

**THE ROLE OF THE SHANGHAI COOPERATION  
ORGANIZATION IN RUSSIA'S SECURITY POLICY  
FOR CENTRAL ASIA IN THE 21<sup>st</sup> CENTURY**

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## **ABSTRACT**

The collapse of the Soviet Union has brought about significant changes in Russia's international security policy. One area of interest is its security policy towards the Central Asian CIS states that were once part of the Soviet Union – Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. Its geopolitical significance to Russia in terms of strategic location and natural resource deposits contributed to the strength of the Soviet state. But in the immediate period following the empire's demise, Russia experienced a brief withdrawal period in the region, due to other foreign policy priorities for the new state. It was not until the late 1990s that attention was once again given to the area known to Russians as the 'near abroad', and the reformulation of a more active policy towards its neighbouring countries. Moreover, the challenges of the 21<sup>st</sup> century have made Russia more alert to maintain security in an area that would be vulnerable to external influences. Then the global trend of regional groupings for collective benefit was also growing, one which Central Asia formerly lacked. Russia's involvement in the Shanghai Cooperation Organization, the region's first security-based grouping, would reassert its security role in the region as well as provide a certain level of cooperation among neighbouring countries as a form of preventive interaction against conflict.

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# CHAPTER 1

## INTRODUCTION

### A. Background and Issues

Central Asia has long been considered a crossroad between Asia and Europe, serving as a route of transportation since ancient times, as well as a strategic location. The abundance of oil and gas in some countries has spurred interest among external powers, not least one of its most powerful neighbours, Russia.

Many Central Asian states were formerly a part of the Soviet Union, and was a part of 19<sup>th</sup>-century Russia. Soviet division of Central Asia into republics caused many intra-regional border disputes, and immigration policies planted ethnic tensions. The collapse of the Soviet Union brought about a relative independence, even though it cannot be denied that the Russian influence still pervades in certain states, politically and socially. Most countries are still occupied with the process of state-building, and democracy is still in the developing stage for many. Primary concerns among political leaders are security and economic development, as well as the need for cooperative dialogue among neighbours.

The trend for regional groupings is one which continues to increase in the 21<sup>st</sup> century, with virtually nearly every region in the world having some form of regional intergovernmental organization, which usually acts as a collective bloc to represent the member states in dealing with outside partners depending on the objective field of that particular organization. Although most are established on the need for security cooperation among members, it later usually branches out into other fields such as economics, legislative, and sociocultural. To augment the bargaining power of the organization, it is usually preferred to include a major regional power, especially in an organization that is comprised of small or newly independent states. But this can also lead to outside speculation that the regional power may use the organization in asserting its role that would benefit its national interests.

The Shanghai Cooperation Organization, or SCO, was established on a mechanism to strengthen confidence-building measures and peaceful resolution of border conflicts among Russia, China, and its three Central Asian neighbours: Kazakhstan, Kyrgyzstan, Tajikistan . Treaties were signed to ensure reduction of forces along the borders, followed by declarations of joint goals. Its uniqueness lay in the fact that it was the first regional grouping with the majority of members from Central Asia. At present, it has included four observer states at its annual meetings, and has gained more attention in the international arena. The inclusion of two major powers, Russia and China, has been seen as efforts by both to assert their role in Central Asia, particularly in the area of security.

### **B. Research questions**

This paper shall determine the answers to these following questions:

1. What is the purpose of the SCO?
2. What has been Russia's security policy towards Central Asia?
3. What is the reason for Russia's participation in Central Asia?
4. Did Russia establish the SCO to improve relations with China?
5. What is the main issue when Russia participates in dialogue with China through the SCO?

### **C. Objective of study**

To study Russia's security role in Central Asia in the 21<sup>st</sup> century; to analyze the reason behind Russia's participation in Central Asian security; and to study the establishment of the SCO and its contributions to maintaining security for member states.

### **D. Hypothesis**

This research has the main objective of studying Russia's security role in Central Asia for the 21<sup>st</sup> century, notably through the Shanghai Cooperation Organization (SCO). Even though the establishment of this group was declared to be

the cooperation of all member states on matters involving security, diplomacy, economics and trade, but the most significant achievement was the increased strategic cooperation between Central Asia and Russia, so much that some saw this as forming a security bloc to counter the growing US influence in the region. The hypothesis shall be: *Russia sees the SCO as a channel to facilitate its security policy in Central Asia.*

### **E. Methodology**

Qualitative research methodology shall be used in analyzing collected data. Besides textbooks on the subject of interest, published statements and interviews of organizational officials will be the source of data to undergo content analysis – identification, specification, frequency of keywords and interpretation of the context.

### **F. Scope of study**

Focus on Russian foreign policy towards Central Asia in the field of security, and its SCO membership. Period of study shall be from the collapse of the Soviet Union in 1992 up till the present Putin administration.

## CHAPTER 2 RUSSIA AND THE SCO

### A. Introduction

The establishment of the Shanghai Five mechanism (predecessor to the SCO) in 1996 for confidence-building and cooperation among members drew attention, partly because of the inclusion of Russia, the dominant state within the Cold War-era Soviet Union, and the only serious contender of US global power back then. Since the collapse of the Soviet Union, Russia has experienced internal hardship, mainly on the economic front, and some political elites have openly expressed their wish for Russia's return to international prominence. Moreover, the Central Asian states that were members of the Shanghai Five are former Soviet republics, and even to this day, Russia still considers these countries and others in the region as the "near abroad".<sup>1</sup> Therefore, questions arose as to what the true purpose of establishing this regional organization is, and whether it would serve Russia's security agenda.

### B. Post-Soviet Territorial Demarcation

The collapse of the Soviet Union changed the previously defined borders in Central Asia. The western part was divided into 4 sections: Sino-Russian, Kazakh-Chinese, Kyrgyz-Chinese, and Tajik-Chinese. At the time, the newly independent Central Asian states not only recognized the existence of the territorial issue, but agreed to come to the negotiating table for Russian mediation.<sup>2</sup> The Four (Russia with 3 Central Asian states) plus One (China) negotiation formula was created by the Sino-

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<sup>1</sup> Roger E. Kanet and Alexander V. Kozhemiakin, eds. *The Foreign Policy of the Russian Federation* (Chippenham, Wiltshire: Macmillan Press, 1997): 10.

<sup>2</sup> Akihiro Iwashita. "The Shanghai Cooperation Organization and its Implications for Eurasian Security: A New Dimension of "Partnership" after the Post-Cold War Period," [http://src-h.slav.hokudai.ac.jp/coe21/publish/no2\\_ses/4-1\\_Iwashita.pdf](http://src-h.slav.hokudai.ac.jp/coe21/publish/no2_ses/4-1_Iwashita.pdf) (accessed October 14,2006).

Russian “partnership” in due observance of the Sino-Russian border agreements. After 1993, the “Four plus One” formula led to the formation of 2 regular committees – for confidence-building and arms reduction and for joint boundary demarcation – which later became the “Shanghai Five”.

In 1994, the Sino-Russian 50-km. border and the Chinese-Kazakh border were agreed upon, with 2 small sections of the latter border undecided; it was to be resolved at the 1998 summit in Almaty. Chinese-Kyrgyz border negotiations had begun in 1992, and at that time, there were 5 disputed sections, 4 of which were resolved in the 1996 agreement. The remaining one, the western point near Mt. Khantengri, was demarcated in 1999. The Chinese-Kyrgyz supplemental agreement was signed during the fourth summit of the Shanghai Five held in Bishkek.

In contrast, Chinese-Tajik border negotiations had been in deadlock for a long time. Because the disputed area claimed by China is more than 20,000 sq.kms., or one-seventh of all Tajik territory, both governments seemed to have little room to compromise. The only section they agreed on at the 2000 Dushanbe summit was the Chinese-Kyrgyz-Tajik joint border point. Chinese and Tajik leaders finally agreed to sign a supplementary agreement on the border issues on May 17, 2002, bringing an end to the western Sino-Soviet border problems.<sup>3</sup>

### **C. Shanghai Five agreements**

The first achievement by the committee for confidence-building and arms reduction was the Shanghai Agreement on confidence-building in the military field on borders. In April 1996 in Shanghai, China, the presidents of Kazakhstan, Kyrgyzstan and Tajikistan, the State Chairman of China, and Russian Foreign Minister Yevgenii Primakov signed an Agreement on Deepening Military Trust in Border Regions. The agreement specifies that ‘the armies of the two sides deployed in the border area shall not attack each other; no military manoeuvres aimed at each other should be carried out; the limit, scale, range and frequency of military manoeuvres shall be limited;

both sides have to inform each other about important military activities taking place 100 km in depth; observers must be invited to military exercises; any dangerous military action shall be prevented; friendly contacts strengthened between the troops on each side deployed in the border region....'<sup>4</sup>

In April 1997 in Moscow, the five countries signed an Agreement on Mutual Reductions of Military Forces in the Border Region. Signatories must agree:

- (1) to reduce military forces deployed near the border region in all five countries to defensive troops only
  - (2) not to use weapons or threaten to use them or seek to maintain military superiority
  - (3) to reduce numbers of ground forces, air forces, air defence and border defence forces, and the number of major weapons deployed to 100 km on either side of the border
  - (4) to define the size of the forces remaining after the reduction and the manner and timetable of this reduction
  - (5) to exchange relevant information on their forces deployed in the border region
  - (6) to conduct regular verification of the implementation of the agreement.
- The agreement will be valid until December 2020 but can be extended. The information exchanged on the military forces in the border area will be kept confidential from third countries.<sup>5</sup>

In July 1998 the four presidents and the Russian Foreign Minister met in Almaty, Kazakhstan to discuss the strengthening of regional peace, stability and economic cooperation. The meeting focused on common efforts to fight terrorism, extremism, separatism – the “three evil forces” according to the SCO Secretary-

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<sup>3</sup> *Ibid.*

<sup>4</sup> Roy Allison and Lena Jonson, eds. *Central Asian Security* (Harrisonburg, Virginia: Royal Institute of International Affairs, 2001): 160.

<sup>5</sup> Genady Chuftrin, ed. *Russia and Asia: The Emerging Security Agenda* (New York, NY: Oxford University Press, 1999): 20.

