## Shanghai Cooperation Organization as a Platform for Regional Understanding: Its Economic, Political and Security Potential

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#### Abstract

The Shanghai Cooperation Organization (SCO) is one of the newest, multi-purpose regional organizations, with an agenda that ranges from broader security concerns to economic cooperation. The founding members of this organization are China, Kazakhstan, Russia, Tajikistan and Kyrgyzstan, known as the "Shanghai Five". It was on June 15, 2001 that these five regional countries, along with Uzbekistan, signed the Shanghai Convention for combating terrorism, extremism, and separatism--sometimes referred to as 'the three evils'. The SCO is a combination of permanent, observer members and dialogue partners, each having divergent interests. The most recent (July 2015) significant enhancement to the SCO was the final agreement to include Pakistan and India as permanent members. It has yet to be measured whether this grouping of nations revolves more around mere rhetoric and goodwill meetings or whether the understanding can be translated into meaningful and concrete deliberations.

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### Key Words

Shanghai Cooperation Organization, Central Asia, China, Russia, Pakistan, India.

#### Introduction

After the emergence of a new world order in the post Second World War era, regional organizations mushroomed as a compromise between nationalism and internationalism. Their significance and utility gradually developed, leading to the formation of various types of regional setups, ranging from those concerned with security considerations those focused on economic to interaction, and later extending to common language/ethnic and religious groupings. These organizations spread from Latin America to the Far East. From 1945 to the 1990s, their main focus was to attain the objectives of rapprochement, economic cooperation and security development, within near similar circumstances. In particular, the newly independent states of Africa, Asia and the Caribbean were inclined

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towards such cooperation. Since the 1990s, the trend of regional integration with a concept of "new regionalism" spread, establishing further new collaborative networks like the North American Free Trade Agreement (NAFTA) and MERCOSUR (derived from the Spanish Mercado Común del Sur, which means Southern Common Market, MERCOSUR is an economic and political agreement among Brazil, Argentina, Paraguay, Uruguay, and Venezuela). Already existing regional associations like the Regional for Cooperation Development nomenclature (RCD) changed its Cooperation to the Economic (ECO), while Organization the European Community (EEC) became the European Union (EU), and the previously named Organisation of African Unity (OAU) was renamed as the African Union (AU). Historically, the regional organizations formed for economic objectives became more successful than the others. while those who initially aligned on the basis of security later expanded their cooperation in other areas like trade, human rights, environmental issues and democracy. We cannot neglect that in both instances, security concerns nevertheless remained in the background.

In Asia, there are approximately eleven regional organizations that have security concerns, at least by implication.<sup>1</sup> Originating from the concerns of domestic security of Central Asian member states, the newly evolved Shanghai Cooperation Organization (SCO), in a short timespan has managed to widen its scope to the political and economic fields. With both Russia and China as its members, the SCO also holds the potential of presenting an effective platform for reflecting the various preferences of its member states and exhibiting the capability of resisting the United States' "dominance" over the region.

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This paper attempts to examine the potential of the SCO in resolving the regional threat perception of Central Asia and its vicinity, encompassing the common concerns and involvement of its members. In order to examine this concept, we need to understand the evolution and development of the SCO as an effective political and economic alliance, by keeping in view its performance since 2001. The article seeks to understand the political trends towards the effectiveness of the SCO, in order to provide regional security for its member states. In addition, the paper will study the challenges hampering the effectiveness of the SCO, from national, regional and global perspectives.

