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## Shanghai Cooperation Organization: Where Is It Headed?

*Vitaly VOROBYOV*

**Abstract.** The author examines the results of the 15-year activity of the Shanghai Cooperation Organization, its structure, and relations between its members. He also analyzes its role in the region and partnership problems, and forecasts the organization's development prospects in the currently unfolding new world order.

**Keywords:** *Shanghai Cooperation Organization (SCO), Tashkent Declaration on the SCO 15th anniversary, multipolar world, international cooperation, China, Russia, U.S.A.*

The 15th anniversary of the SCO, an international organization, which has finished its rapid development stage, gives ground to discussing its further prospects. This is also due to the material of the June jubilee SCO Summit in Tashkent which contained several complimentary passages about the organization.

The first signs of the new mechanism evolution – the Shanghai Five (Kazakhstan, Kyrgyzstan, China, Russia, and Tajikistan) – into something with a more definite structure and goals began to emerge at the turn of the 21st century. Hardly anybody could suppose at the time that the SCO which we see and analyze at present would soon become a large diversified organization uniting six founding states (at the beginning Uzbekistan was also among them) and having the growing number of observer countries and partners in dialogue. The SCO activity covers a considerable part of Eurasia, and its international prestige is growing all the time.

The overestimated expectations and demands for rapid results, on the one hand, and skeptical views on the SCO capabilities, and even its viability, on the other, have accompanied the organization since its very inception. These views still exist in many countries. As far as Russia is concerned, we witness the emergence of a populist mutant combining two extremes: calls for the SCO to become

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*Vitaly Ya. Vorobyov*, senior research associate at the Center for East Asian and SCO Studies, MGIMO University, Russian Foreign Ministry, Ambassador Extraordinary and Plenipotentiary. E-mail: 1176411714@qq.com

a military and political alliance with an anti-American trend, or a shield of antimissile defense.

This shows that, first, the SCO is one of the few international organizations whose existence and functioning constantly draw attention. Second, the SCO is a developing body with a growing potential. Third, as a young organization it cannot but have certain shortcomings and, possibly, contradictions, which tell on its efficiency.

The SCO prospects will be determined not by pessimistic assessments or utopian projects. They are largely dependent on the organization's ability to self-renovation, self-critical attitude and self-education, as it were. The latter includes the study of the experience of "older" associations and guiding suggestions of the expert community interested in the improvement and consolidation of the organization.

The considerations given below have been prompted by observations and comments of Chinese experts on international affairs who pay an ever greater attention to the SCO in the context of their foreign policy paradigm aimed at further elevation of China in the arena of big-time politics. This paradigm is going to replace or develop the well-known behest of Deng Xiaoping of the 1980s, who called for making an emphasis on "adaptation" to external circumstances and accumulation of inner energy without demonstrating it. This behest served well China's interests and tasks of turning it into the world's second economic power firmly incorporated in globalization. The present generation of Chinese leaders evidently believes that the old patterns are too tight for stronger China at present.<sup>1</sup>

In the documents adopted in Tashkent we can see confirmation of the conclusion made on the results of the SCO Summit in Ufa in 2015 that the activity of the organization during a considerable period would be based on an inertia scenario, but not in slowing down further progress. The point is that although the rhythm of the SCO activity will be preserved in the main, it may become slower at times.

The SCO Development Strategy up to 2025 approved in Ufa does not contain any large-scale tasks. Its main feature is that it gives no purposeful orientations for a new stage of the SCO progress, which could allow us to see where it should move. It is indicative that in Tashkent the heads of state mentioned the Strategy but briefly. The PRC Chairman Xi Jinping noted that the SCO could become an "association of common interests." This, apparently, expresses Chinese ideas about the direction of the SCO further evolution.

The 2016-2020 Action Plan for the SCO Development endorsed in Tashkent on the implementation of the abovementioned strategy looks even more conservative as compared with the text of the Strategy. It lists in a general form the fields of the SCO activity without any details or additions. This concerns, among other things, the point of the need to raise the efficiency of the organization. Perhaps, it was for the first time in its history that the information on the results of the session of the SCO Heads of State Council contained some twenty para-

graphs taken almost literally from the Tashkent Declaration on the SCO 15th anniversary. As a result, this information was as long as the Declaration itself, but there were no hints on any serious instructions for preparing any issues or documents.