General<sup>6</sup> – as well as illegal arms and drug trafficking, as common threats to the region's stability and security. It also stressed the need for consultation and cooperation between the members' ministries for foreign affairs, security, defence, and customs. On an interesting side note, the summit endorsed a proposal for a Central Asia Nuclear Weapons Free Zone (CANWFZ), even though it was proposed by an outsider, Uzbekistan. This seemed to many as intended to balance the other security proposals by Kazakhstan.<sup>7</sup>

In July 1999 members agreed to establish a permanent mechanism for high-level meetings on security issues in order to discuss such items as transnational crime and illegal drug trafficking, but also transport cooperation and economic collaboration. The following Bishkek summit in August emphasized the need for collective efforts to combat religious and separatist extremism, as well as mutual assistance to protect problematic parts of their shared borders. This led to establishing the 'Bishkek group' comprised of chiefs of law enforcement agencies and special services, to meet annually and discuss urgent issues and coordinate activities. The Bishkek theme was reaffirmed at the defence ministers' meeting in March 2000 – to resolutely oppose any activities directed against other countries carried out within their own territory by the forces of national ethnic separation, religious extremism and terrorism.

The July 2000 summit in Dushanbe, Tajikistan included Uzbek president Islam Karimov as an observer. The five members agreed to draw up a multilateral programme and conduct regular meetings of their law-enforcement and security services, as well as counter-terrorism exercises.

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<sup>6</sup> "Brief Introduction to the Shanghai Cooperation Organization," (Shanghai Cooperation Organization, 2006), <http://www.sectSCO.org/html/00026.html> (accessed October 13, 2006).

<sup>7</sup> Allison and Jonson: 234.

#### **D. Evolution of the Shanghai Five into the Shanghai Cooperation Organization**

Since the end of 1997, when the “Islamic Movement of Uzbekistan” developed in Central Asia, Central Asian states have also held serious concerns regarding Islamic fundamentalism, which was seen as a common threat to the security of the Shanghai Five.<sup>8</sup> In addition, they began to pay attention to economic cooperation, such as the revival of the Silk Road.

The Shanghai Five often declares itself to be a new model of regional cooperation, which aims to produce good-neighbour relations, mutual trust, equality and common development and is neither allied with nor antagonistic to third parties. Its basic idea is to preserve the integrity of its member states, which share common interests for combating separatist movements within their states and preventing outside interference, especially through Islamic fundamentalism. This also means that the concerned parties never support their own minorities in other member states. In this context, Uzbekistan’s participation would be crucial to guarantee future security and regional state integrity.

Uzbekistan left the CIS collective security treaty in 1999.<sup>9</sup> Nevertheless, Uzbek policy makers felt the need to cooperate with neighbouring states against Islamic fundamentalist movements that opposed the Karimov government. They saw the Shanghai Five as a balanced forum between Russia and China, suiting Uzbek interests which have always been cautious about Russian dominance in the region.

China fully supported possible cooperation with Uzbekistan because of its absence of territorial conflict with China (it has no shared border). As for Russia, it hoped to find a way to bring Uzbekistan back into a regional security cooperation, an

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<sup>8</sup> Dmitiri Trenin. “Russia and Anti-Terrorism,” *Institute for Security Studies of the European Union*, <http://www.iss-eu.org/chailot/chai74.pdf> (accessed November 26, 2006).

<sup>9</sup>Allison and Jonson: 226.

alternative to the CIS security treaty regime. China therefore invited Uzbekistan to the Shanghai Five, with the consent of Russia.

But Uzbekistan's inclusion was initially a problem for the Central Asian members. Kyrgyzstan and Tajikistan exercised more caution regarding Uzbekistan's recently expanded regional role. Kazakhstan was conscious of its rivalry and conflict of interests in the region. In the end, the three states accepted Uzbekistan's participation – they hoped for the China's and Russia's control and the increased effectiveness of the group against Islamic fundamentalism with Uzbek engagement. Kazakhstan supported Kyrgyz initiatives for creating an anti-terrorist centre in the new organization and made Kazak-Kyrgyz bilateral cooperation within this organization a counterbalance against Uzbekistan.<sup>10</sup>

The expanded membership of the Shanghai Five prompted a reassessment of the grouping. According to the official SCO website, there was a decision to “lift the mechanism of Shanghai Five to a higher level, in order to make it a strong base and important support for developing under new conditions, cooperation among six states”<sup>11</sup>, leading the way for evolution into the Shanghai Cooperation Organization.

### **E. The early stages of the Shanghai Cooperation Organization**

The fifth anniversary of the Shanghai Five was on June 15, 2001 and it returned to its origins by being held in Shanghai, with working languages in Russian and Chinese. Uzbekistan was accepted as a full member, and the heads of every state signed the Declaration on Establishment of the Shanghai Cooperation Organization and the Convention for combating ‘terrorism, separatism and extremism’, making it one of the first international groupings to propose the fight against terrorism. The

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<sup>10</sup> Iwashita.

<sup>11</sup>“History of Development of Shanghai Cooperation Organization,” (Shanghai Cooperation Organization, 2006), <http://www.sectSCO.org/html/00035.html> (accessed October 13, 2006).

Shanghai Cooperation Organization, or SCO, still bases its internal relations on the 'Spirit of Shanghai' like the Shanghai Five: mutual trust and benefit, equality, mutual consultations, respect for the multifaceted cultures and aspiration to joint development. The total area occupied by the member states is about 30 million and 189 thousand square kilometers (three-fifths the territory of Eurasia) from the Baltic Sea to the Pacific Ocean, and possesses a population of 1.455 billion people (a quarter of the world's population).<sup>12</sup>

On September 14, 2001 the SCO heads of government met in Almaty, Kazakhstan to sign the Memorandum Among Governments of SCO Member States on the Basic Goals and Directions of Regional Economic Cooperation and Launch of Process on Creating Favourable Conditions in the Field of Trade and Investments, and also declared official establishment of a mechanism within the SCO framework to ensure regular meetings of government heads.

On July 7, 2002 the heads of state adopted the Charter of Shanghai Cooperation Organization, outlining the goals, principles, and basic directions of the SCO, and laying strong international legal foundations. Also signed was the Agreement Among SCO Member States on Regional Anti-Terrorist Structure.

The May 29, 2003 meeting in Moscow achieved the passing of many regulations and decisions regulating the functioning of the Organization's internal mechanism. The post of Secretary-General was assigned to Zhang Deguang.

On September 23, 2003 there was a signing of the Programme of Multilateral Trade and Economic Cooperation Among SCO Member States, and the 2004 budget of the organization was approved. The Programme outlined basic goals and objectives of economic cooperation within the SCO framework, priorities, and guidelines of cooperation emphasizing long-term planning. In this stage, future plans

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<sup>12</sup> Iwashita.

were made for economic integration, free movement of goods, capital, services and technologies for a period of two decades.

January 15, 2004 was the date of establishment for the Secretariat in Beijing. The Secretariat is headed by the Executive Secretary along with three Deputies each in charge of a specific field of cooperation. The Deputy of the Political group oversees the Council of Heads of States, the Council of Ministers of Foreign Affairs, and other security-related working groups. The Economic group is in charge of the Council of Heads of Governments, Heads of Ministries and contacting scientific and economic circles of member states. The Administrative-Legal group sees to legal matters, financing and budgeting.

The Council of Heads of Member States is a supreme body responsible for decision-making, with regular annual sessions and issues instructions on all important matters of the organization. The Council of Heads of Governments of SCO Member States holds a regular meeting once a year to discuss strategy of multilateral cooperation and priorities within the SCO framework, to decide on actual matters of principle regarding economic and other cooperation, and annual budget approval. The coordination mechanism within the SCO framework is the Council of National Coordinators of SCO Member States.

Another permanent body of the organization besides the Secretariat is the Regional Anti-Terrorist Structure (RATS) located in Tashkent, Uzbekistan. The Head is elected by the Council of Heads of SCO Member States for a 3-year term. Each member state assigns a permanent representative to the RATS. Its main functions are:

- (1) Maintaining working contacts with main administrative body of SCO member states and strengthening coordination with international organizations on terrorism, separatism, and extremism
- (2) Participation in preparing drafts of international legal documents on matters of combating terrorism, separatism, and extremism.

Establishing regulative mechanisms with the UN Security Council and

other international organizations to deal with global challenges and threats.

- (3) Gathering and analyzing information related to terrorism, separatism, and extremism
- (4) Hosting scientific-research conferences on related matters<sup>13</sup>

At present, besides the six permanent members, Mongolia has been an observer since 2004, and India, Pakistan, Iran became observers the following year. Increasing numbers of observers has raised speculation on whether the SCO plans to expand its membership, because the latest full member Uzbekistan started off from participating as an observer. But the current Organization Charter does not yet provide for the inclusion of new members, and the head of the Kazakh Senate at the May 30, 2006 meeting in Moscow called for a ‘temporary moratorium on accepting new observer countries’, saying that the organization should focus on cementing ties between its current member states.<sup>14</sup>

By the time of the fifth annual SCO summit in June 2006, the organization’s joint activities extended to cover cooperation in education, economy, trade and finance.

With the help of a credit fund of US\$ 900 million provided by China, the SCO member states agreed to speed up cooperation in the fields of energy, information technology and transportation. And to underline its principle of non-interference, the fifth-anniversary declaration stated that “the model of social development should not be exported.”

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<sup>13</sup> “Information on Regional Anti-Terrorist Structure of Shanghai Cooperation Organization,” (Shanghai Cooperation Organization, 2007), <http://www.sectSCO.org/fk-03.html> (accessed February 13, 2007).

<sup>14</sup> Claire Bigg. “Russia/Central Asia: Shanghai Cooperation Organization Mulls Expansion,” *Radio Free Europe/Radio Liberty*, <http://rferl.org> (accessed February 14, 2007).