# Evolution and Development of the SCO

The SCO is a relatively newly formed organization, which has emerged as a main security arrangement in the region of Central Asia and its surroundings. The foundation of the SCO can be traced back to the early 1990s, when an issue of shared borders between China and the Central Asian Republics arose. In April 1996, the "Shanghai Five" was designed, including Russia, China, and three Central Asian countries: Kazakhstan, Kyrgyzstan and Tajikistan. In 1997, these five countries signed two border related agreements. The first was "the Shanghai Agreement on Confidence Building in the Military Field in the Border Area", followed by the "Agreement on Mutual Reduction of Military Forces in the Border Areas". The coordination of these countries began from security concerns and later the agenda was extended to various other fields, including the economy and domestic terrorism. The summit of the "Shanghai Five" on 15 June 2001 had historical relevance because of two developments. First, during this summit, the "Shanghai Five" changed its name to the "Shanghai Cooperation

Organization (SCO)". Second, yet another country, Uzbekistan joined its fold as a permanent member. In July 2015, the most important expansion took place with the induction of Pakistan and India as its permanent members, followed by Belarus as an observer member (having previously been a dialogue partner), and four others; Belarus, Afghanistan, Iran and Mongolia became observer members. Subsequently, the SCO has accepted four new countries (Armenia, Azerbaijan, Cambodia and Nepal) as dialogue partners, along with already present Turkey and Sri Lanka.

A unique feature of the SCO is that it comprises a fairly large geographic area, occupying a territory of around 27,406,927 square kilometers, and comprising a quarter of the planet's populace. The main objective of this organization, as spelled out in the Charter, revolves around the principles of, "mutual trust, mutual advantage, equality, mutual consultations, respect for cultural variety and aspiration for joint development".

In the structural makeup of the SCO, the Heads of State Council (HSC) is the highest institution of policy making, and meets once a year in one of the member States' capital cities. The second important body of the SCO is the Heads of Government Council (HGC), which, apart from the approval of finances for the organization's budget, also engages

itself in the modalities of multilateral collaboration during their annual meetings. Another important body is the Council of Foreign Ministers, which is assigned with the task of devising strategy for collaboration with other international organizations. The permanent executive body of the SCO is its Secretariat, situated in Beijing. The main purpose of this Secretariat is to enforce the program of the organization. Another permanent body of the SCO, the Regional Anti-Terrorist Structure (RATS), addresses the urgency of ongoing security needs. This structure aims to confront, "terrorism, separatism and extremism",

particularly in the contemporary environment, where hardly any region is safe from the threats of domestic, as well as inter-state terrorism and violence. RATS depicts the seriousness and commitment of this organization against regional and international terrorism. Its headquarters are in Tashkent, the capital of Uzbekistan, which is a permanent member of the SCO. The term of office for the head of RATS is three years. Every member state is entitled to send a permanent representative to RATS. Apart from the mentioned institutions of the SCO, there are various other departments, dealing with diverse subjects.

#### Figure 1



Source: "Council on Foreign Relations", http://www.cfr.org/china/shanghai-cooperation-organization/p10883 (last visited 12 October 2016)

Member Countries	Joining Date	Area in km	Population	Per-capita Income
<b>Permanent members</b> China	April 1996	2,717,300	1,357 billion	11,850 ppp dollars
Russia	April 1996	17,098,242	143.5 million	23,200 ppp dollars
Kazakhstan	April 1996	199,900	5.72 million	3,070 ppp dollars
Tajikistan	April 1996	143,100	8.208 million	2,500 ppp dollars
Uzbekistan	June 2001	447,400	30.24 million	5,340 ppp dollars
India (Acceding)	July 2015	3,287,590	1.252 billion	5,350 ppp dollars
Pakistan (Acceding)	July 2015	796,095	182.1 million	4,920 ppp dollars
<b>Observer Members</b> Mongolia	June 2004	1,565,000	2.839 million	8,810 ppp dollars
Iran	July 2005	1,648,195	77.45 million	15,600 ppp dollars
Afghanistan	June 2012	652,225	30.55 million	2,000 ppp dollars
Belarus	July 2015	207,560	16.950 million	16,950 ppp dollars

#### Table 1: SCO Member States

Source: Compiled by the authors, from various sources, including the "Shanghai Cooperation Organisation Secretariat", http://www.sectsco.org/

The diversity of the member states, in terms of geographic area, population, and per-capita income, as well the date of joining is reflected in Figure 1 and Table 1, as above.