This specific feature of the SCO has been noted by Yang Cheng, a research associate from the China University of Petroleum (Huadong), who called it “a trap of the middle development stage” of the organization.<sup>2</sup> In this case, he, evidently, used the concept of “the middle income trap” taken from the financial and economic sphere. This concept characterizes the state of “entrapping” of many fast-developing economies at a certain mean level of per capita incomes, stay of certain countries at a previous qualitative level, and their nonentry in the group of more developed ones. Incidentally, the subject of middle income trap is now a subject of lively discussions in China in connection with the low level of the GDP average annual growth rates, expected in China.

According to the logic of this Chinese economist, the emergence of such “stage challenge,” or even “crisis,” is inevitable during the rapid creation of any organization. A way out from this situation, in his view, can be found either in using an intrainstitutional potential or “infusing fresh blood.” Both plans if implemented in the SCO are fraught with serious difficulties and unclear consequences, inasmuch as the organization has taken shape as a “multipolar” one, without a well-formed center and relying on the politico-philosophical basis called the “Shanghai Spirit.” There should be a certain balance, but Yang Cheng does not disclose its nature.

His observations are interesting and symptomatic, inasmuch as they come from a pragmatically-minded professional analyst who is favorably disposed to the SCO. His idea about the need to find a balance seems especially useful, but between what and what....

As it was noted, a result of the Ufa summit was the emergence of contradictions between the priority task of raising the efficiency of all mechanisms and systems of the SCO’s work and the opening of gates for the unlimited expansion of the composition of the organization and the number of its observers and dialogue partners. That is, contradictions between transfer to predominantly intensive development and the preservation of the previous extensive approach which was shifting from the inner structural sphere to the outward one. Such construction is really capable to render difficult the solution of the general task, namely, reaching higher efficiency of the SCO. It will be necessary to search for a delicate but precise and movable balance.

This is why the inertial scenario adopted in Ufa a year ago, which was reflected in recent Tashkent documents, is not a regress in the activity of the organization, not a “malady” of the SCO, but a quite justifiable, though intuitive, choice, making it possible to go forward relatively calmly and unhurriedly.

At present, it is only possible to outline the measures to be taken with a view to ensuring a balanced forward movement of the SCO.

The SCO was conceived as a regional organization of a universal comprehensive type to deal with problems of Central Asia. In the course of the process of its expansion (according to Chinese terminology, “inclusive expansion”) the SCO becomes an association connecting vast geopolitical areas beyond the boundaries of Eurasia. In any case, this may call for a need to correct the initial concentration of the SCO on regional themes. On the eve of his visit to China right after the Tashkent Summit, President V. Putin in his interview to the Xinhua news agency and published by the newspaper *Renmin ribao* on June 24, 2016, spoke in favor of the SCO becoming a bigger organization of world importance.

Is the SCO prepared for such serious changes which presuppose the emergence of other transregional cares and concerns, apart from Central Asia? Certain developments will definitely come into being, despite the fact that nothing of the kind is mentioned in the Strategy.... It is too early to guess how things will turn out, but it would be worthwhile to think of the following:

What should be done to protect the Central Asian countries – the SCO founders from feeling marginalized and offended and starting to act in order to uphold their political positions and promote their views?

Will not the SCO become a logistical appendage to the already functioning Russia-China-India consultative mechanism, which can acquire a permanent regulating character within the organization?

What is to be done to ensure the convergence of the non-Western political culture and diplomatic style inherent in the SCO in its present composition with the Western one, which will inevitably be brought along with India and Pakistan joining the SCO at all levels of its functioning, including the problem of the English language legalization.

For how long will India and Pakistan agree with the disproportionately small shares of their financial contributions to the SCO budget and personnel quotas in its permanent bodies, which are envisaged for them in documents signed in Tashkent, and which equalize them, despite a big difference in their economic potentials?

If Iran’s application is satisfied, will not the concentration of representatives of the two branches of Islam – Shia and Sunni – have a negative effect on the character and quality of daily working relations in one organization?

