Summary: The main goal of this paper is an analysis of activities, purposes, problems of the (SCO) since its inception in order to understand what is the main reason behind its creation and existence? What are its achievements and what benefits have got each member state? Is it beneficial to all members? The hypothesis is that SCO serves only its big members, it was intended to be a China’s tool to enter Central Asia without vexing Russia. The article analyzes the activities of the SCO with the existing theories in IR in order to answer these questions. The main objective of the SCO was an attempt by the powers of the Central Asia to control the region. The SCO faces problems of distrust between its members. It is a very important instrument of guaranteeing Sino-Central Asian partnership. It is also a guarantee that China will never dominate Central Asia due to many signed agreements within the organization. With more than twenty years of history and existence, the SCO may become a real force on the international arena. The SCO’s intention is to become a world power and to construct a fairer international order. The SCO has the economic potential and political will to do it.

Keywords: Central Asia, Russia and China in CA, international and regional organizations in CA, SCO, EAEU, BRI, international and regional security

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Introduction

Since the establishment of the SCO, there have been different views on its structure and its main purpose of existence. From 2005, the SCO has been designated designated as “A new Warsaw Pact” (Hansen, 2008), “Oriental NATO”, and “Club of dictators” (Brookes, 2006). By some, the SCO is seen as a cooperation organization, while others see it as a regional integration organization. Some believe it is a political-military structure (Suyunbaev 2011 interview), others see it as a regional security structure. Further, some experts describe the SCO as a simple forum for dialogue, but one which is not really a proper organization (Knyazev Alexandre interview, 2010). The main question is what is the reason of its creation and existence? Does it intend to serve only to big members or even only to China? Or other members also benefit from it? The hypothesis is that SCO as an organization with realist purposes is intended to be beneficial only to big states. Another view is that the members of the SCO are pursuing their national selfish goals participating in the SCO. Neither big nor small members act for the sake of the organization; no one cares about its future or common interests but each battle for their national interest.

“The Shanghai Cooperation Organization (SCO) is a somewhat opaque organization with many commentators questioning its purpose” (Lohschelder, 2016). The main goals and tasks of the SCO, according to the Charter, are security in the region, promotion of a new democratic and fair international order, regional cooperation in all spheres, etc. (Charter). These are the official goals of the existence of the Shanghai Cooperation Organization. During each official meeting, heads of states and other officials of its member states claim that the SCO is not created to balance third states or international organizations (Hansen, 2008).

One of the first purposes of the creation of the SCO was to increase confidence between neighbors with regards to their frontiers, allowing them to reduce military staffing there. Today, member states can say that the SCO achieved its primary goal (Why). Regional security, another basic goal of the organization, is also believed by members to have been increased thanks to the efforts of SCO members, with
the reduced number of terrorist attacks and extremist activities. The Regional Anti-terrorist Structure based in Tashkent was created for the maintenance of security in the region. Nowadays, this Structure is an executive body coordinating security activities. The countries of the SCO have been holding annual Peace Mission military exercises since 2002, and have created and shared a database of terrorist groups and members in the territory of the SCO (Official web page of the SCO).

In April 1996, China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan signed an agreement on the consolidation of military confidence in border regions – the first achievement in the area of border security. This agreement resulting from bilateral negotiations was signed by the presidents of the five countries. The success of the Shanghai meeting prompted the participating countries to develop this cooperation. In 1997, the Moscow meeting resulted in an agreement on the mutual reduction of armed forces along the borders between member countries (Nicharapova, 2015).

Kyrgyz political scientist Marat Kazakpayev (personal communication in 2009) expressed the inefficiency and futility of the Shanghai Five for Central Asian countries in solving border issues. There are still territorial disputes between Uzbekistan and Kyrgyzstan, Kyrgyzstan and Tajikistan, etc. This would prove that the SCO/Shanghai Five only served the interests of China since border issues between China and other participants were resolved not between Central Asian states but within the Shanghai Five. In 2011 during the SCO summit in Astana, Kyrgyz President Roza Otunbayeva recalled the existence of territorial problems among the countries of Central Asia and said „it is very sad that these problems still exist“. So many other Kyrgyz experts speak of the futility of the Shanghai Five for resolving territorial disputes (Nicharapova, 2015).

In economic and other spheres most of the planned joint projects remained on paper since states cannot find compromise in most of the discussed questions and each of them were trying to get more benefits for its own nation. Military and economic cooperation did not happen because of the China-Russian contradictions concerning the main aim of the SCO (Nicharapova & Shukuralieva, 2019; Shukuralieva, 2018).
Realist Approach in Analyzing SCO: Tool for State-Members in Pursuing Their National Interest or Tool for China and Russia?