An SCO Business Council was set up in 2006 for being a coordination centre for businesses representing all SCO states, as well as an Interbank Association to coordinate the financing of different projects. In the same year, an exhibition of children's paintings was held in all member states and was later displayed at the UN. Among the first pilot projects in regional economic cooperation for 2007 is the construction of 2 highways, including the construction of a highway corridor on a vast territory stretching from the Caspian Sea to China across Russia and a number of Central Asian countries. And ideas are being put forward about the formation of an SCO Energy Club and an SCO Asian Energy Strategy.<sup>15</sup>

Parliamentary diplomacy is also increasing. In May 2006, parliamentary speakers from SCO member states convened for the first time, to create the basis for an SCO parliament to coordinate legislative processes. Russia came up with an initiative to hold regular meetings of parliamentary speakers, so that more efforts could be made in streamlining member states' legislative systems to liberalize interregional economic ties and cross-border trade.

#### **F. Russian interests after the Soviet Union**

Russia has been preoccupied with restoring its status as a major global player akin to its Soviet days, particularly since the arrival of Vladimir Putin as president. Since the collapse of the Soviet Union, neither the US nor Europe has given Russia a significant role in major consultations concerning Western actions in the Balkans or the Middle East, especially in other areas where Moscow once asserted its role such as Latin America, Africa, and Indochina. Russia in turn can be seen as a "giant in waiting" with as many strategic assets as institutional and social-structural weaknesses.

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<sup>15</sup> Deguang Zhang. "Generalizing Experience, Deepening Cooperation, Leading the SCO Towards New Great Achievements," (Shanghai Cooperation Organization, 2007), <http://www.sectsc.org/html/01007.html> (accessed February 12, 2007).

Aware that it is lacking in economic strengths like the West, Russia chose to build upon its remaining strengths that were not affected by the end of the Cold War, namely its oil and gas reserves and military-industrial complex, as way of earning much needed hard currency. Presently, Russia is emerging as the world's most important energy supplier and the second largest arms exporter. Last year and early this year Russia signed major weapons trade package agreements with Algeria (\$7.5 billion), Venezuela (\$3 billion), and India (\$2.6 billion). Contracts with Libya (up to \$2.2 billion) and Syria (\$2-3 billion) are in the pipeline.<sup>16</sup>

Oil politics undoubtedly plays a major role in competing regional integration drives and models propagated in the post-Soviet space; the Putin government uses energy trade as a tool serving geopolitical ambitions of the Russian state. The eastern "vector" of Russia's oil politics is largely dictated by developmental needs of China. About one-tenth of China's total crude oil imports currently come from Russia.<sup>17</sup> For China, ensuring a growing Russian supply is the only reliable alternative to shipping from unstable regions of the world. Closer energy cooperation between Russia and China will result in a loss of strategic leverage in Eurasia for Washington.

In May 2007, the Russian Ministry of Foreign Affairs published a Survey of Russian Federation Foreign Policy, conducted among Russia's leading foreign affairs organizations and institutes. Regarding energy diplomacy, the report states:

'The importance of energy diplomacy increases qualitatively. This is determined by the leading role of the Russian fuel and energy sector in the national economy's development at this stage and by the tasks of advancing

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<sup>16</sup> Yevgeny Bendersky. "Keep a Watchful Eye on Russia's Military Technology," *Power and Interest News Report*, <http://www.pinr.com> (accessed November 20, 2006).

<sup>17</sup> Sergei Lavrov. "The Rise of Asia, and the Eastern Vector of Russia's Foreign Policy," *Russia in Global Affairs*, <http://eng.globalaffairs.ru/numbers/16/1041.html> (accessed May 16, 2007).

our interests in the conditions of a sharpening competition in the world arena for attractive energy assets and sales markets.....<sup>18</sup>

Even though the official administration of the Central Asian republics by Moscow ceased with the collapse of the Soviet Union, Russia still maintains many interests in the region, and peace and stability would be vital in having access to them. Central Asia has long been a volatile area, with ethnic tensions, political instability and potential energy sources, not to mention the risk of being a cultivating ground for Muslim extremists due to its underdeveloped economy, repressed dissatisfaction from the Soviet era, and geographical proximity to the Middle East.

Russian foreign policy towards this area, called the “near abroad” has not surprisingly focused on the security aspect. The territorial tensions among the republics have long been a source of conflict, and Russia fears that these tensions could spill over into its own territory. Economic underdevelopment could mean economic migrants into Russia, which could be a strain on the country’s budget. And then there was the question of China, another rising power nearby with which Russia had a history of alternating conflict and cooperation. Some CIS states shared heavily militarized borders with China, and China’s rapid economic expansion in all directions made Russia fear that it would only be a matter of time before China would increase its involvement in Central Asia.

### **G. Eurasian regionalism for Russia**

Regional cooperative groupings have been shown to be an effective forum for confidence-building and providing parties with an opportunity for dialogue, which would create mutual understanding and possibly resolve potential conflicts by peaceful means. Also, because of the transnational nature of problems in the 21<sup>st</sup> century, cooperation is needed among states to implement preventive measures or find a resolution.

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<sup>18</sup> “A Survey of Russian Federation Foreign Policy,” (Russian Ministry of Foreign Affairs, 2007), <http://www.mid.ru> (accessed May 18, 2007).

The SCO uniquely combines a post-hegemonic state (Russia), an ascendant hegemony (China), and several resource-rich states in between, most notably, Kazakhstan and Uzbekistan. The richer regions of Russia and China can act as a driving force for the less-developed regions of Central Asia. The weakness of earlier forms of regional cooperation in Central Asia was that they lacked a powerful economy around which the weaker states could integrate.

Security of oil and gas networks requires a solid military presence in the region. Because of that, the SCO members insisted on elimination of the American air force bases in Kyrgyzstan and Uzbekistan. Not long after, Uzbekistan shut down the American's Karshi-Khanabad military air base in the southeast.<sup>19</sup> The removal of the Americans secured Russia's strategically important position in the region. Most pipelines linking Russia, China and Kazakhstan now lie within the operational reach of the Russian armed forces, which maintain its own military bases in the region, and it is fair to say that Russia is now the only country capable of exercising effective control over the land-based oil and gas flows to China. In August 2005, Russia held the first of what would be the annual joint military exercise with China, "Peace Mission 2005", and invited representatives from SCO member states as observers. In 2006 it held a joint training with the Uzbek army, and joint exercises with all SCO members are planned for 2007.<sup>20</sup>

Eurasian regionalism, as exemplified by the SCO is about economy, security, and joint opposition to US unilateralism. All members oppose the idea of socio-economic or socio political engineering imposed from outside, by external powers propagating their own visions of correct relationships between the societies,

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<sup>19</sup> Lionel Beehner. "The Rise of the Shanghai Cooperation Organization," (Council on Foreign Relations, 2007), <http://www.cfr.org/publication/10883> (accessed February 14, 2007).

<sup>20</sup> M.K. Bhadrakumar. "China and Russia Embrace the Shanghai Spirit," *Asia Times.com*, <http://www.atimes.com/atimes/China/HF16Ad01.html> (accessed February 22, 2007).

the states and the market. For Russia, Eurasianism appeared as a reaction to the liberal internationalism and anarcho-capitalism of the Yeltsin years. By the mid-nineties, one-sided orientation to the West was rejected, and the Russian elite had finally realized that no one would take care of Russian interests save Russians themselves.

At the SCO Moscow meeting on May 30, 2006, President Putin noted “with satisfaction” that the international community is showing “greater interest” in the SCO. He also referred to “attempts to create some sort of competition with our organization in the international arena” – apparently meaning growing US influence in the region – but suggested that the SCO should not engage in competition but instead pursue positive, constructive work. He further added that Russia will seek to strengthen the role and authority of the SCO so that it becomes “an efficient guarantor of stability and security in a vast region of Eurasia.”<sup>21</sup>

## **H. Conclusion**

Founded on territorial security concerns, the Shanghai Cooperation has gradually expanded through the years to include other areas of cooperation such as economic and sociocultural. Even though Russia’s efforts to re-establish state controls over resource flows abroad have been interpreted as using economic instruments to re-impose itself on its former satellites politically, the regionalism phenomena such as the establishment of the SCO may indicate that both politics of oil in Eurasia and these countries efforts at regionalization are complementary and represent a natural reaction to globalization propelled by the corporate interests of the West.

The developmental strategy chosen by Moscow is to ensure that the country’s natural resources remain under control of the state. Putin believes that “Russian ownership of Russia’s resource base is critical to Russia’s economic

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<sup>21</sup> ITAR-TASS. “Putin Wants a Stronger Shanghai Cooperation Organization,” *Radio Free Europe/Radio Liberty*, <http://www.rferl.org> (accessed February 14, 2007).

recovery and to the country's reemergence as an important international actor"<sup>22</sup>, and believes that Western-style globalization cannot provide enough economic or social support for the successful modernization of former Soviet states.

In its quest for Eurasian regional prominence, it must promote its agenda with its neighbouring countries, not least China. Since the inception of the SCO, China has been the main economic force in the organization, and is fast expanding into other areas such as security. The future may hold more similar interests for both, and so it remains to be seen whether both major powers can strengthen the regional organization in parallel to pursuing each state's national interests.

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<sup>22</sup> Elizabeth Wishnick. "Russia and the CIS in 2006: Asserting Russian Interests on Korean Security, Energy, and Central Asia" *Asian Survey* 47 (2007): 60.

## **CHAPTER 3**

### **THE ROLE OF RUSSIA AND CHINA IN THE SCO**

#### **A. Introduction**

Russia and China have a long history of conflict and cooperation. Besides their proximity to each other, each has been a superpower during different periods throughout history, and has spread its influence to surrounding countries. In turn, some smaller countries have relied on one of these major powers in areas of trade, economic investment, infrastructure, security, education, and social development.

As two of the main founding members of the SCO, both need to cooperate on various issues in order to advance the organization. This has brought speculation from outsiders that Russia and China are using the SCO as a tool through which each can assert its influence in Central Asia, even going as far to suggest that it is an attempt to block the growing US influence in the region. Also, the steady rise of China in economic and military strength while Russia is seeking to regain its position on the regional and international stage may be possible cause for a conflict of interests in an area which was formerly part of Imperial Russia and later the Soviet Union. Therefore, actions and statements emanating from the SCO have been closely observed and analyzed by many, to evaluate the operating environment and the direction that the organization is heading.