It’s time for the Six to think over such subjects as to what critical mass of membership the SCO can safely withstand, especially when it is distinguished by cultural and civilizational differences, and how it can preserve the founding countries as the consolidating force.

It’s rather strange to increase the number of observer countries and partners in dialogue, whose geographical dispersion and “raciness” may give rise to reproaches of the SCO being “indiscriminate.” Adherence to the principle of openness should not look as “whateverism” or widely open gates to all and sundry.

The SCO is almost the first international organization built entirely in the format of multilateral partnership. It is its great merit and attractiveness.

The term “partnership” has now become part of international political parlance, moreover, there are many types of partnership relations. Some 15 or more years ago, there were no model types of partnership. True, partnership relations between Russia and China taking shape at the time could provide an example. Certain theoretical and practical aspects of these relations were used at the time of the SCO creation and the signing of the Russo-Chinese Treaty on Good-Neighborliness, Friendship, and Cooperation, which legalized strategic partnership between the two states.

In other words, the great work on the SCO formation was largely of a path-breaking character. It can safely be said today that it proved quite successful and instructive. Certain drawbacks do not change the general picture.

It can be hoped that in all circumstances connected with the SCO, including its interlocking with the Chinese Silk Road Economic Belt initiative, with the Eurasian Economic Union being formed, or the idea of Greater Eurasia it will be necessary to preserve the partnership essence of the organization, that is, its own type and its own system of composition and functioning.

The meaning of the SCO present development stage lies in adapting this organization working in the Six format to more complex conditions of functioning with a greater number of its participants. It is important that this adaptation should not be conformed to new members, but, on the contrary, should bring up in them adherence to the SCO-type of partnership and the use of its experience and achievements. It should become an organic part of the further evolution of the SCO which would contribute to its greater maturity and political weight.

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In addition to the aforementioned, it should be noted that the Chinese expert community heatedly discusses the concept of “great power.” There is no special character denoting the term “great power.” Up to recently *da guo* has invariably been used. Now it is more often said that *da guo* simply means a state with great territory and rich resources. The concept of “great power” should include the entire comprehensive might of a state, including its military and innovation potentials. Some experts suggest using the term *qiang guo* (strong country), asserting that China is tackling the task of becoming *qiang guo* in addition to being *da guo*. Others suggest using the combination of both terms – *da qiang guo*. It is not quite clear, therefore, how we should understand the words “diplomacy of big powers (*da guo wai jiao*) of a new type. The PRC leaders use *da guo* referring to Sino-American relations. Nevertheless, the very fact of discussion against the background of the desire to express the essence of the foreign policy paradigm of modern China is interesting enough.

In order to better understand the variety of views in the Chinese expert community on the pressing problems of foreign policy strategy of China it would be worthwhile to get acquainted with the opinion expressed by Professor Yan Xuetong, director of the Institute of International Studies at Tsinghua University in Beijing.

As to the trend to multipolarity and the possibility of the Sino-American bipolar alignment of forces, the Chinese professor believes that this trend should be interpreted as a process, and the alignment of forces as a relatively prolonged state of stability. In his view, this trend cannot be longer than the state of the alignment of forces, and is only a transition to it. "The bipolarization of the world alignment of forces has already begun," he says, "and therefore, there is no sense to discuss the question of multipolarity trend. In 2013, I predicted that bipolarity would take place prior to 2023, but perhaps, it would be earlier, by 2020."

He maintains that bipolarity with China's participation is definitely better than multipolarity. China, along with the United States, gets the right to judge, which right the strongest rival will definitely use against it. "But the absence of this right means that China's rise loses perspectives, just as the revival of the Chinese nation. The point of view that multipolarity is advantageous to China is similar to the idea that China should always remain a second-rate state."

Is China ready for the bipolar alignment of forces? Professor Yan Xuetong believes that changes in the world take place more rapidly now and "actually there can be no complete readiness because the speed of changes in the world exceeds the rates of readiness of countries for them."

The Chinese professor realizes that the United States will protect unipolarity. "Along with the reduction of the distance between the volume of the comprehensive might of China and the United States, the structural contradictions between them will continuously come to the fore. The main thing is how to use them and how to prevent the turning of conflict situations into armed conflicts and a war. At present, the comprehensive might of the United States, especially its military potential, by far surpasses China's might and potential. This is why it is now possible to predict that the United States will contain China with military means."