## Members of the Shanghai Cooperation Organization and Their Interests

The basic concern of any regional arrangement lies in the mutual interest

of its member states, which provides a platform to address and resolve the emerging concerns. Common as well as individual interests motivate the member states to devise a strategy for such regional understanding. As far as the mutual interests are concerned, they range from the joint security network; threats both from within and outside surroundings, to the sphere of economic development. Apart from the common interests, the diversity of member states enables them to design policies and concerns, which can be best resolved with the help of the collective effort of the member states. Thus, this diversity, instead of creating hindrance, can facilitate the member states to come to terms on a common agenda, simultaneously providing a space for their specific interests. The best optimistic account would be to visualize these ethnic, linguistic and geographical features creating a mosaiclike dynamic regional arrangement.

## *Relevance of the SCO Member States*

Two of the original members, China and Russia, share a commonality of being nuclear powers, as well as occupying the status of being permanent members of the United Nations Security Council. Besides these common features, both countries have committed to build their regional relations for peace and harmony, shedding away decades of fear and suspicion for each other. According to one opinion, one of the reasons for their committing to regional relations is the Chinese pecuniary dissemination into Russia's Far Eastern Federal District, which in future is expected to make the local population dependent on them.<sup>2</sup> These speculations further supplemented China's growing economic progress, which has effectively challenged the US as well as the EU. However,

Russia's undefined world status and its limitations make its position less significant in the new World Order. According to an assessment, "the smooth and complementary meshing of defensive elements in Russian motives with ambitions for "soft"-that is, economic and cultural-hegemony on the Chinese side is the central secret of the SCO's success and the key to its hopes of survival."3 Apart from the suspicion and differences, these two neighbors share some common and individual interests for being in this regional arrangement. As far as the common interests of both countries are concerned, first, through this forum, they strive to maintain their borders without tension. Second, both partners believe in designing a mechanism for synchronicity in Central Asia. Third, both powers struggle to shape a network for regional security, which could in the long run prove to be an international bloc, with a capacity to operate independently from Western influence. Apart from these shared objectives, both countries also have their individual agendas in the SCO. First, for Russia, the SCO plays a constructive role in developing its cordial relationship with China and with members of the Central Asian states, which were not long ago a part of the Soviet Union. Second, by being a part of this regional cooperation, Russia aims to demonstrate its capability to resist US

dominance in this region, by providing a platform for political discourse, as an alternate to the EU and the North Atlantic Treaty Organization (NATO). Similarly, apart from the mentioned combined vision of these two powers, the individualistic interests of China in the SCO remains in the significance of the Central Asian region. The reason being that this region has been "opened up by the end of the cold war after generations of Soviet seclusion; an intriguing market for both goods and technologies; and a source of muchneeded energy that China can afford to pay for but would like to reserve to itself under long-term agreements based on material interdependence."4 Therefore, with a great potential of economic development, China finds this regional arrangement serves to its fiscal interests. The second most important interest of China in the SCO is the apprehension that some of the fellow member states harbour Chinese dissidents, thus becoming a security hazard to its non-Chinese North West Region. The SCO charter provides a provision to discourage such dissenting elements, as Article 2 reaffirms that "the member States of the SCO shall adhere to the mutual respect of sovereignty, independence, territorial integrity of States and inviolability of State borders, nonaggression, non-interference in internal affairs, non-use of force or threat of its

use in international relations, seeking no unilateral military superiority in adjacent areas."

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On the other side, the landlocked member countries of Central Asia have few links with the outside world. Even within the regional context they are diversified. The oil and gas reserves of Kazakhstan and Uzbekistan distinguish these countries from the rest. Another diversity is landmass, which sets these two apart from the relatively "small" Kyrgyzstan and Tajikistan.