#### **B. Background of Sino-Russian Relations**

The Sino-Russian border issue is a historic one, dating back centuries. The border, consisting of a 4300-kilometre eastern section from the eastern edge of Mongolia to the Tumen River of North Korea and a 3200-kilometre western section from the western edge of Mongolia to the Tajik-Afghanistan border junction, was delineated mainly by the Russian empire and the Qing dynasty in the late 19<sup>th</sup> century.

The Chinese claimed a loss of over one and half million square kilometres of its territory on the basis of “unequal treaties” between Russia and China in the 19<sup>th</sup>

century, which later caused Soviet-Chinese military conflicts such as the Damanskii Incident on the Ussuri River in 1969. In the late 1980s, when Soviet-Chinese rapprochement was brought about by Gorbachev's "new thinking", both sides agreed to build measures to prevent military conflicts and resolve territorial issues in the border area. The former led to an agreement on the leading principles of arms reduction and confidence-building in the military field on the border in April 1990; the latter to an agreement between the two states on the eastern sector of their state border on May 16, 1991.

Relations continued after the collapse of the Soviet Union. On December 27, 1991, Chinese foreign minister Qian Qichen sent letters to Russia and the other new republics, stating that China recognized their independence and was ready for diplomatic relations. Two days later, both deputy foreign ministers signed a protocol expressing mutual desire to develop a "good-neighbourly" relationship based on the Five Principles of Peaceful Coexistence – mutual respect for sovereignty, mutual non-aggression, non-interference, equality and mutual benefits, and peaceful coexistence. China also supported Russia in the UN as a successor state to the Soviet Union.<sup>23</sup>

Changes also occurred in the border. The western part was divided into four sections – the 50-kilometre Russo-Chinese border, the 1700-kilometre Kazakh-Chinese border, the 1000-kilometre Kyrgyz-Chinese border, and the 430-kilometre Tajik-Chinese border, while the eastern part was totally succeeded by the Russo-Chinese border. At that time, the newly independent Central Asian states that had not until then recognized the existence of the territorial issue and had rejected its negotiation with China, agreed to sit at a table to discuss it through the mediation of Russia. The 4 (Russia and three Central Asian states) + 1 (China) negotiation formula was created by the Russo-Chinese "partnership" as part of the border agreements.

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<sup>23</sup> Mike Bowker and Cameron Ross, eds. *Russia After the Cold War* (Essex: Pearson Education, 2000): 100.

Since then, there have been three main stages in developing the relationship.<sup>24</sup> The first stage after the collapse of the Soviet Union could be called the stage of friendly, cooperative partnership; in 1992 the first summit meeting between China and Russia resulted in signing the Joint Statement on the Foundation of Mutual Relations. The second stage occurred when President Jiang Zemin visited Russia for another summit with Yeltsin in 1994. This produced another joint statement defining the relationship as a “constructive partnership oriented toward the 21<sup>st</sup> century” and a statement affirming the two countries commitment of no-first-use of nuclear weapons and not to target nuclear-armed missiles against each other, as well as an agreement delineating the 55-kilometre western sector of the Sino-Russian border – bringing relations to constructive partnership.

In April 1996 Jiang and Yeltsin signed a new joint statement proclaiming the forging of a “strategic partnership of equality and trust oriented toward the 21<sup>st</sup> century”. China expressed understanding and support for Russia’s position against eastward NATO expansion and Russia committed itself to further strategic cooperation with China to make their shared borders more peaceful and stable, moving the relationship to a strategic partnership.

There can be several reasons why the Russo-Chinese relationship has solidified. Both countries share views on an increasing number of international issues, in the face of challenges from the US and its allies. In the first years after the collapse of the Soviet Union, Russia adopted a pro-Western foreign policy, hoping for economic aid from the West and for recognition as a major power and equal partner of the US. When that failed, especially with the US-led NATO eastward expansion, Russia changed to an “omni-directional” policy, pursuing relations with both Western and Eastern countries, particularly during the mid-1990s with Yevgeny Primakov, an

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<sup>24</sup> Qimao Chen. “Sino-Russian Relations After the Break-up of the Soviet Union.” in *Russia and Asia: the Emerging Security Agenda*, ed. Genady Chufirin (New York: Oxford University Press: 1999): 288-300.

Orientalist scholar, as foreign minister, replacing Andrei Kozeyrev who was an Atlanticist (one who is in favour of engaging primarily with the West).<sup>25</sup>

China in the 1990s faced US pressure on human rights, interference on the Taiwan issue and the threat of “containment”. Naturally, this draws both Russia and China towards common ground. Neither can accept a post-Cold War unipolar world, and both are willing to contribute to the establishment of a new, equitable and reasonable international order.

### **C. The Sino-Russian weapons trade**

An important element of bilateral relations that had emerged under Yeltsin was rapid development of Sino-Russian military technical cooperation (*voenno-tekhnicheskoe sotrudnichestvo* or VTS)<sup>26</sup> well ahead of other forms of bilateral exchanges and cooperation. A strong lobbying group of Russian arms producers and exporters were responsible for this and had their own agenda in relations with China. October 1992 saw the visit of the then deputy defence minister Andrei Kokoshin to Beijing, to sign an agreement to transfer significant technology and production rights. In 1995 China agreed to pay about \$1.4 billion for the technology and licences to produce the SU-27 at a factory in Shenyang province. Large numbers of Russian scientists and engineers with long-term contracts are working in Chinese design bureaus and defence plants; Chinese engineers are training at Russian facilities, and more than 100 joint productions have been launched.<sup>27</sup>

The Tiananmen incident made the West place an arms embargo on China, while at the same time the Russian arms industry was declining in domestic sales and

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<sup>25</sup> Chen.: 290.

<sup>26</sup> Erich Marquardt and Yevgeny Bendersky. “The Significance of Sino-Russian Military Exercises,” *Power and Interests News Report*, <http://www.pinr.com> (accessed November 20, 2006).

<sup>27</sup> Marcel de Haas. “Russia-China Security Cooperation,” *Power and Interests News Report*, <http://www.pinr.com> (accessed November 20, 2006).

needed an outlet. China thus became its biggest client and is steadily expanding its purchase. The People's Liberation Army had long been equipped with Soviet/Russian exports of weapons and military technology. Together with India, China is a major Russian client. Combat aircraft have been the chief component of Russian deliveries; China has purchased at least six dozen transcontinental SU-27 fighters. In 1999, China concluded an agreement for 40 to 60 SU-30s – 2-seat multipurpose fighters capable (with modification) of carrying nuclear weapons. Other categories of purchase include naval vessels, diesel submarines, surface-to-air missile complexes, tanks, rocket launchers, and uranium enrichment technology.<sup>28</sup>

#### **D. China's pursuit of energy, and the role Russia plays**

The Russia-China partnership has more than one angle. Foreign policy, security, and military linkages each merit special attention. Joint criticisms of the US are becoming more common and may portend further challenges to US interests in the region. Security of oil supply is directly related to this implicit and sometimes overt competition with the West. Russia had major oil contracts with the Saddam Hussein government in Iraq, when the US invaded. Both Russia and China have made significant investments in oil production capacity and nuclear energy in Iran.<sup>29</sup> And the establishment of the SCO is increasingly used to advance visions of a multipolar world order where the US has a limited role. The fact that the geographic stretch of the SCO essentially coincides with the trajectories of major oil and gas pipelines that traverse Eurasia is not accidental.

Part of China's energy strategy has been to acquire property rights in energy exploration and production in Russia's borderlands e.g. Kazakhstan and Russia itself. As of recent, China has become engaged in "pipeline diplomacy" to

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<sup>28</sup> "Does Rising Asia Need to Cover its Head with Russian Missiles?," (Kazinform, 2006), <http://www.inform.kz/showarticle.php?lang=eng&id=146070> (accessed November 20, 2006).

<sup>29</sup> Sergei Luzyanin, "Russia Looks to the Orient," *Russia in Global Affairs*, <http://eng.globalaffairs.ru/numbers/16/1041.html> (accessed May 16, 2007).

secure oil and natural gas supplies from Siberia and the states of the Caspian basin, opening an oil pipeline running from Kazakhstan to northwest China in December 2005, to ensure greater independence from US-controlled Gulf oil.<sup>30</sup> However, increased oil and gas traffic through Kazakhstan also plays into Moscow's hand. First, it undermines the significance of the US-backed Baku-Tbilisi-Ceyhan pipeline that diverted Russia-controlled Baku-Novorossiisk pipeline. Second, this would spur the completion of the 3000-km Kazakhstan-China Transnational pipeline network, which Russia plans on delivering its oil to China. Most importantly, this is not a single Kazakh-Chinese project, but the beginning of a policy of creating a new pipeline system in which not only Russia, but several Central Asian states, will participate in.

#### **E. Cooperation between Russia and China in the SCO Framework**

Sino-Russian relations are the mainstay of SCO activities, and the linkages between economic development trade and security form these relations' core. In his interview to the Russian journal *Diplomaticheskij Vestnik* in 2005, the then SCO Secretary-General Zhang Deguang, former Chinese ambassador to Russia, said

“Over the last decade Sino-Russian bilateral relationship has been developing quite well, mutual political trust between the two states keeps strengthening all the time.....I think that the Shanghai Cooperation Organization has a strategic importance for China and Russia; it provided a new large space for further consolidation and expansion of cooperation between the two countries. As Secretary-General I hope that China and Russia will bring a still greater contribution to the matter of development of the Shanghai Cooperation Organization.”<sup>31</sup>

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<sup>30</sup> Paul A. Goble, “Back on the Map: the Geopolitics of Central Asia,” *CA&CC Press AB*, [http://www.ca-c.org/dataeng/st\\_02\\_goble.shtml](http://www.ca-c.org/dataeng/st_02_goble.shtml) (accessed May 16, 2007).

<sup>31</sup> Interview by General Secretary Zhang Deguang to Russian journal *Diplomaticheskij Vestmik*, (Shanghai Cooperation Organization, 2007), <http://www.sectco.org/html/00575.html> (accessed February 12, 2007).

