way to promote a Chinese model of development. Note, for example, how China claims that it "has successfully won the battle against poverty, achieved the poverty reduction target of the United Nations 2030 Agenda for Sustainable Development ten years ahead of schedule, blazed a poverty reduction path with Chinese characteristics, and written a new chapter in the history of mankind's fight against poverty". Clearly, there is an intent to promote China's successes and its model without quite clearly defining what this model actually means for the political systems, cultures, ethnic relations, and environment in other countries, or considering alternative methods and approaches, or indeed, if China's success is all that it is touted to be. <sup>13</sup>

Chinese financing has also raised questions across the globe, so the content of financing must be transparent, as also the benchmarks and standards involved, so that countries do not face debt burdens that they cannot repay without recourse to extraordinary measures such as, for example, leasing land to Chinese companies for long periods, as was the case in Hambantota in Sri Lanka. <sup>14</sup>

Sun also declared that the SCO "set an example for building a new type of international relations." This "new type of international relations" involves overcoming the hegemony of Western institutions and standards. One aspect of this effort is de-dollarization. However, intraregional trade requires a currency trusted by the majority of the members. Only the US\$ performs this function since it is a currency not driven by political diktat but by market principles. Therefore, dedollarization or policies promoting alternative currencies, while perhaps important political objectives for certain members, can reduce trade and increase costs due to existing trust deficits and other economic inefficiencies.

#### Conclusion

It is worth remembering that Chinese analysts promoted the idea of India and Pakistan joining the SCO to ensure they would have a means – through the 'SCO spirit' – to overcome their conflict. Looking at the goings-on in India-Pakistan relations over the last few months and at Chinese military support for Pakistan against India, it is clear that the SCO, or the 'Shanghai Spirit', has achieved nothing in this regard.

Further, there is now greater mistrust between India and China than at any other point in their history. It is perhaps not a surprise that Vice Minister Sun talks about improving the "effectiveness of the SCO mechanism", given this reality, but this might be too much of an ask when bilateral politics plays such a determining role.

At the meeting of SCO defense ministers in June 2025, the joint statement refused to acknowledge the Pahalgam terrorist attack in Kashmir the previous month. However, it made direct reference to militant activities in Balochistan. The draft statement thus attempted to ignore India's position on terrorism and regional security while privileging Pakistan's. Given that China was the host, it would have led the framing of the document and thus bears responsibility for the SCO meeting ending without a joint statement.<sup>15</sup>

Indeed, the impression of SCO 'progress' has perhaps more to do with the acknowledgment by the smaller Central Asian Republics of the realities of asymmetry in size and capabilities with China and Russia, and of their landlocked locations. Countries in South Asia do not suffer from asymmetries with India or disadvantages of location to the same extent as Central Asian countries, and have therefore been able to exercise greater agency – whether to oppose or slow down actions they perceive as dominated by another power or as not in their own interests.

Thus, SAARC has failed because it sought to achieve at the regional level what it was unable to achieve at the bilateral level. While the SCO looks much better in comparison, it, too, operates at a sub-optimal level because it attempts to achieve regional goals without relationships of bilateral equality. China's initiatives – the Belt and Road Initiative and the three Global Initiatives launched since 2021 – can be seen as a response to at least some degree of frustration with the SCO's lack of "effectiveness" as a vehicle for promoting China's foreign policy and security interests.

Indeed, the question arises: why is China launching new initiatives on its own rather than using the SCO as the forum? Suppose regional cooperation were so effective or useful. Why is the SCO merely a sideshow to China's own activities, such as the China-Eurasia Expo, China-Central Asia Summit, and Belt and Road Initiative, among others?

Clearly, the SCO and other forums like BRICS or the RIC have their uses as tools of diplomacy and signaling in a world increasingly in flux, and where American actions and reliability can cause concern to friend and foe alike. From the Indian perspective, however, such forums cannot work if they are used to brush aside the concerns of any one member or to target another country that is not a member for political or ideological reasons.

Peacemaking, such as between India and Pakistan or between India and China, could undoubtedly benefit from mediation through multilateral organizations, perhaps more so than from individual countries. However, for that, these organizations need to function without fear or favor and cannot have cliques within or attempt to corner one country or the other. They also need to be true to the principles they claim to espouse. There cannot be multiple approaches to terrorism that are intended to cover up the misdeeds of members.

