US Cooperation with the Shanghai Cooperation Organization: Challenges and Opportunities

by Jeffrey Reeves

Few regions in the world offer a clearer picture of geopolitical competition than Central Asia. The region plays host to such global powers as the United States, Russia, China, and India—all states with enormous resources they are willing to expend in a scramble for political and economic influence. Underlying Central Asia’s geopolitical value are its energy supplies, diverse security concerns, and position as a ‘gestrategic crossroads’.1 As access to energy supplies can be zero-sum and securitization of ‘threats’ differs by referent object, states’ objectives are often in direct opposition to one another. These regional realities contribute to a sense of anarchy in which states are locked in ruthless ‘self-help’ competition.2

For the United States, Central Asia is home to some of the nation’s most intractable foreign policy challenges. First among issues is the ongoing war in Afghanistan, which is a drain on US resources and taxes US alliances. Second is the issue of Russia and China, both of which are attempting to erode the United States’ influence in the region by limiting its political and economic presence there.3 Third are the United States’ relations with Iran. While not technically a Central Asian state, it does look toward Central Asia for critical diplomatic support.4

To meet these challenges, the United States cooperates with a wide variety of state and non-state actors. First, in Afghanistan, the US Department of Defense (DoD) works with both the North Atlantic Treaty Organization (NATO) and a coalition of partners under the International Security Assistance Force (ISAF) framework. Second, the United States Department of State (DoS) and DoD work with NATO, the United Nations, and the European Union to support democratic and economic development in Central Asia to maintain influence in the region. Third, the United States in engaged in extensive bilateral and multilateral diplomacy aimed at pressuring Iran into halting its nuclear program.

While cooperation with state actors and international organizations has helped advance US interests in Central Asia, the United States still faces key regional challenges. Washington’s failure to capitalize on its partnerships to develop successful solutions for Afghanistan, growing Chinese and Russian influence, and Iran rest at least in part with the types of states and institutions the US principally works. NATO, ISAF, and the EU are all Western organizations operating in an environment in which they are clearly foreign actors. These states and organizations lack the cultural and ideational legitimacy necessary to implement a specifically ‘Central Asian’ solution to Central Asian problems.

The United States does maintain bilateral relations with each of the five Central Asian countries and attempts to base its foreign policy on specific cultural and political characteristics. Such bilateral relations are pivotal in achieving policy gains and influencing regional dynamics. They are, however, limiting in that they do not allow for a regional approach to transnational issues. To facilitate a regional approach, the United States must work with an endogenous international organization.

The Shanghai Cooperation Organization (SCO) stands alone as an organization positioned to address the aforementioned challenges. It is indigenous in conception and construction and contains both China and Russia as member states. As opposed to NATO, the UN, or the EU, the SCO does possess the necessary cultural understanding to implement a successful regional solution to the United States’ Central Asia challenges. The United States would benefit from closer cooperation with the SCO in its struggle to bring security to Afghanistan, to maintain its political and economic influence in Central Asia, and to negotiate with Iran over its nuclear program.

**US strategic interests in Central Asia**

**Afghanistan**

Afghanistan remains the most important strategic concern for the United States in Central Asia as well as one of Washington’s most entrenched foreign policy challenges. Afghanistan’s security situation is arguably deteriorating. A November 2010 Pentagon report notes that the Taliban insurgency has spread in recent months while overall violence in Afghanistan increased 65 percent in the third quarter of 2010 as compared to the previous year. In 2010, more Afghans rate the security environment as ‘bad’ than at any time since the DoD started collecting information on security perceptions in 2008. The United States maintains 100,000 troops in Afghanistan and spends an estimated USD $5.7 billion per month on the Afghanistan effort.

The ongoing security challenges are exacerbated by the Karzai government’s systemic corruption and questioned legitimacy. The perception that President Karzai is both involved in and supportive of corrupt activities within the Afghan government undermines ISAF’s counterinsurgency efforts. Without an endogenous government with which to partner, ISAF cannot rightly claim to be fighting on behalf of the Afghan people.