Notable efforts on the part of China and Russia within the SCO framework has initially been within the field of security, by conducting several bilateral and multilateral military exercises, emphasizing anti-terrorism, enhanced by the Regional Anti-Terrorism Structure (RATS) to coordinate member activities. But controversy still surrounds its operation; member states have asserted their right, under the existing RATS agreement, to crackdown on dissidents along their own borders, such as the “disappearance” of protestors in Uzbekistan in May 2005, in which the government claimed that they were terrorists that posed a potential threat to domestic stability and the region at large. Both China and Russia, with their own problems in Xinjiang and Chechnya respectively, applauded the efforts and have reaffirmed the SCO’s need to enhance regional security cooperation and the core principle of non-interference in the internal affairs of sovereign states.

Under Putin, both governments proceeded to develop legal foundations for bilateral relations. On July 16, 2001 in Moscow, Presidents Putin and Jiang signed the Treaty on Good Neighbourly Friendship and Cooperation between the Russian Federation and the People’s Republic of China. An important excerpt is:

“...every intention of continuing to negotiate with the US to achieve for itself a more favourable security environment and continuing economic cooperation. By a public declaration of their security partnership, therefore, they not only hope to pool their strength to “balance” against the US, but also to gain more leverage in their individual bargaining sessions. Each can do so with greater confidence as a result of having “secured its rear” by cementing ties with its giant neighbour and former adversary.”<sup>32</sup>

The Putin government has in effect chosen a “middle road” of steady improvement of bilateral relations without excessive mutual obligations or excessive

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<sup>32</sup> Vladimir Baranovsky, “Russia and Asia: Challenges and Opportunities for National and International Security.” in *Russia and Asia: the Emerging Security Agenda*, ed. Genady Chufirin (New York: Oxford University Press: 1999): 11-32.

mutual distancing. At most, the treaty might be regarded as a hedge against (possibly a deterrent to) further adverse actions by the US.

From China's point of view, the SCO embodies a close but unaligned partnership with Russia, born out of the necessity of facing multiple nearby threats. Hu Jintao declared

“It is the original intention as well as the key mission of the SCO to jointly maintain peace, security and stability in the region...The SCO is one of the earliest international organizations to hold up the banner of fighting against terrorism, and has played an important role in coordinating anti-terrorism cooperation among member states.”<sup>33</sup>

Putin and Hu Jintao's meeting around the fifth annual summit in 2006 led to an agreement that provided \$500 million in credit from the China Development Bank (CDB) to Russia's state-owned Vneshekonombank. Putin noted that bilateral trade grew 53% over the previous year. A tripartite cooperation agreement between Vneshekonombank, CDB and the Chechen Republic government materialized in October 2006, as China became Chechnya's first foreign direct investor.

Of particular interest in considering SCO objectives is the role played by energy concerns of its member states; plans for setting up an SCO Energy Club, for instance. Part of the impetus motivating China's desire for peace and stability in Central Asia is the hope that stability will mean a greater ability to exploit the region's economic potential. Oil reserves in Xinjiang, Russia, and Kazakhstan are of interest to all states in the region. States that have problems with extremist groups and violence such as Tajikistan have met difficulties in attracting potential investors.

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<sup>33</sup> Tsuyoshi Kitagawa, “Putin's Strategic Choice: China or Japan?,” *Carnegie Moscow Centre*, <http://www.carnegie.ru/en/pubs/media/8973putins%strategic%20choice.doc> (accessed November 22, 2006).

Russia's interest in regional stability is motivated by a desire to tap into the Chinese market for its oil and gas exports. Similarly, China is keen to see that its oil and gas imports from the area continue uninterrupted. Both Kazakhstan and Uzbekistan, the major oil and gas producing nations, have vested interests in protecting the existing and planned pipeline routes along the western leg of the old Silk Road. Thus, the stated goal of the elimination of regional instability serves an underlying economic imperative, as manifested by energy trade in particular.

But there are some distinctions between Chinese and Russian approaches to the SCO. In Putin's article *SCO as a New Model of Successful International Cooperation*, he suggested that SCO coordinate its efforts and develop "common approaches toward guaranteeing security in the Asia-Pacific region". He said this could be achieved by establishing close relations with the regional organizations and structures that are already functioning. Such a network would allow the SCO to avoid unnecessary duplication and operating in parallel, and to "act in the common interest without creating exclusive clubs or divisiveness."<sup>34</sup>

China, on the other hand emphasizes "strengthening of cooperation and coordination within the SCO on major international issues, and on concerted joint efforts in pushing for the establishment of a new political and economic world order."<sup>35</sup>

Russia originally visualized the SCO against the backdrop of the security threats to the region, but China had a conceptualization of the SCO against the vast backdrop of economic globalization and political multipolarity in the world order. However, both are active in creating incentives for Central Asian governments – all pursuing authoritarian policies to varying degrees – to participate in SCO activities, in

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<sup>34</sup> Vladimir V. Putin, "SCO as a New Model of Successful International Cooperation," *The Russian Embassy in China*, <http://www.russia.org.cn> (accessed February 28, 2007).

<sup>35</sup> Sergei Gretskey, "Russia's Policy Towards Central Asia," *CA&CC Press AB*, <http://www.ca-c.org/dataeng/GRETSKY.shtml> (accessed May 16, 2007).

order to increase their international legitimacy and assure survival against growing internal opposition movements as well as pressures from radical Islam.

### **F. Possible causes for tension in Sino-Russian Relations**

Historically, the two countries proximity, complicated territorial divisions and mutual claims have led to recurrent conflicts. Moscow is particularly wary of the Chinese economic and demographic dynamics that perceivably push towards expansion, while Russia's abilities to defend its assets diminish progressively as the result of similar albeit negative demographic, economic, social, etc. tendencies. It is estimated that there may be 7-10 million Chinese living in Russia by the middle of the century if the legal and illegal immigration continues at current rates.<sup>36</sup>

Russia has already experienced multiple difficulties in the Central Asian region and Mongolia, Chinese involvements in local situations, e.g. using the factor of ethnic similarities between local and Chinese populations across the borders, are expected by many specialists to complicate these difficulties for Russia further and eventually present dangers not only to ethnic Russians in Central Asia but also inland Russian regions. If a situation arises where Russia and/or China get involved in a regional controversy with the US, Moscow and Beijing may be swayed by considerations other than solidarity under the 2001 treaty and other mutual agreements growing out of their relations with the US.

Russia has been growing increasingly concerned about China acquiring advanced weapons and technology, recognizing that technology transfer is helping turn Beijing into Moscow's fierce competitor in arms markets that have traditionally been the domain of Russia. By 2000, China had already occupied the fourth place in global arms sales.

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<sup>36</sup> Seth Singleton. "Russia and Asia: the Emergence of 'Normal Relations'?" in *The Foreign Policy of the Russian Federation*, eds. Roger E. Kanet and Alexander V. Kozhemiakin (Chippenham, Wiltshire: Macmillan Press: 1997): 105-120.

In April 2004 during negotiation with the Russian Defence Ministry in Beijing, the Chinese called for a “new approach” in bilateral military-technical cooperation that would eliminate any barriers for the supply of the most advanced Russian technologies.<sup>37</sup> This position reflects growing Chinese ambitions to build up the strongest military in the world. Experts have recommended Moscow to refrain from selling the most advanced military technologies to Beijing for fear of creating a potent adversary at its own expense. They warn that by selling advanced weapons to the Chinese today, Russian military exports will lose attractiveness for the Chinese in the near future.

Besides security issues, environmental issues also cast a shadow on Russian-Chinese relations, which otherwise saw signs of progress on the economic front. On two occasions, November 2005 and August 2006, toxic chemicals from factories in China’s Jilin province spilled into the Songhuajiang, a tributary of the Amur River, threatening water resources in Russia’s Khabarovsk Kray. Although Chinese PM Wen Jiabao apologized to Putin after the first spill and Russia and China signed an agreement to cooperate in monitoring water quality in all of their shared waterways, Russian regional officials have accused their Chinese counterparts of being reluctant to release information. After the second spill in August, the Khabarovsk Kray governor criticized both Russian federal authorities for taking a conciliatory approach to China and the Chinese government for failing to comply with water pollution agreements.<sup>38</sup>

China’s poor environmental record has long dampened enthusiasm in the Russian Far East for economic cooperation with neighbouring regions in the PRC. The Putin government has so far been unsuccessful in getting China to sign an agreement on compensation for environmental damage.

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<sup>37</sup> Bendersky.

<sup>38</sup> Wishnick.

### **G.Conclusion**

Judging from past and present activities, Russia and China would very much prefer a stronger and more cohesive SCO, in order to gain credibility and recognition as an international organization. Due to its major power status, each will still continue to dominate the organization, and branch out into different cooperation areas such as trade, investment, science and education. China would likely use trade and investment as diplomatic tools; as for the other cooperation areas Russia would also likely be active, especially in the field of military technology. But security would still be the dominant issue of the organization, due to each member's political situation and the emerging threats of the 21<sup>st</sup> century.

The question of whether or not the SCO will emerge as a military bloc to contend against growing Western (US) influence in the region remains to be seen. But one of the organization's objectives is definitely the pursuit of multipolarity, and extra-regional powers should also consider the existing spheres of influence that Russia and China maintain in the region.

Possibilities of a confrontation in Central Asia between Russia and China due to conflict of interests has been speculated, mainly over the search for energy sources, but it is unlikely in the near future. Both realize the benefits of cooperation, especially if multipolarity is to prevail. Moreover, both countries are in the midst of a cultural and economic exchange; 2006 was the Year of Russia in China, and 2007 is the Year of China in Russia, a cultural exchange event on a people-to-people level. Therefore, while the SCO serves as a multilateral forum, bilateral relations between Russia and China will be supported by respective foreign policies that would likely facilitate efforts for cooperation and collective action.

## **CHAPTER 4**

### **RUSSIA AND CENTRAL ASIA IN THE SCO**

#### **A. Introduction**

Russia's foreign policy in Central Asia has a special characteristic different from that towards other countries. Due to its history of an area that has long been dominated by Russia, its importance has not diminished both in terms of geopolitical and economics. As most of the states were former republics of the Soviet Union, it is often referred to by Russians as the "near abroad".