Collectively, the Central Asian member states of the SCO face a challenge of trying to protect their while solidarity upholding their individual concerns, in a region characterized by weak political systems, shaky economic arrangements and fragile social structures. Apart from the mentioned diversity and multiplicity of problems, the SCO member states have made a pledge in the Charter and in various Summits to coordinate their interests in a regional context. For these Central Asian member states,

the biggest challenge is to find their place in a region where a dominant Russia and an economically developed China are also located. In the abovedescribed situation, the SCO on the one hand provides a platform for the Central Asian states for understanding diversity and multiplicity of the interests of each member; while on the other enables them to interact with the regional powers on various fields. Another important contribution of the SCO is that it can provide for these states' security, particularly when all of them face serious extremist threats, internally as well as inter-state, particularly after 2002, stemming from the Afghan situation, as acknowledged by the Deputy Director of the SCO Research Centre at the Shanghai Academy of Social Sciences (SASS), Hu Jian. Mr. Jian states that, "terrorism and extremism are key factors in the region and Afghanistan has been a cradle for terrorism and extremism since the US invasion."5 Apart from the security concerns, there is an encouraging prospect of closer economic ties within the regional context. Article 3 of the SCO Charter, under the heading of "Areas of Cooperation", mentions that the member states will "[support and promote...] regional economic cooperation in various forms, fostering a favorable environment for trade and investments with a view to gradually achieving free flow of goods,

capital, services and technologies." An example of this is the Chinese investment to support other members' power infrastructures, including "the development of the hydroelectric power sector and electricity networks that are important for their own energy needs; and major road and rail transport projects that could mitigate the geographical isolation of –in particular– Tajikistan, Kyrgyzstan and Uzbekistan, while offering profits from the growing transit trade to countries such as Iran, India and Pakistan as well as the West."<sup>6</sup>

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In July 2015, Pakistan and India became acceding permanent members of the SCO, after having been observer members since 2005. Despite divergent interests of both countries, within the SCO structure, they are expected to share some common interests. First, they gain access to the Central Asian region, including the Turkmenistan-Afghanistan-Pakistan-India (TAPI) gas pipeline project. Second, it is an opportunity through which these two important South Asian countries could explore ways of resolving their various contentious issues within the parameters of a regional context. Third, as parts of this organization, both countries can seek ways of promoting mutual regional policies. Apart from these inspiring factors, there are some fears in both countries regarding this region. First these two rival South Asian powers might not be able to overcome their unilateral interests. Second, India in particular is fearful of the long history of Central Asian rivalries and alliances during the post-Cold war period. While assessing this aspect, Major Jefferson Turner writes:

"For India this aspect is based on perceived threats whether from Chinese encirclement or regional instability generated by the Afghan Taliban government. India also views the potential lack of access to a new east-west economic corridor – replacing the Cold War north-south orientation– as troubling. Finally, Central Asia represents an area for potential cooperation and conflict with the United States over state interests (e.g. countering Chinese influence or energy development and transportation routes)."<sup>7</sup>

Apart from the factors as mentioned above, the expected monetary benefits from this region are the most attractive

driving force for India and Pakistan to participate actively in this regional organization. However, Pakistan's aspiration to get maximum benefit from this regional organization has two serious challenges. First is the influence of the Taliban in Afghanistan, who, according to some analysts, are getting support from the border areas of North Western tribal Pakistan. this situation. Pakistan's firm In commitment against terror activities has its handicaps, becoming an irritant for China in particular. Second is the conflict within the South Asian region. Apart from China and Pakistan, India has issues with Bangladesh, Nepal and Sri Lanka. It also has problems with Bhutan and Burma over Nagaland and Assam separatists. Along with this, its interference in Maldives further weakens its position in the SCO.8