**China and Russia**

Both Russia and China resent the United States’ presence in Central Asia, a region both Moscow and Beijing consider their exclusive sphere of influence and where they see US involvement as challenging the political and economic status quo. Whereas the United States

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encourages democratic and open market development in Central Asia, both China and Russia seek a diminution in the sovereignty of Central Asian states that they believe will allow them to achieve strategic goals. Whether political, economic, or security issues, the Russian and Chinese governments both agree that an authoritarian model of government across the five Central Asian states is more conducive to achieving their goals than democracy.

As a result, the United States faces intense competition from Russia and China for influence in Central Asia, a region where it has the distinct disadvantage of being an ‘outsider’ with interests narrowly defined around proliferation and anti-terrorism. Russia and Beijing’s commitment to non-interference in domestic affairs and their ‘no-strings attached’ policy regarding development aid also provides an attractive alternative model to the US pro-democratic activities, particularly following the Color revolutions in Central Asia and the Caucasus. The United States must overcome these deficits in order to maintain its regional influence.

A great deal of Sino-Russo cooperation to limit US involvement in Central Asia comes through the SCO. While the SCO is, in theory, an egalitarian organization, Beijing and Moscow hold disproportionate sway over the organization’s direction and mandate. The clearest example of this occurred in 2005, when Moscow and Beijing convinced SCO member states to demand the US remove all military forces from Central Asia.

Iran

Despite pressure from the international community, the Islamic Republic of Iran continues to develop a domestic ability to enrich uranium. In February 2010, the Iranian government announced that it had begun enriching uranium to 19.75 percent, bringing the nation one step closer towards possessing enough fuel for at least one nuclear warhead. To date, attempts by the Obama Administration to sanction Iran into complying with Security Council requirements have failed.

Understanding the Shanghai Cooperation Organization

The Shanghai Cooperation Organization is an intergovernmental organization based in Central Asia, composed of the Republic of Kazakhstan, the People’s Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan, and the Republic of Uzbekistan. The SCO’s observer states are Iran, India, Mongolia, and Pakistan. Belarus and Sri Lanka are dialogue partners.

The SCO’s stated goals are to facilitate economic relations between member states, to work towards a comprehensive security mechanism for the region, and to move towards a democratic political regional and international order. While the SCO is expressly not anti-Western in composition, it has been shaped in large part in opposition to US-led developments in Central Asia. In particular, perceptions of US involvement in the Color Revolutions in Kyrgyzstan, Georgia, and Uzbekistan led to an increase of Central Asian states’ involvement in the SCO.

Russia and China exert disproportionate influence on the organization’s direction and dynamics, both through their material wealth and their commitment to maintaining the SCO member states’ authoritarian regimes. The smaller states of Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan all benefit from membership both in terms of political stability and economic opportunity and seem willing to take secondary position in the organizations as a result.

Why Cooperate?

Admittedly, there are a number of significant obstacles for cooperation and collaboration between the United States and the SCO. Indeed, part of the organization’s appeal for member states is in presenting a counterweight to US activities in Central Asia. Yet there are clear benefits to close SCO-US relations, which could be used to make the case for SCO acceptance of a US-led proposal for closer cooperation.

For Russia, US engagement with the SCO would go a long way towards ensuring it does not lose its traditional place in Central Asia to a growing Chinese economic and political presence. Moscow is concerned that China’s regional penetration is growing to its disadvantage and believes a premature withdraw of a US presence from Central Asia would work decidedly in China’s favor. Working with the US to balance against China is Central Asia, and within the SCO, may leave a bad taste in Moscow’s mouth, but its alternative options are greatly limited.

The security situation in Afghanistan remains China’s largest motivation for accepting US involvement with the SCO. Afghanistan has a direct effect on China’s domestic stability as the two countries share a border. Beijing believes a stable Afghanistan is a necessity to address

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terrorism, extremism, and separatism in Xinjiang and Central Asia.\textsuperscript{23} As the United States and NATO remain the principle actors involved in Afghanistan security, China would benefit from closer security relations with ISAF. As China is anxious not to become unilaterally involved in Afghanistan, the SCO is Beijing’s best mechanism to influence Afghanistan’s security outcome.\textsuperscript{24}

For the SCO’s smaller states, a United States presence within the organization would help balance China and Russia’s growing dominance.\textsuperscript{25} While some SCO member states remain weary of the US’ involvement in Central Asia affairs, there is a clear advantage to diversifying the number of great power players in the region.