Maintaining stability in a region that is prone to ethnic conflict and a possible breeding ground for religious extremism would be beneficial to Russia in securing its southwestern border, not to mention facilitating access to areas vital to national interests. Russia's policy towards this group of states is therefore often seen as a mix between attempting to keep its presence, usually in matters of security, and fostering relations through the internationally accepted norm of regional cooperative groupings. The SCO is instrumental in serving this purpose.

#### **B. History of Russia's role in Central Asia**

Russia's 19<sup>th</sup> century expansion into Central Asia and the Far East was the result of geopolitical calculation, not cultural affinity. Its defeat in the Crimean War of the mid-1850s against the British-French-Ottoman alliance made it feel the need to compensate for its receding power in Europe, so they annexed Central Asia, primarily for strategic and military concerns, not economic.<sup>39</sup>

Imperial Russia encouraged colonization of its outer territories, so from the late 19<sup>th</sup> century onwards, Russian settlers immigrated into Central Asia, especially Kazakhstan where more than one million European Russians became farmers. During

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<sup>39</sup> Allison and Jonson: 20.

that time, Russia was experiencing a population surge and land shortage for peasants freed from serfdom. The government saw settlement as an effective mechanism for imperial control in non-Russian regions.

Continuous Russian domination in the region gave birth to the Basmachi Revolt – a largely Turkic uprising against the Russian imperial and Soviet rule in Central Asia. Opposition to Russia’s cultural imperialism, harsh policies and requisitioning of food and livestock were an important component of the rebellion, as well as Muslim traditionalism and pan-Turkism. By the early 1920s, the revolt had become so widespread that the Soviet government realized they risked losing their territory. Lenin’s government made conciliations to national sentiment, such as grants of food, tax relief, the promise of land reform, the reversal of anti-Muslim policies launched during the Civil War, and the promise of the end to agricultural controls. By 1926 the revolt had largely died out except for skirmishes and occasional fighting until 1931. In 1934 the Basmachi were completely eradicated.<sup>40</sup>

This incident made the Soviet government more aware of the potential risks and try to consolidate its power, economically and socially, over the region even more. The principle of the Soviet economy was “divide and rule” – each region had a distinct economic specialty, and as for other goods they relied on central distribution, leaving each republic with no independent, viable economy. When Stalin came to power, he attempted to reform Central Asia’s economy through collectivization of agricultural produce with dire consequences; two-thirds of the Kazakh population died or were exiled. In the end, the sole produce was cotton.

Social problems occurred with the forced deportation to the area of peasant labour and political dissidents from the Soviet Union, as well as other “undesirables”. Stalin carried out a “cultural autarky policy”, changing the native alphabet from

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<sup>40</sup> “Basmachi Revolt,” (Wikipedia, 2007), [http://en.wikipedia.org/wiki/Basmachi\\_Revolt](http://en.wikipedia.org/wiki/Basmachi_Revolt) (accessed March 23, 2007).

Arabic to Cyrillic, cutting off their historical past and tried to centralize their culture.<sup>41</sup>

The collapse of the Soviet Union brought a brief period of Russian withdrawal from the region, and most of the Central Asian states became part of the Commonwealth of Independent States (CIS), comprising of former Soviet republics. The early Yeltsin government was also devoting its energy to trying to integrate Russia into the West, partly due to the then-foreign minister Andrei Kozyrev, who was an Atlanticist. But it turned out that Russia had lost its prominence on the international arena, and the West did not accord it as much importance as a major power. This is when the government started to reconsider the significance of its “near abroad”, as an area where many vital Russian national interests still remained, and where Russia may have an opportunity to regain its status as a major power.

In the post-Soviet period, ethnic Russians in the CIS faced rising discrimination, constraints on citizenship, and loss of former privileges. Local governments have declared laws that residents should be fluent in the local language, placing ethnic Russians at a disadvantage. This reaction was due to historical resentment of their elite status and their unwillingness to assimilate with the native culture.

So far, this has resulted in “forced” immigration of the Russian diaspora back to Russia, providing right-wingers in Moscow an issue upon which to justify stronger measures in Central Asia. By the end of 1996, 2.4 million people had immigrated to Russia from the CIS, with 70% from Central Asia.<sup>42</sup> Reasons stated were loss of status, domination of titular ethnic groups, ethnic discomfort, and ethnic

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<sup>41</sup> Karen Dawisha and Bruce Parrott. *Russia and the New States of Eurasia: the Politics of Upheaval*. (New York: Cambridge University Press, 1995): 49.

<sup>42</sup> Peter Shearman. “Defining the National Interest: Russian Foreign Policy and Domestic Politics.” in *The Foreign Policy of the Russian Federation*, eds. Roger E. Kanet and Alexander V. Kozhemiakin (Chippenham, Wiltshire: Macmillan Press: 1997):10-11.

conflicts. The Tajik civil war of 1992 resulted in ethnic Russians leaving the country, depriving the country of an economic force. In Turkmenistan, ethnic Russians wanted to leave because of difficult socio-economic situations; the rationing system, food shortage, low wage, lack of contacts in rural areas from which to secure more food. But the authoritarian regime prevented Russian specialists from leaving the country because they comprised the high-technology labour force, and prohibited house and property sales.

In Uzbekistan, the most Islamized and ethnically homogeneous Central Asian state, Russians felt alienated – they didn't know the language, and the government promoted Uzbeks to key posts. But Russian technical specialists were still in demand, even though in the future they would be replaced with overseas-trained native specialists.

In Kyrgyzstan where Kyrgyz became the official language, there was pressure on the workforce to favour locals from the flow of rural people into urban areas, causing rapid marginalization of ethnic Russians. Anti-Russian activities and demonstrations were organized in 1991.

In Kazakhstan, there is the largest Russian diaspora in the north and northeast. The new constitution proclaimed self-determination and Kazakh as the sole official language. Priority is given to changing the ethnic composition in favour of the titular nation, due to fears of separatism in Russian communities. Increased “Kazakhization” of Russian areas – renaming towns and appointing Kazakhs to administrative and executive posts, as well as repatriation on ethnic Kazakhs from Mongolia and China to settle in northern areas once occupied by ethnic Russians or Germans who immigrated to Russia or Germany.<sup>43</sup>

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<sup>43</sup> *Ibid.*

### **C. Russia's post-Cold War security policy in Central Asia**

In May 1992, the Russian defence ministry published a draft document titled “The Fundamentals of Russian Military Doctrine”, otherwise known as the “Russian Monroe Doctrine”, recognizing Russia’s vital interests and special role in the former Soviet republics and legitimizing Russia’s intervention to protect them, by force if necessary. The doctrine identified two major threats to Russia: introduction of foreign military forces into states adjacent to former Soviet borders and buildup of ground, air, navy forces near borders; and violation of rights of ethnic Russians in territories of the former Soviet Union. It also identified three types of war: a global war (highly unlikely), a local war, and a civil war. Either major threat could cause the two latter types of war which will involve large-scale conventional ground operations, in which the Russian military should be prepared to deal with.

For the Russian military to respond effectively, it would need three types of armed forces. The first would have a limited number of forces, mostly a strategic nuclear force that would always be ready for combat as a deterrent. The second type would be mobile forces as a reserve to shift rapidly to reinforce, and the third would be additional reserve forces to be mobilized in anticipation of threat of war.<sup>44</sup>

Kozyrev started lobbying for international recognition of Russia’s special rights in the “near abroad” and for UN-legitimized Russian peacekeeping activities, saying that Russia was “not prepared to risk losing geopolitical positions that took centuries to conquer. Central and Eastern Europe’s petitioning for NATO membership stoked fears of encirclement and exclusion from the West. Combined with the need to placate nationalists, this gave rise to a more forward and assertive policy in the near abroad. As Yeltsin addressed the UN in March 1993,

“The moment has come when responsible international institutions including the UN should grant Russia special powers as guarantor

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<sup>44</sup> William E. Odom and Robert Dujarric. *Commonwealth or Empire? Russia, Central Asia, and the Transcaucasus* (Indianapolis, Indiana: Hudson Institute, 1995):128.

of peace and stability in the regions of the former Soviet Union”<sup>45</sup>

The context of this speech came to be known as the Yeltsin Doctrine, outlining Russian policy towards its near abroad and the reason to maintain a military presence in the CIS, which for centuries had been the sphere of its military interests. Two factors determined the critical importance of Central Asia in Russia’s foreign and security policy: its historical legacy in the area, and the vulnerability of Central Asia to external influences.

Among the CIS nations, there was varying opinion on the purpose of its existence. For the Kazakh president Nursultan Nazarbaev, the CIS was needed to preserve the existing links of interrepublic cooperation, mainly in economics; for the Ukrainian president Leonid Kravchuk, it was for solving the temporary logistic problems from the Soviet dissolution.<sup>46</sup>

Ironically, with Moscow’s declared intention of maintaining peace and stability in its former states, Russia’s involvement has aggravated local conflicts, through support of Moscow appointed leaders and creating civil war as to find legitimacy for troop stationing. Since 1993, Russia has been more active in coordinating security activities in Central Asia, especially after the civil war in Tajikistan. There is still a common view that the CIS borders are Russian borders and the military is committed to defending them. Moscow was involved in the overthrow of Azerbaijan’s elected president in 1993, replacing him with Heydar Aliiev, who was also undermined a year later when he refused to abrogate a deal with Western oil companies to exploit Caspian oil.

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<sup>45</sup> Shearman: 10.

<sup>46</sup> Vitaly V. Naumkin. “The Emerging Geopolitical Balance in Central Asia: a Russian View.” in *Russia and Asia: the Emerging Security Agenda*, ed. Genady Chufirin (New York: Oxford University Press: 1999): 83-89.