Realists in studying international or regional organizations see power and the true influence behind the façade of these structures (Martin & Simmons, 2002). Hans Morgenthau mentioned that “governments are always anxious to shake off the restraining influence that international law might have upon their foreign policies, to use international laws instead for promotion of their national interests” (Morgenthau, 1985).

Realists maintain that institutions are basically a reflection of the distribution of power in the world. They are based on the self-interested calculations of great powers and they have no independent effect on state behavior. Author’s main conclusion is that IOs have minimal influence on state behavior (Mearsheimer, 1994–1995). John Mearsheimer defines an international institution as “a set of rules that stipulate the ways in which states should cooperate and compete with each other” (Mearsheimer, 1994–1995; North et al., 1970).

According to the realist approach of IOs each state in the international system aims to guarantee its own survival and maximize relative high power position over other states (Mearsheimer, 1994–1995). According to Robert Keohane the regional hegemon exercises its power not through direct military or economic domination, but through the creation of an international regime, which, if successful, lives its own life and can even redefine national interest (Keohane, 1984).

Professor Tsuneo Akaha holds a realist view that members of international organizations use them exclusively to pursue their national interests (personal communication in 2011). The case of SCO confirms this argument. In the SCO not only Russia and China pursue their national goals that we discuss later but also Central Asian states do the same. Because of divergence of national interests that each member pursue by participating in the SCO this organization is perceived as formal, ineffective “paper tiger”.
During personal communication in 2013 with the representative of Embassy of France in one of the Central Asian countries that person mentioned that “the biggest winner in the SCO is China, Russia is a looser and Central Asian states are big loosers”\textsuperscript{2}.

Central Asia is an important region for China, they share a common frontier and people with the same culture and religion. The Xinjiang Uighur Autonomous region of China is the most problematic region for the Chinese government. It has common frontier with the Central Asian states of Kyrgyzstan, Kazakhstan and Tajikistan. The Uighurs living in Kyrgyzstan and Kazakhstan maintain good relations with their brothers living in China. After the collapse of the USSR, they supported each other in gaining independence. The main goal of the People’s Republic of China (PRC) in Central Asia is security, economic development of its Western frontiers, and energy resources of CA (Mariani, 2013).

For the Russian Federation, Central Asia is an important region in terms of resources. Furthermore, Russian feeling is that, as Central Asia has historically been Russian territory, no one should contest its role in this region (Moldaliev, 2011). Russia is thus interested in Central Asia in all spheres.

The main goal of the creation of the SCO was to allow Russia and China to increase their cooperation in this region without vexing each other. Through cooperation within the SCO, Russia and China could control each other’s activities in this region and influence each other’s decisions (Nicharapova, 2014). Also, this organization served Russia and China to limit Western countries presence and activities in this region and it was seen as a tool for Russia and China to contest existing American dominated world order. According to Mikhail Konarovsky „the creation of the SCO was dictated by the international situation” (Konarovskyi Konarovskiy Sergei interview, 2011). He meant that existing unfair world order provoked China and Russia to create the SCO.

After famous Astana declaration made by the heads of its member states during the 2005 summit, the organization was viewed both

\textsuperscript{2} Due to his/her position this person wished to remain anonymous.
as anti-American and anti-NATO (Cooley, 2010). Among the other demands in the Astana declaration, members of the SCO demanded from the US and NATO to fix a date to withdraw all military bases situated on the soil of the member states of the SCO (Declaration, 2005). “Considering the completion of the active military stage of antiterrorist operation in Afghanistan, the member states of the Shanghai Cooperation Organization consider it necessary, that respective members of the antiterrorist coalition set a final timeline for their temporary use of the above-mentioned objects of infrastructure and stay of their military contingents on the territories of the SCO member states” (Declaration, 2005).

At that moment, there were several American military and air bases situated in Kyrgyzstan and Uzbekistan (Beehner, 2005) which played an integral role in the Afghan war. After this declaration, the SCO came to be viewed as the “Eastern NATO”, “Club of Dictators”, and an anti-American organization. Most people determined that the real reason for the creation of the SCO was to limit American influence and politics in the Central Asian region (Beehner, 2005). Later in 2005 US military base in Uzbekistan was withdrawn after the Andijan events and the one in Kyrgyzstan in 2014 during Atambaev’s reign. In case of Kyrgyzstan, withdrawal of American military base was not beneficial for the country since Kyrgyz Republic was paid 60 mln US dollars annually for this military base (Pillalamarri, 2014). The closure of American military base in Kyrgyzstan was beneficial only to Russia and China. Anti-Americanism is not always beneficial for Central Asian countries.