\textit{United States Cooperation with the Shanghai Cooperation Organization}

Cooperation with the SCO would allow the United States to address its strategic and security concerns in Central Asia through an endogenous organization composed of regional actors. Such cooperation would provide the United States with a degree of cultural and ideational legitimacy that is absent in ISAF and NATO. This legitimacy would be valuable in establishing relations with regional and local actors and populations that could support reconstruction and reconciliation efforts.

Notably, US-SCO cooperation faces a number of challenges on both sides. From the US perspective are fears that cooperating with the SCO may bolster the organization’s legitimacy, thereby strengthening a strategic rival. While such concerns are legitimate, the benefits of cooperation well justify the cost. In addition, the United States could bypass concerns of strengthening the SCO by maintaining bilateral relations with SCO member states and, of course, with NATO.\textsuperscript{26}

It is also not clear that the SCO member states would opt for closer cooperation with the United States. Indeed, a US application for observer status with the SCO was denied in 2005. The US application was, however, made at a time when fear of US involvement in Central Asia was high and shortly after a US Congressional Research Committee published a report decrying the SCO as inconsequential.\textsuperscript{27} Moreover, the SCO’s collective assessment of Afghanistan’s insecurity as posing the region’s greatest security challenge and the US military’s central role in

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\item \textsuperscript{23} Hu Jian, “America’s New Afghan Strategy and the Effect it has on Chinese Security along its Western Border,” (Meiguoxian zhanlue xia afuhan anquan xingshi jiga dui zhongguoxibubianjijing anquan de yingxiang) \textit{North and Northwest Asia Research Journal} No. 3 (2009): 29-33.
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Afghanistan may provide the necessary impetus for member states to reconsider cooperation with the United States. For SCO member states, an expressed interest by the United States for greater cooperation would also indicate a willingness on behalf of the United States to limit its Central Asian activities.

There is some indication within the SCO that the organization would like to increase its involvement with state actors and international organizations. In 2010, Chinese President Hu Jintao addressed the SCO in Tashkent, calling on the organization to pursue opportunities for ‘win-win’ cooperation and development, to expand the number and scope of states with observer status, to expand cooperation with partners and other ‘friendly’ states and international organizations, and to expand world peace, stability, and development. If properly presented, US overtures for cooperation with the SCO could go a long way towards meeting these very specific internal goals for organizational development.

US involvement with the Association of Southeast Asian Nations (ASEAN) is a useful precedent for understanding the potentiality of US-SCO cooperation. While the US is not eligible for membership in ASEAN, it has established an ASEAN-US Enhanced Partnership that allows the US to participate with ASEAN on economic, political, and security issues in Southeast Asia. The US also participates with the ASEAN Regional Forum, which specifically focuses on security issues.

The United States could facilitate cooperation with SCO either directly, or through the ISAF or NATO. There are advantages to both approaches. Through bilateral relations, the United States would have a larger voice in SCO activities and could potentially influence the organization’s path to a greater degree. Facilitating cooperative exchange through NATO or ISAF, however, would insulate the United States from having to act unilaterally while still giving it a hand in the SCO’s regional architecture.

**SCO and Afghanistan**

There is precedent for cooperation between the United States and the SCO on security issues dating back to 1998. In that year, the SCO (then the Shanghai 5) issued a statement calling Afghanistan’s domestic political environment as ‘unsafe’ while opting for containment rather than intervention. The Shanghai 5 did, however, consent to United Nations involvement in Afghanistan under a ‘6+2’ plan that included China, Russia, Tajikistan, Uzbekistan, Iran, Pakistan, Turkmenistan, and the United States. The Shanghai 5 stopped short of consenting to foreign troop involvement in Afghan affairs.

In 2002, the SCO issued a statement on Afghanistan that expressed the organization’s position. This statement noted that the SCO would agree with the US classification of the Taliban as a terrorist organization, would consent to the Taliban’s overthrow, would support a

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new Afghan government, and would support Afghanistan’s independence.  

It also noted the SCO would work to limit the military scope of country’s operating in Afghanistan, would oppose a foreign appointed leadership, would support the UN to ensure fair elections, would increase humanitarian aid for Afghanistan, and would establish a cooperative relationship with the Afghan government through the United Nations.  