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In a commentary justifying Pakistan's keen interest to join the SCO, a newspaper article expresses that "the resolve of the SCO to fight the menace of terrorism, promoting regional peace and security and working for shared

economic prosperity are very much in harmony with what Pakistan is looking for and needs desperately. Pakistan's resolve to look to the region where it belongs, for finding solutions to its economic woes and other debilitating challenges, represents a paradigm shift in the conduct of its foreign relations".9 Pakistan's most paramount interest in this organization however, remains the fact that it has extremely cordial ties with China, which is the founder and dominant member of the SCO. In this context, upon becoming a full member of the SCO, the Prime Minister of Pakistan, Mr. Nawaz Sharif, at the Zhengzhou (China) 14th Heads of Government Council meeting, held on December 15, 2015, made it clear in his acceptance speech that his country would "collectively confront the challenges of extremism, separatism, terrorism, human and drug trafficking, organised crime and environmental and natural disasters... (as) the security situation around us remains precarious...(and) Pakistan is seeing challenges to state sovereignty, territorial integrity".<sup>10</sup>

## Interest of Observer States in SCO

Apart from the permanent members, the observer states are also allowed to send their representatives to higherlevel meetings. As one such state, Afghanistan has a strategic significance within the regional context, which could be enhanced, especially after the withdrawal of NATO forces led by the US. Contact between the SCO and Afghanistan was established in 2005, when the Afghan leadership showed its interest in this regional forum. This was followed by a dialogue resulting in its participation in various meetings of the SCO, and becoming an observer member in 2012. The interests of Afghanistan and the SCO member states increased after the announcement of the withdrawal of NATO forces from Afghanistan in 2014. It was estimated that as a consequence there would be repercussions for its Central Asian neighbors and Pakistan. While sharing views at a roundtable discussion at the Institute of Regional Studies (IRS) in Islamabad; a senior researcher of China Foundation of International Studies (CFIS) and a former Ambassador to India and Pakistan, Zhou Gang, expressed concerns that NATO's withdrawal from Afghanistan "might not be a smooth transition", and although some US military presence in Afghanistan would undoubtedly extend beyond 2014, it was "not clear how the US would consolidate the government of Afghanistan post-2014 and keep its relations with its immediate neighbours stable."11 At the same event, Chairman of China Foundation of International

Studies (CFIS) and former SCO Secretary General, Zhang Deguang, stressed that China and other Central Asian states along with Pakistan, should devise a strategy for the Afghan glitches. China's interests in a post-US Afghanistan could stabilize the situation and help bring together the warring factions to the negotiation table.<sup>12</sup>

Another keen aspirant for full membership in the SCO is Iran, which has already solidified its bilateral relations with China. The main hindrance for Iran, in the past, has been the US and Security Council sanctions over its nuclear program. The SCO member states were thus reluctant to accept Iran as a full member because in their perception it would not be beneficial to offend the United States. Recently, the sanctions are being lifted as a result of an accord signed between the P5+1 and Iran,<sup>13</sup> and with this, Iran's prospects of becoming a full member have become brighter.

During the 2013 summit of the SCO, the Iranian President showed his eagerness to work with the economic organization and assured his Chinese counterpart Xi Jinping that "Iran would like to accept supervision from the International Atomic Energy Agency and to eliminate worries from international society through cooperation."<sup>14</sup>

As far as Mongolia is concerned, its interest in the SCO revolves around its desire to establish a smooth relationship with China. During the 12th SCO summit, on 6th June 2012 in Beijing, the President of Mongolia, Tsakhia Elbegdorj, expressed his keenness by stating that "within the framework of the SCO, Mongolia is interested in many sectors, such as economy, culture, education, nature and environment, prevention of natural disasters and reducing disaster causalities. Mongolia also seeks to enhance its cooperation in the fields of combating drugs, narcotics and terrorism. In the future, Mongolia will continuously administer its policy to expand its involvement in the SCO operation on mutually beneficial grounds."15 Similarly, Belarus, as the only country from Europe in the SCO and the most recent to be accepted as an observer member, also expressed its keen interest in this organization, by endorsing its multilateral purposes. Belarus President Alexander Lukashenko stated, "this is not just another platform for conversations and talks, though this is important. Still, the organization includes giant states, giant economies. This is of great interest to us even from the practical point of view, not to mention diplomacy, politics, etc."16