At the SCO and the RIC, there is altogether too much ideological posturing by key members that holds the interests of other countries hostage to their own. These forums need to look inwards at their own shortcomings in the bilateral and multilateral plans, over and above concerns, however genuine, about the West. Countries like India and other Central Asian countries might have interests with the United States independent of the SCO – forcing them to choose would weaken the 'SCO spirit'.

Neither cooperation nor solidarity within the SCO is possible without relationships of mutual respect and genuine efforts to strengthen peace and promote global development. Mere expansion in the SCO's membership should not be seen as progress, and it is right to ask questions about its effectiveness and viability given the changing global landscape.

What form will internal structural consolidation entail for the SCO? How can internal organizational discrepancies be addressed, and how can the SCO achieve strategic coherence? One answer offered is to transform into a more economically focused entity, but can economic focus exist in the absence of political understanding and cooperation? To try to do this is to lose the plot, like SAARC did. Questions of political, economic, and cultural hegemony by the largest countries in the SCO, as well as of unequal partnerships, need to be addressed before economic cooperation can drive regional growth.

#### Recommendations

By way of suggestion, it might be helpful to reduce the number of SCO leaders' summits, as they tend to engage in ideological posturing or rhetorical formulations. The SCO is sufficiently mature to focus on working-group meetings involving middle- and junior-level officials. That can focus on ironing out obstacles to practical and genuine regional cooperation.

In this regard, it might be necessary to move the SCO headquarters from Beijing to the capital of one of the Central Asian states – from a big country to a smaller country, with the appropriate funding by the bigger players, in order to convey more clearly the political equality of members and a desire to take on board the views of every member. While this is a symbolic step, it is also a practical step that can convince smaller or weaker members that their views count and that the bigger powers – Russia and China are sincere in their approaches to the SCO.

It is important to focus on consolidation rather than further membership expansion. This will give the SCO the space to focus on fixing problems among its members and for it to mature further. That would be the actual practice of the 'SCO spirit'.

 $<sup>^{1} \</sup>qquad \text{https://www.hindustantimes.com/opinion/delhis-multilateralism-plank-needs-tweaking-} \\ 101751555040708.html$ 

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<sup>&</sup>lt;sup>4</sup> https://www.fmprc.gov.cn/eng/xw/fyrbt/lxjzh/202506/t20250630\_11661711.html

<sup>&</sup>lt;sup>5</sup> https://www.mea.gov.in/media-briefings.htm?dtl/39809

<sup>&</sup>lt;sup>6</sup> The author was a member of the Indian delegation at the 19<sup>th</sup> Russia-India-China Academic Trilateral at Moscow in October 2025.

<sup>&</sup>lt;sup>7</sup> https://thediplomat.com/2025/08/can-the-sco-survive-its-own-conflicts/

<sup>&</sup>lt;sup>8</sup> https://eng.sectsco.org/20241016/1574921.html

<sup>&</sup>lt;sup>9</sup> https://news.cgtn.com/news/2022-09-12/Chart-of-the-Day-What-is-the-SCO-1dgqmDmy9EY/index.html

<sup>&</sup>lt;sup>10</sup> https://news.cgtn.com/news/2022-09-12/Chart-of-the-Day-What-is-the-SCO-1dgqmDmy9EY/index.html

<sup>&</sup>lt;sup>11</sup> https://news.cgtn.com/news/2022-09-12/Chart-of-the-Day-What-is-the-SCO-1dgqmDmy9EY/index.html

<sup>&</sup>lt;sup>12</sup> https://www.mfa.gov.cn/eng/xw/wjbxw/202409/t20240910\_11488270.html

<sup>&</sup>lt;sup>13</sup> https://english.news.cn/20250520/e6f43dcd24e7467994030544c56bd32c/c.html

<sup>&</sup>lt;sup>14</sup> https://www.ft.com/content/883f60d5-7085-4db6-a4e0-d277f43923b8

<sup>&</sup>lt;sup>15</sup> https://timesofindia.indiatimes.com/india/sco-summit-no-joint-statement-after-rajnath-singh-refuses-to-sign-document-pakistan-china-tried-to-go-soft-on-terror-threat/articleshow/122082287.cms