In 2004, the SCO established direct contact with the Afghan government when President Karzai attended a SCO summit as an observer. In 2005, the SCO and the Afghan government signed a protocol of communication. In 2008, the SCO and Afghan government reaffirmed their relations at the SCO Dushanbe Summit.  

In 2009, the SCO held a vice-foreign minister level conference on the situation in Afghan. This was the first meeting in the SCO’s history to include representatives from Turkistan, Turkey, the US, the UK, France, Germany, Italy, Canada, Japan, the UN, the EU, NATO, the Organization for Security and Cooperation (OSCE), and the Organization of the Islamic Conference.  

The SCO engagement with Afghanistan is focused around anti-organized crime activities, anti-terror activities, and restricting cross-border drug trafficking.  

Yet despite SCO commitments to work with the Afghan government to improve the country’s security, the SCO remains unwilling to provide security forces to Afghanistan.  

SCO member states and observers largely encircle Afghanistan, giving them political, economic, and societal leverage over the landlocked country. This implies that the SCO has not yet employed its collective resources to bring its influence to bear on Afghanistan’s security environment. It also suggests that SCO member states have a great deal to lose should the security situation in Afghanistan worsen.  

For the United States, cooperation with the SCO on Afghan security would facilitate regional cooperation at strategic, operational, and tactical levels. Strategically, cooperation with the SCO would give ISAF more regional legitimacy while also providing the US-led forces with a greater voice in inter-regional development.  

Operationally, ISAF forces could maintain control over security activities and training in Afghanistan, while the SCO could limit transnational population movements, arms trafficking, and drug trafficking through maintenance of security corridors on Afghanistan’s borders. The SCO has already established ‘anti-drug security belts’ around Afghanistan without enlisting

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34 http://www.mfa.gov.cn/chn/gxh/zlb/smgg/t554797.htm  
cooperation from ISAF or the Afghan military. Coordinating these security activities between ISAF and the SCO could be a relatively simple and effective form of cooperation.

Tactically, SCO member states could also cooperate with ISAF towards any attempts at reconciliation and/or reintegration of varied insurgence groups in Afghanistan. Cooperation along these lines would have to address Chinese concerns of a resurgent Taliban, but would nevertheless be in the best interest of the smaller SCO member states and Russia.

**SCO: Balancing China and Russia**

It may at first seem contradictory to suggest that the best way for the United States to deal with Russian and Chinese attempts to limit its strategic presence in Central Asia is for the United States to engage with the SCO. China and Russia are the SCO’s two main keystones and together largely responsible for the organization’s mandate. The SCO itself is often portrayed as anti-West and anti-NATO in nature.

Closer examination of the SCO, however, suggests that the organization does not have an anti-western collective identity and is not as internally unified as it might appear from the outside. This absence of a collective identity stems at least in part from the fact that, despite unity in denying the US a role in the region, Russia and China remain competitors in Central Asia. While competition between Russia and China is often downplayed to stress the two countries’ ‘strategic partnership’, it is persistent and likely to increase in the future, particularly in Central Asia.

Russian and Chinese competition in Central Asia is material and strategic in nature. Materially, both countries see Central Asia as a region with great energy potential. This is particularly important for China, which is determined to secure access to energy closer to home so that it can decrease its dependency on resources further abroad. China has been successful in securing energy agreements in Mongolia, Kazakhstan, and Turkmenistan. Both China and Russia are also intent on opening Central Asian markets to their respective exports. Here China has also out competed Russia.

For Russia, maintaining a dominant position of political and economic influence in its ‘near abroad’ is essential for the country’s continued projection as a great power. Moscow sees Central Asia as within its traditional sphere of influence and is unwilling to cede its influence to China or lessen its unilateral political and economic influence for the sake of SCO unity. That

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Russia will unilaterally act to preserve its regional influence despite objections from the SCO was evident in Moscow’s continual involvement in Georgia.42

China and Russia also disagree as to the direction the SCO should take in the future. Moscow wants the SCO to become Central Asia’s premier multilateral organization with a primary focus on security. Russia also advocates expansion of SCO membership and pushes for greater cooperation between the SCO and the Collective Security Treaty Organization (CSTO). China wants to SCO to primarily focus on economic issues and opposes the organization’s expansion. Beijing has expressed its hope that the SCO could establish a ‘free trade zone’ in Central Asia; Moscow has expressly spoken out against this type of economic expansion.43

The United States could leverage this internal instability to increase its own influence in the region, or at least lessen the amount of Russian-Chinese coordinated action against it. It could accomplish this through targeted cooperation with Russia and China that allows each state to develop its own strategic goals, particularly when these goals are conflicting. This approach could drive a wedge between Russia and China’s ‘strategic partnership’ that would complicate the two state’s collective activity against the United States.