## Potential of the SCO as a Viable Regional Arrangement

The prospects of the SCO as an effective regional organization can be studied from three different dimensions; economic, political and security. As far as the economic dimension of the SCO is concerned, an established fact is that no regional arrangement can progress without fiscal cooperation among its member states. By becoming an economic global giant, China has all the potential to accelerate economic activity through this forum for the benefit of all SCO member states. In one example of such activity, China in 2003 suggested a freetrade zone amongst the members of the SCO.<sup>17</sup>To facilitate this suggestion, four working groups were structured from 2002 to 2006,18 100 associated programs projects were accepted, and the SCO and the Eurasian Economic Community (EURASEC) signed a memorandum of understanding, particularly for trade. However, the low developmental cultural infrastructure of the Central Asian member states created a hindrance in actualizing China's wishes. Realizing this uneven status of its fellow members, in 2004 China offered a loan of \$900 million to the Central Asian States. While announcing this loan, Chinese President Hu Jintao stated, "We should fully take advantage of the high complementary economy among members and the rich natural resources and start cooperation in various forms."<sup>19</sup> China also promised to fulfill its need of hydrocarbon from Kazakhstan and Russia, who are its major manufacturers.

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Apart from providing economic incentives to its member states, the SCO also contributes towards political and security prospects. In this regard, the SCO aims to discourage the practice of armed skirmishes, while promoting military collaboration for defensive purposes under the "New Security Concept", which can pose a challenge for the agenda of United States-led security arrangements in this region. Matthew Oresman reflects this suspicion when he writes, "some analysts in the United States, particularly those still trapped in a Cold War mentality, believe the SCO is an attempt to limit Washington's influence in Central Asia. U.S. policy toward the SCO remains ambivalent, lacking a comprehensive or vocal response. Yet, as China's first attempt at shaping a new international system, the

SCO reveals much about China's plans to engage the world in the coming vears."20 Despite the reassurances of China and Russia through their statements, the Western powers still have apprehensions about this unique regional setup. So much so that an American critic of the SCO equates it as a rival to NATO. He goes on to say that China is the main force behind this organization, as well as beneficiary.<sup>21</sup> It is explained by Tyler Roney that "as the most powerful and involved country in the SCO by far, China has the power to shape the domestic policy of the whole of Central Asia, an upsetting prospect for many....".<sup>22</sup>

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On the other hand, expressing a selfassured view, Junfel Wu states, "the SCO is not an aggressive alliance against the US and will not become one in the near future either. Both Russia and China have been repeatedly stressing that the SCO plays an important and positive role in safeguarding regional security and promoting member states' common development."<sup>23</sup> The reason ascribed to such Western sensitivity arises from at least two developments: 1) the United States in 2005 was denied observer status in the SCO; and 2) in 2006, Iran, the main critic of US policies, was accepted as an observer. In fact, according to a faculty member of Peking University, China has adopted a sobering policy by "cautiously downplaying the anti-U.S. rhetoric played up by some member states (particularly Uzbekistan and Iran).<sup>24</sup>

The 14<sup>th</sup> Dushanbe summit of September 11-12, 2014 made further commitments through its agenda, in more clear and specific terms. It took measures to finalize modalities for the organization's expansion. In order to do so there were legal requirements to be fulfilled. It was agreed that the process would be created before the Russian 2015 Summit. Out of the eight non-permanent members, three (India, Iran, Pakistan) were chosen for permanent membership. It was acknowledged by Shannon Tiezzi, writing for The Diplomat, "...should the SCO expand, as it is now primed to do, the organization would see a corresponding jump in prestige and influence".25 Further quoting Xinhua writer Li Li, the above mentioned commentator, as seen from the Chinese perspective, wrote that the expansion is expected to "infuse fresh vigor into the group's future development and boost its influence and appeal on the international arena."26

Spelling out the interests and perceptions of some key permanent members on the expansion of the organization, Shannon Tiezzi wrote:

"Russia is eager to see the expansion of the SCO. Moscow cares more about the geopolitical value of the SCO than economic cooperation or cultural exchanges among the members. Russia believes that the more members it has. the more geopolitical significance will be added to the SCO, especially during a time when the rivalry between Russia and the West is intense. Central Asia has been the focus of SCO attention. Even when new members are added, it will not direct the organization's gaze toward other regions. The four Central Asian members also have the right to allow or not allow new members. China will stick to SCO principles and procedures for expanding membership. It welcomes any new members and will continue to push forward pragmatic cooperation and internal unity.