The environment within Central Asia was still rife with internal ethnic divisions within states. The Soviet division of Central Asia into republics caused internal border disputes, such as the Kyrgyz-Tajik, Uzbek-Kyrgyz, and Kyrgyz-Kazakh borders. Uzbekistan has caused considerable tension as it is one of the most powerful of the five Central Asian states, with the largest military force in the region, and was vying with Kazakhstan for regional power status to be the spokesman in dealing with Moscow. The civil war in Tajikistan made neighbours fear the spillover effect. Some leaders looked to Russia for help in peacekeeping, giving Russia an opportunity to remain engaged in the region. Another source of tension was the large Russian diaspora, who were accused of promoting Russian national interests at the expense of the locals. The Soviet era made Central Asia resentful of being relegated to defacto second-class republics, and conservative Russians believe that they are entitled to compensation for developing Central Asian infrastructure, by laying the foundations of statehood in comprehensive social services, compulsory education and health care system. There have been disagreements between Russia, Kazakhstan and Turkmenistan over sovereignty and exploration of Caspian oil. Volatile political systems such as those in Tajikistan and Uzbekistan were also a source of uncertainty.

Implementation of the Yeltsin doctrine was successful on the Tajik-Afghan border, where Russian troops clashed with the opposition fighters and the Afghan mujahedeen. But most Central Asian nations enjoyed good relations with Russia, even Uzbekistan which was seen as the centre of anti-Russia sentiment. With the exception of Turkmenistan, which has its own natural gas reserve, cooperation with Russia on security was widespread, viewing Russia as a strategic partner and eventual arbiter of disputes. Regimes still needed Moscow's support, and both Russia and the Central Asian states shared a common fear of Muslim extremists, so building ties with other neighbours like Iran may empower Muslim political opponents.

The only Central Asian nation that shares a border with Russia is Kazakhstan., which is commonly seen as a buffer state between Russia and Central Asia. There is a large population of ethnic Russian settlers in the North, whereas in other CIS states they are capital city bureaucrats. Kazakhstan is home to Russia's

major economic and strategic interests, with oil, coal, copper, uranium and gold mines, power plants that supply the Urals, the Baikonur space complex, and the Emba missile test range.<sup>47</sup>

Among the CIS states, Central Asian ones are the least economically developed, possessing a single water system and common electrical grid, so it is also most eager to open up to foreign investment. The landlocked region means that it needs Russia as a channel to export its natural resources, as well as gaining access to the Russian market. But unlike West CIS, not all states are dependent on Russian energy; Kazakhstan and Turkmenistan have their own oil and gas reserves, and with proper extraction could help in economic development. The challenge for Russia would be the ability to gain the majority of investment prospects in the area. Relations between ethnic Russians and native Central Asians are critical to the economic future, because Russians provide technical and economic skills while the locals supply labour. Russians comprise the majority of managerial and technical personnel in mining and energy industries.

At the same time, the Russian elite began to appreciate that its own security environment was changing in dramatic ways. In the new Russian security doctrine, Russian analysts and officials increasingly came to realize that the major threats to Russia's security no longer came from NATO, in the form of a conventional or nuclear attack on Russian territory. Rather, the emerging new threats to Russian security were internal as well as external, and they came from the Caucasus and Central Asia. In short, the real dangers threatening Russia were the potential for instability and turmoil along Russia's southern borders.

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<sup>47</sup> Irina D. Zviagelskaya. "Russia's Policy Options in Central Asia." in *Russia and Asia: the Emerging Security Agenda*, ed. Genady Chufirin (New York: Oxford University Press: 1999): 123-136.

#### **D. Russia's need for a security grouping in Central Asia**

Security issues began to be defined in terms far broader than simple military balances. Increasingly, the flows of weapons, drugs, refugees, and of Muslim radicalism and terrorism came to be viewed as major new threats to security. The drug trade took on particular importance because of its role in financing civil wars and insurgencies across the entire region, beginning with the civil war in Tajikistan and extending to the rise of the Taliban in Afghanistan.

Russia's initial disinterest in Central Asia created a vacuum, opening the way for extra-regional players such as China, Iran, Turkey, and the US. The Central Asian states also resented the Russian neglect, and responded with rising anti-Russian policies. Moscow's proposition of a CIS security cooperation was a failure, with limited results in creating a joint air defence system and collective border peacekeeping. It lacked a mechanism to implement collective decisions on security issues or military-technical cooperation. Some countries like Uzbekistan were opposed to collective defence.

Each Central Asian state has pursued different and increasingly divergent foreign and security policies. Turkmenistan has sought to preserve its neutrality and has avoided joining a variety of political coalitions and regional organizations. Uzbekistan, by contrast, has actively engaged itself a great variety of associations and organizations, while others fall somewhere in between. All these states have also sought to maintain their continuing and important economic, political, and cultural ties with Russia, while at the same time developing new relationships with the United States and other Western countries.

In May 1992, Russia, Armenia, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan signed the Tashkent Treaty on Collective Security. Reasons were states' awareness of their vulnerability, post-Soviet decline, the benefit of a Russian nuclear umbrella, and a desire to retain Russian support in the military sphere. However, propositions in the Tashkent Treaty to create a single defence union failed. No joint

forces were set up, no common military policy was outlined, and no legal basis was established for the use of force in the event of an emergency. Most states were unwilling to integrate their military, and every proposed activity required heavy obligation and money. Russia still relied mainly on bilateral channels for its security cooperation.

Russia's security role was evident in its involvement in the 1992 civil war in Tajikistan, partly from the appeals of the Uzbek leadership from fear of Muslim extremism spillover into Uzbekistan. Even when the war stopped, Tajik authorities could not control the outskirts of the country, and refused to negotiate with the opposition. It was left to Russia, the Central Asian CIS states, Iran and Pakistan, under UN auspices, to persuade both sides to a negotiation in 1993, culminating in the signing of the 1997 General Agreement on Peace and National Accord in Moscow. Therefore, mediation and peacekeeping became part of Russia's new role in Central Asia.

Initiation of the Shanghai Five mechanism in 1996 helped mitigate border problems among Russia, China, and most of Central Asia. It became a means for the members to discuss broad proposals for Central Asian security and to coordinate on more detailed needs in the unstable border regions.

The Taliban victory in Afghanistan in 1998 ensued further panic, but the Russian troop presence in Tajikistan was at least seen as a dependable deterrent against the spread of radicalism. Political and security cooperation with Moscow improved, and the Tajik government called on the Tashkent parties, especially Russia, to increase vigilance. Russia escalated its border troop readiness, and in July of that year Kazakhstan, Kyrgyzstan and Russia held the "*Druzhba (Friendship)-98*"<sup>48</sup> – a 3-day military staff exercise on a military base outside Almaty. The joint operations rehearsed included anti-terrorism, hostage situations, counter-invasions, and use of

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<sup>48</sup> Allison and Jonson.:109.

combined arms. In October Russia, Tajikistan, and Uzbekistan signed a trilateral agreement promising mutual assistance in the case of threats from Muslim radicals.

The atmosphere of cooperation was shaken in November 1998, when an armed revolt in Tajikistan was launched from Uzbek territory. Tajikistan accused Uzbekistan of supporting the rebels, jeopardizing Central Asian multilateral defence cooperation. But these events implicitly favoured Russia's regional role; Uzbekistan, the potential Central Asian power, became the target of other states suspicion, and Tajikistan would feel the need to rely further on Russian troop presence, thereby making Russia regain its security role. Uzbekistan even went as far as to say that Russia orchestrated the attacks.

Another cause of concern for Russia was the increasing security activity of the US in the region. Kazakhstan, Kyrgyzstan and Uzbekistan participated in joint military exercises with the US in 1997 and 1998, as part of NATO's Partnership for Peace (PFP) framework. In these exercises, the US Central Command organized a Central Asian Battalion (CentrasBat), involving the CIS forces and the US Army's 82<sup>nd</sup> Airborne Division.<sup>49</sup> Moscow interpreted this as the basis of eastward NATO expansion.

The future of the Tashkent Treaty seemed uncertain when Uzbekistan withdrew by refusing to renew its membership in April 1999. In an effort to maintain active security cooperation, Russia suggested the formation of a "joint rapid deployment anti-terrorist force" in November, but the Central Asian states were reluctant. Nevertheless, operational training still continued – the Commonwealth Southern Shield-99 exercise during October and November 1999, the CIS Southern Shield 2000 in April which was the first exercise including Treaty members and Uzbekistan. At the summit of the Treaty of Collective Security in October, a proposal for a collective force against external aggression and terrorism arose, and this summit also marked the return of Uzbekistan to the Treaty. Interaction continued at the

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<sup>49</sup> *Ibid.*

Shanghai Five meeting, where Uzbekistan was invited to participate as an observer, as a precautionary measure against conflicts between Kazakhstan and Uzbekistan, and to strengthen efforts in addressing intraregional problems.

The Shanghai Five had been the most successful security cooperation so far, creating dialogue among neighbours to resolve territorial ambiguities, and Uzbekistan's participation would further realize the possibility of serious commitment to regional stability and mutual understanding. Therefore, the decision to establish the Shanghai Cooperation Organization, based on the existing principles of the Shanghai Five, would guarantee continuous efforts to seek collective security, and equip the region to face modern security challenges.

### **E. Russia's relations with its Central Asian neighbours**

Kazakhstan is seen as Russia's key strategic partner and ally in the Central Asian region, based on its role as key engine in the integration processes in the post-Soviet space as well as on the geostrategic importance of Kazakhstan for Russia and of its potential in the energy, transportation/transit, military and other fields. It is constantly being singled out from the rest of the region and put on the same plane as Ukraine and Belarus. Even in the Russian Ministry of Foreign Affairs under Kozyrev, relations with Kazakhstan were handled by a different department than relations with Central Asia.<sup>50</sup> Kazakhstan has historically longer and culturally deeper ties with Russia as compared to other Central Asians. There is an implicit expectation that Kazakhstan will play a buffer role between Russia and its Muslim-oriented neighbours.

Relations with Kyrgyzstan are developing in military and military-technological cooperation mainly within the Collective Security Treaty organization (CST) framework. Systematic work is under way to equip and develop the Russian

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<sup>50</sup> Martha Brill Olcott. "Central Asia, Russia, and the West." in *Russia and Asia: the Emerging Security Agenda*, ed. Genady Chufirin (New York: Oxford University Press: 1999): 137-154.

military base at Kant, which is the air component of the CST Collective Rapid Deployment Force in the Central Asian sector.