**SCO and Iran**

While the Islamic Republic of Iran currently has observer status with the SCO, it has expressed repeated interest in becoming a full member. The motivations behind Iran’s bid for membership are security-based, economic, and ideational.44 Regarding security, Iran believes that membership in the SCO would strengthen its relations with Russia and China, thereby providing Tehran with support for its ongoing nuclear program. Iran also believes membership with the SCO would constitute a security ‘umbrella’ against potential US or Israeli air strikes on facilities believed to be involved in the country’s nuclear program. Tehran also hopes SCO membership would pressure Russia to sell it more advanced weaponry.45

Economically, Tehran views Russia and China as major sources of investment capital. These sources of investment are especially important to Tehran as Western companies are leaving Iran in response to US and EU sanctions.46

Ideationally, Tehran sees the SCO as a mechanism to expand what it views as its traditional cultural influence into Central Asia. While Iran has established limited contact with Tajikistan, Tehran’s attempts to unilaterally expand its soft power into Central Asia have, to date, been unsuccessful.47

Whether or not Russia and China (as well as other SCO members states) will agree to Iran’s bid to become a permanent member is questionable. Advantages of making Iran a

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permanent member include greater access to Iran’s energy sector for Russia and China as well as a hedging of bets against a US-backed regime change in Tehran. Disadvantages include the danger that Iranian full membership will cast the SCO as an anti-West organization (which many already fear it is) and that Russia and China will be seen as directly supporting a regime engaged in nuclear proliferation.

The advantages for the United States in engaging Iran through the SCO are twofold. First, forging ties with the SCO would put pressure on Russia and China to deny Iran full membership, which would continue the Obama administration’s attempt to encircle and weaken Tehran. Indeed, any US involvement with the SCO should include the caveat that the organization deny Iran’s bid for membership until the Islamic Republic’s nuclear program is suspended.

Second, the SCO would provide a useful venue for US-Iranian discussion about Tehran’s nuclear program as well as ways Iran could contribute to security in Afghanistan. Iran’s position as an observer in the SCO would provide it with a sense of security while the US could work closer with Russia and China within the SCO’s framework to arrest the Iranian security ‘threat’.

Conclusion

The United States would benefit from closer cooperation with the Shanghai Cooperation Organization on a number of fronts. First and foremost, the US could leverage the SCO’s regional legitimacy and knowledge to address the security situation in Afghanistan. While ISAF collaboration with the SCO in Afghanistan would not be a panacea, it would facilitate reconciliation and regional partnerships that could contribute to peace.

The United States could also address Russian and Chinese attempts to check its influence in Central Asia by coordinating with the SCO. Closer cooperation with the organization would allow the United States to work with Russia and China on matters of security, politics, and economics. The United States could also play the internal divisions within the SCO to its benefit through bilateral cooperation with individual member states. Lastly, the SCO could provide the United States with a means to further contain Iran as well as a platform on which to engage it diplomatically.

The main drawback to United States involvement with the SCO is that the US could end up strengthening an organization that is fundamentally anti-Western. Yet this possibility should not dissuade the US from engaging with the SCO. Any strengthening of the SCO that comes from US involvement will naturally include an increase in strategic partnership with the US itself.

Towards this end, the United States should seek to establish a working group either unilaterally or through ISAF with the SCO along the lines of ASEAN-US Enhanced Partnership. This type relationship would allow the US to avoid the unattractive repeat application process for observer status while simultaneously allowing it a certain degree of influence over the SCO’s activities. This is not to suggest that the US will at any time be able to co-opt the SCO so as to control its mandate, only that any future for US-SCO cooperation would be based on mutual benefit or compromise.

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