Since 2002 economic cooperation has also been one of the fundamental goals of the organization. Initial intention was for a large-scale plan of economic and social cooperation between states on multiple levels, which included energy, transportation, roads, trade, tourism, agriculture, health, education and other infrastructure development (*Programma*). Agreement on the mechanisms for the realization of this plan was adopted one year later. However, this ambitious programme of economic cooperation continues to exist only on paper due to the absence of mechanisms for financing common projects. Since 2006 China and Russia have not been able to
come to agreement on the creation of the Bank of Development of the SCO, or on an SCO Development Fund. China forwarded this idea, but was not able to get the accord of the other major member of the SCO. Russia does not appear to be interested in the development of the SCO as an economic organization since in case of that China would dominate SCO and Central Asia. This option was not beneficial to Russia. But it is apparent that economic cooperation within SCO would be beneficial not only to China, but also to Central Asian states.

Despite this, since the mid-2000s, economic cooperation has emerged as a twin-priority for the SCO alongside security. In 2003, the SCO published an ambitious programme of multilateral trade and economic cooperation which set out over 100 projects covering collaboration on finance, trade, transportation infrastructure, telecommunication, agriculture and energy. A plan for the realization of this programme was announced a year later. To date, economic cooperation has focused overwhelmingly on macroeconomic projects to develop state infrastructure, transportation routes in particular. The SCO has sought to play a central role in the development of projects to build a road between Volgograd (Russia), Astrakhan (Russia), Atyrau (Kazakhstan), Beyneu (Kazakhstan) and Kungrad (Uzbekistan), as well as the on-going discussion of the construction of a railway between Andijan (Uzbekistan), Torugart (Kyrgyzstan), and Kashgar (China) (Aris, 2013). But this economic cooperation programme is not active nowadays or partially realized on bilateral basis.

In my opinion, this programme has not come to fruition because of Russia’s disinterest in China-led economic cooperation. It has also been frustrated by Central Asian sinophobia and blocking of these initiatives. There is a great deal of distrust in the Central Asian states and Russia toward Chinese intentions. In order to stop the growing influence and domination of China in the SCO and the region, President Putin has accelerated the activity of the Eurasian Economic Union (EEU). The Central Asian member states of the SCO and Russia have together formed a Collective Security Treaty Organization (CSTO) to act as the main organization for security in
the region. This is further indicative that Russia and Central Asia do not trust China (Imanaliev, 2009).

At the Ufa summit in Russia (2015), member states adopted the SCO Development Strategy, which included bolstering finance, investment, and trade cooperation as a priority over the next ten years. Beijing has pushed the organization to focus on economic cooperation with proposals like launching a development fund and a free-trade zone. In the past, many of these initiatives were “met with skepticism” by regional members. However, Central Asian member states, in the need of infrastructure and energy investment, have been responsive to these overtures, despite Russian sensitivities to China’s expanding influence in former Soviet satellites (Albert).

It is no secret that the main problems in the SCO stem from Russian-Chinese contradictions on many questions. These two states, as the major regional players, define the future of the SCO (Imanaliev, 2009).

The Russian and Chinese visions of the missions and future of the SCO are different. “Russia would prefer that the SCO evolve into a true military alliance as soon as possible. This, however, does not correlate with the Chinese vision of the organization. Beijing’s involvement in the SCO is rooted in geography and economics” (Russia, 2008) “China blocked Russian efforts to convert the SCO into a military alliance and Russia blocked Chinese efforts to convert the organization into a tradebloc” (Blank, 2013).

As the major players of the SCO pursue their national goals within the organization, Central Asia remains in the middle. The Central Asian member states want both economic and military support, but without ceding their national independence or freedom to either China or Russia, and without contributing money toward common issues. “The primary foreign policy goal of the Central Asian member states is simply to maintain their independence, sovereignty and territorial integrity” (Hoagland, 2016).

In 2009, Kyrgyz expert Orozbek Moldaliev claimed that the SCO was a China-led organization serving only the interests of Beijing. He suggested that there were no problems with separatists in Cen-
central Asia, but Beijing continued to impose on these small states, demanding that they solve the problem of the three evils (terrorism, extremism and separatism). Furthermore, he highlighted how important is the problem of drug trafficking for Central Asia and Russia, but not so much for China (Moldaliev, 2009).