It is true that there are huge differences among SCO members such as their geographic size, economic strength, and resource reserves. This is a problem that any regional or international framework faces. Nonetheless, the SCO has managed to move forward since its founding, and this sets the condition for its possible expansion in the future".<sup>27</sup>

In yet another opinion from the Chinese perspective, Shannon Tiezzi explained that the expansion of the SCO would be regarded as a positive measure for the stability and utility of the region:

"An expanded SCO will be in a better position to achieve Xi's (Chinese President Xi Jinping) vision of becoming the regional security heavyweight. Despite a tendency to see the SCO as a competitor to NATO, Chinese leaders stress that the SCO is something entirely new. In Dushanbe, Xi announced, 'SCO members have created a new model of international relations partnership instead of alliance'. An op-ed in RT by a former Russian deputy foreign minister struck a similar tone, contrasting the SCO with 'the rigid discipline that exists within old-fashioned, cumbersome alliances of the previous era, which imposed serious constraints on the sovereignty and freedom of their member states'. By comparison, the SCO is described as 'fully in tune with the realities and requirements of the 21<sup>st</sup> century' – the model for future international relationships. With three new partners added to

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its ranks, the SCO is now better positioned to truly challenge those 'cumbersome alliances' for primacy in shaping regional security".<sup>28</sup>

Apart from its expanding aspect, the SCO is expected to focus on the recent rising threat from such global terrorist groups as the Islamic State (IS). The Russian Deputy Foreign Minister Igor Morgulov in particular, mentioned the threat of IS. He defined the Islamic State as "the most obvious challenge" to the SCO members.<sup>29</sup> However, the organization is yet to formulate a comprehensive strategy to cope collectively with such terror groups. An active collective pursuit in this matter can take shape if the threat grows either in Afghanistan or in some other neighborhood of the member states.

#### Conclusion

We may assess from the discussion as well as questions raised in the preceding pages that the SCO has a considerable potential to serve the wider interests of its member states. It is more relevant to Central Asian states, which are striving for political maturity and economic development, by taking cognizance of their internal challenges. In this regard, China and Russia have a great responsibility. As far as the defensive nature of this organization is concerned, the SCO can be graded as a security alliance instead of military alliance as perceived by some US writers, mentioned elsewhere in this paper. Unlike the structure and objectives of the North Atlantic Treaty Organization (NATO), both China and Russia have described this organisation as a "partnership instead of alliance".<sup>30</sup> Moreover, having as members two important regional powers, China and Russia, the SCO is not only a platform for under-developed member states to seek solutions for their internal problems, but is also a relevant forum to integrate economically, through trade and investment.

The integration and development of this regional organization depends on effective economic and security cooperation, and on managing or reducing the ongoing as well as potential tensions, within the regional framework.

No matter what the critics in the West say, we may present some suggestions that could make the SCO a more effective regional forum. First, there is a need to design comprehensive laws and policies to more effectively administer the regional affairs. However, for this to succeed the efficient functioning of its various institutions must play a supportive role. Second, the SCO should work exclusively to ensure its prime objective of regional security by devising a strategy to resolve traditional and non-traditional threats to the region. Above all, the organization must take serious note of the ongoing issues of contention between the member states and make all efforts to find fruitful solutions. Third, the SCO should realize that the economic integration and cross-cultural linkages of this region is only possible if a peaceful environment is ensured along with strong security imperatives.

Thus, the integration and development of this regional organization depends on effective economic and security cooperation, and on managing or reducing the ongoing as well as potential tensions, within the regional framework.

## Endnotes

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