As to the expediency of China's adherence to the principle of nonalignment, Yan Xuetong thinks that "the strategy of China's rise should be determined proceeding from a definite orientation point – trend of multipolarity or bipolarity.... In the latter case, alliance is a strategy resorted to by big powers, because the deeper the relations of strategic friendship, the stronger the right of leadership. Entry into alliances is a kind of political tactic, a means of adaptation. To regard alliance the Cold War thinking is simple dogmatism, which can only bind a country hand and foot, but not restrict other states.... The main component of an alliance is a military one.... Some people think that the recently signed Joint Sino-Russian Declaration on strengthening global strategic stability (June 25, 2016) is an expression of political alliance. In any case, such actions really help China's rise."<sup>3</sup>

## NOTES:

1. Wan Fan, *da guo wai jiao* [Diplomacy of Big Powers], Beijing, 2016, 382 pp. The author is the deputy principal of the Institute of International Relations, professor, vice-chairman of the Chinese Society of Study of International Relations. The book has a subtitle worth of mentioning: “From the policy of staying in the background and mustering strength to the diplomacy of big powers.” What does China wish to say to the world? The phrase “to stay in the background and muster strength” is part of Deng Xiaoping’s motto in the 1980s formulating the foreign policy, which China should have followed in implementing “all-round modernization.” It looks likely that retreat from this instruction now becomes the first “testing approach to a revision of the entire precept of Deng. The elaboration of a new foreign policy paradigm takes place under the guise of the formation of the “diplomacy of big powers with China’s tint” (*Zhongguo te se da guo wai jiao*) according to the movement directed from above to give “Chinese tint” to everything and combine it with the task of the “revival of the Chinese nation” (*zhong hua min zu fu xin*). All these aspects prevail in the book. The author proceeds from the premise according to which the United States has entered a period of decline (*shuai luo*), whereas China is “on the rise” (*jue qi*).

Wang Fan asserts that after the end of the Cold War and the disintegration of the U.S.S.R., the United States has made a number of serious political blunders in its desire to consolidate itself as the only undisputed superpower. “China’s rise” is interpreted as a geopolitical objective law and a kind of a symbolic sign of historical impermanence of the hegemonic status of the U.S.A. and its sole stay on top of the world political and economic Olympus. In the author’s view, SCO is an extremely important component part of the Chinese “diplomacy of big powers” now in the process of formation. This organization should consolidate, develop the elements of cooperation still further and become more balanced in its policy and economics. Wang Fan maintains that the security factor should play the leading role. As far as China’s growing international prestige and influence, the author suggests that it should be more active in establishing links of cooperation (*duijie*) with other international associations, including NATO, EU, and CSTO. Agreeing with the expansion of the basic composition of SCO, Wang Fan supports the view of certain Chinese experts and researchers that the “China-Russia-India Three” could become a kind of the leading force in SCO and their close interaction – the foundation of its further development.

2. See: Yang Cheng, *Zhi du lei ji yu shang he jin zhuan fa zhan zhong duan xian jing* [Systemic Strengthening and ‘Middle Stage Trap’ in Development of SCO and BRICS], *Shijie zhishi*, # 15, 2015, pp. 38-45. Yang Cheng is deputy head of the Center of Russian Studies of the Institute of International Relations and Regional Development at Huadong Normal University (Shanghai), assistant professor and former diplomat. “Middle stage trap,” in the author’s view, is “newly-formed international organizations which rapidly go through institutionalization in the development of real cooperation and begin frequently to come across not only challenges connected with lower efficiency in reaching consensus, but also difficulties connected with contradictions and differences in reaching agreement in the development of cooperation. In other words, if an international organization, after entering the middle development stage does not have a distinct reference point of its strategic development and strategic approaches, instructions from above, and the desire to broaden cooperation from below, this organization may turn from a strong body into a loose structure.

3. Interview of Yan Xuotong, *Huanqiu shibao*, July 15, 2016.

Translated by Yevgeny Khazanov