China and Russia remain the twin engines of the SCO despite their differing visions for the organization. Moscow has long blocked Beijing’s efforts to advance economic initiatives within the SCO. However, much like its Central Asian neighbors, Moscow is now looking to benefit from Chinese investments, including from energy and manufacturing deals. Since the fallout between Russia and the West, Russia has made its own “pivot” to the East to improve ties with its Asian neighbors, opening the door for greater cooperation between Beijing and Moscow in shaping the SCO agenda (Albert).

China wanted to support economic development of neighbor countries via SCO, to make SCO an economic organization and to become a main economic investor in the region. Notably, in the wake of the global financial crisis of 2008/9, the SCO – or rather China – offered to provide $10 billion worth of loans “to member states of the SCO to shore up their economies amid the global financial crisis”. But this Chinese initiative has remained only on paper; all other members of the SCO did not support this idea (Aris, 2013). Such contribution will augment China’s weight in SCO and it is not acceptable to Russia.

Earlier in 2004 during the Council of heads of governments, China spoke about its intention to offer $900 million in loans to SCO members for economic development; however, this was seen as illustrative of Chinese dominance in the economic dimension of the SCO (Aris, 2013). Russia reacted particularly skeptically, with the Russian Prime Minister who during this meeting declared that member states would not hurry with a decision on this offer. In 2004 Prime Minister of Russia Mikhail Fradkov rejected Chinese initiative in creating free trade zone within the borders of the members of SCO by mentioning that SCO should first realize the projects that were already planned and states would not hurry with new initiatives (Rossiya, 2004).
Despite the divergent interests of member states of the SCO, the main reason for creation and existence of the SCO is to be a force that is able to balance the western world order. As the heads of states of the SCO have mentioned many times, and according to Sergei Konarovskiy, former deputy Secretary General of the SCO, “the SCO is a tool for fair world order in the 21st century” (Konarovskiyy Sergei interview, 2011). In my opinion this is also main reason of India and Pakistan joining SCO. But is it also in the interest of Central Asian states? Or were they under the pressure of big brothers while participating in the SCO? Central Asian countries were accused by Russia and China to be inactive in the SCO. No initiatives, no ideas, no proposals concerning the future or activities of the SCO. “All we want is money from big members” (Moldaliev, 2009).

Conclusion

The main goal of the creation and existence of the SCO relates to access and control over Central Asia, as states interested in this rich region join this structure. It is apparent that the SCO faces problems of distrust between its members. China had its own interests in promoting SCO activities that were contradictory to Russia’s interests which wanted to control China’s activities in Central Asia. Many times Russia blocked Chinese initiatives in economic spheres since Russia was not interested in economic dominance of China in Central Asia. Central Asia is the most important region for Russia. SCO is an important instrument of Sino-Russian friendship; it is the most important instrument of guaranteeing Sino-Central Asian partnership. Also, security of these two giants depends on Central Asian countries.

SCO is one of the most important regional organizations for Central Asian countries for different reasons. First, it has common frontier with China and Russia and security in the region is impossible without Russian or Chinese involvement. Central Asia is economically linked to these two countries. There are millions of
migrants working in Russia and Chinese goods are of great importance for Central Asian region.

It is good to mention here that Russia and China have one common interest in creating SCO – anti-Americanism. But anti-Americanism is not beneficial for Central Asia. For Americans SCO is a tool for fair international order, and the second largest organization (after the UN) after India and Pakistan joined it. It is capable of influencing world order and the activity of other major states. With more than twenty years of history and existence, the SCO may become a real force on the international arena. Most countries and international organizations take serious considerations of the activities, initiatives and existence of the SCO. There should be sense of belonging to the SCO and strive for the future of the SCO and not for national interests of states.

According to the leaders of SCO member states\(^3\), the SCO’s intention is to become a world power and to construct a fairer international order. The SCO has the economic potential and political will to become so. Most importantly in this regard, in the *SCO Development Strategy* toward 2025 the member states have pledged to consistently take common positions on a wide range of issues of mutual interest in the U.N. and other international organizations.

In this paper I have analyzed the selfish interests (Realist approach in analyzing International Organizations) of each members that influenced activities and future of organization. Because of these selfish goals SCO is named as “Paper Tiger” and nowadays its future is uncertain.

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\(^3\) As mentioned in each summit.


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