In 1995, Russia and Tajikistan ratified an agreement on Russian military advisors in Tajikistan. This agreement effectively puts Moscow in control over day-to-day operations of the Tajik army with the Rahmonov government paying for this service in US dollars. The Russian military presence in Tajikistan in the Russian 201<sup>st</sup> Motorized Rifle Division constituted a deterrent against external threats, first of all from Afghanistan, but it also prevented Uzbekistan from using force against Tajikistan. Present security cooperation is in the framework of CST, EurAsEC and SCO. Progress has been made in the field of hydroenergy: the dam construction in the Vakhsh river used Russian aid.

Uzbekistan went further than any other Central Asian country in resisting Russian efforts to preserve its hegemony over the region, not only playing an active role in the NATO-backed Partnership for Peace security program but also pursuing regional cooperation with like-minded states by joining the GUUAM group (comprised of Georgia, Ukraine, Uzbekistan, Azerbaijan, and Moldova), which was created as a counterpoint to the Russian-dominated CIS and has sought to develop closer links to the West. But at the same time, Uzbek leadership was well aware that Russia remained a key player in the region. Both shared the same policies on Afghanistan: Russia's political and military support for the Northern Alliance and hostility to the Taliban. Russia's membership in the SCO and its return to the CST have lessened the perception of being Russia's rival to that of cooperative security partner.

### **F. Central Asia after the SCO**

The establishment of the SCO filled the geopolitical and security vacuum on the Eurasian continent after the end of the Cold War, and played a role in stabilizing the regional situation – its objective is in curbing the spread of terrorism, separatism, and extremism. It also served as a precedent of regional cooperation in the

Eurasian region, something unheard of in the Soviet era, and enabled states to join the globalization process.

The organization is also seen as promoting multipolarity in an age where US hegemony has become dominant. Besides the main task of security cooperation, activities in economic cooperation have also been undertaken, with a “Programme of Multilateral Trade and Economic Cooperation of Member States” adopted at the Beijing meeting in 2003, proposing free movement of goods, capital, technologies, and services in the region within the next 20 years. The Bishkek meeting in 2004 approved the Action Plan on Implementation of the Programme of Multilateral Trade and Economic Cooperation. Since 2005, there has been development and establishment of financial mechanisms with the aim of solving the problem of allocating funds to the cooperation projects, and the first Eurasian Economic Forum was held in Xi’an that same year. The geopolitical advantage of Central Asia provides prospects for energy and logistics cooperation. If conducted properly, this could be a driving force for economic development. The challenge remains to be seen whether it can bring about concrete results.

Emphasis has also been given to cultural development, with academic and youth exchange programs. Each member has a long cultural history, and documents on joint education projects have been drafted. Recently, the SCO Forum was established as an association of experts and scientists, which is expected to become the organization’s non-governmental expertise engine.

Besides the security threat from the “three evils”, there is also the pressing issue of strengthening cooperation in combating drug trafficking. According to information from the Russian Ministry of Interior in 1996, 93% of marijuana, 85% of hashish, and 73% of opium in Russia’s drug market came from Central Asia.<sup>51</sup> The 7000-km. Kazakh-Russia border is virtually transparent, enabling drug trafficking to operate with ease.

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<sup>51</sup> Naumkin.: 94.

Even though there was political upheaval in Kyrgyzstan and Uzbekistan in 2005, it did not affect those countries' policies towards the SCO. Some perceive the scattered political uprisings as signs of impending "colour revolutions" – citizens' demands for democracy similar to what happened in former Soviet republics. Governments tend to see them as an opportunity for political extremists to create chaos, and prefer to employ the local variation of democracy. In the June 15, 2006 declaration in Shanghai, the statement clearly indicated that Central Asia would follow its own development path, and uphold the principle of noninterference:

"Diversity of civilization and the model of development must be respected and upheld. Differences in cultural traditions, political and social systems, values and model of development formed in the course of history should not be taken as pretexts to interfere in other countries' internal affairs."

The increased prominence of the SCO has made the US worry that in the future they may be blocked from regional participation. Even though Washington sponsored a conference in Kabul in 2006 focusing on the idea of a "Greater Central Asia", there has been no interest on the part of the CIS republics<sup>52</sup>; moreover, the enthusiasm to rely on Russia still remains. On July 5, 2005, the SCO issued a declaration implicitly calling for the US to set a timeline for withdrawing its military forces from Karshi-Khanabad airbase in southern Uzbekistan; the bases were installed to assist the US' war in Afghanistan. But before this statement, US-Uzbek relations were strained from suspecting American involvement in pro-democracy revolutions in CIS states, followed by ending its military cooperation with the US.

American policymakers are currently working to develop a strategy build bilateral ties with each state. Energy-rich Kazakhstan has been courted by top Bush administration officials, and are believed to be supportive of Kazakhstan's efforts to

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<sup>52</sup> Stanislav Chernyavsky. "Central Asia in an Era of Change," *Russia in Global Affairs*, <http://eng.globalaffairs.ru/numbers/14/1001.html> (accessed May 16, 2007).

join the WTO.<sup>52</sup> The US seeks an expansion of its physical control over Kazakhstan's oil reserves and formalization of Kazakh oil transportation via Baku-Ceyhan pipeline, besides carving out a US role in Caspian Sea security. Washington hopes that stronger US-Kazakhstani ties will encourage Astana to act as a moderating force within the SCO vis-à-vis the US.

### **G. The Collective Security Treaty organization and its comparisons to the SCO**

Even though the SCO was set up to better coordinate security and anti-terrorism efforts, Russia still continues to develop multilateral cooperation within the CST on anti-terrorism. After the September 11 attacks in the US and the launch of the Global War on Terror, CST meetings concentrated on the CST zone of responsibility, the role of Russia in the international anti-terrorist struggle, and coordination of CST member states in the US-led coalition.

At the initiative of Tajikistan, on 8-9 October 2001, an extraordinary meeting of the CST Committee of National Security Council secretaries was held in Dushanbe to discuss the new situation in Central Asia and joint measures to counter international terrorism and religious extremism. The declaration from the meeting reflected a wish to make the CST part of UN-led international measures while at the same time encouraging the Central Asian states to stick to a common CST approach when cooperating with the US and its allies. Preparations for the CST rapid-deployment force continued, although its actual establishment was delayed until spring 2002. The CIS Anti-Terrorist Centre in Moscow had problems becoming operational. The principal benefit Russia could offer the Central Asian states in order to encourage them to enter security cooperation was subsidized prices for weapons and military equipment.

At the 10<sup>th</sup> anniversary of the CST in May 2002 the 6 member states in a joint declaration agreed on the intention to raise the status of the organization by formalizing and reorganizing it and to seek international recognition as a regional organization according to Chapter VIII of the UN Charter. The tasks of the CST were

described as no longer limited to external threats but as including defence against new threats to national, regional, and international security, such as terrorism, drugs and arms trafficking, and organized crime. The joint declaration presented the CST as a coordinating mechanism for the foreign and security policies of the member states as well as their relations between the member states should have priority over relations with non-member states. The purpose of the reorganization was to strengthen the CST and make it a potential partner for the West while at the same time rallying the Central Asian countries.

It seems as if the CST was established to give some purpose and credibility to the failed CIS grouping. Because the organization itself is clearly dominated by Russia - unlike the SCO which smaller members feel that at least they have a balancing force in the form of China - and given the membership consists mainly of former Soviet satellites which would value their newfound sovereignty, cooperation may not come naturally if objectives are perceived as furthering Russia's security benefits. Also, the hope that the CST would act as a 'representative group' for major powers to interact with Central Asia proved wrong; the US still prefers to deal security matters on a bilateral basis.

The security objectives would also be deemed superfluous, since the SCO already covers these issues, coupled with a more comprehensive cooperation program expanding into economics, judicial, parliamentary, etc. Surprisingly, despite Russia's involvement, the CST has never been perceived as a 'threat' or 'confrontational bloc' to other major powers, unlike the SCO which has been speculated as being established to counter a growing US role in the region. This latter image may be connected with the joining of forces of 2 traditional 'anti-West' powers, China and Russia, and China's rising influence in world politics.

## **H. Conclusion**

Two factors determine the critical importance of Central Asia for Russia's foreign and security policy – the legacy of Russian imperial and Soviet history, and

because of Central Asia's openness to various external influences. It is still an area of vital interest for Russia, one where it can make a comeback as a major power. Russia's many assets in this zone include:

- 1) insider knowledge of local politics and ties to native elites
- 2) extensive military engagement (many states still depend on Russian military hardware, advice, technical support, deployment of Russian troops)
- 3) remaining business and economic contacts
- 4) local reliance on Russian technical specialists
- 5) a large Russian diaspora, especially in Kazakhstan
- 6) a wide fluency in the Russian language<sup>53</sup>

For Central Asian states, the SCO provides an opportunity to collaborate as a regional group, and the chance to receive security and economic expertise. Since the establishment of the SCO, many have participated in military exercises, gained access to technology, and received economic aid through various SCO programs. Russia has also gained from the participation of Central Asian states, in terms of security cooperation, access to natural resources, and locations of strategic importance to protect its sphere of influence.

Maintaining its security presence in Central Asia is therefore of high importance and would provide opportunity for Russia to regain its dominance in the region. The SCO facilitates cooperation among member states, most of whom are willing to cooperate on such matters with Russia due to their confidence in Russia's ability to deal with security challenges. Russia is also aware of the growing involvement of outside powers, so it therefore encourages closer integration of members, in order to create a sense of regionalism.

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<sup>53</sup> Baranovsky.: 17.

**CHAPTER 5**  
**FUTURE PROSPECTS FOR RUSSIA'S SECURITY POLICY**  
**IN CENTRAL ASIA**

**A. Introduction**

There are 4 main elements of Russian territorial and foreign policy. First, inside Russia, the central government is in control, allowing a certain degree of regional economy, with a Federation Council representing regional interests. But granting the Urals, Far East, or ethnic enclaves such as Tatarstan full republic status will not be allowed. This condition was outlined in the 1993 constitution and 1996 elections. Second, Russia seeks to regain its position as the dominant power among former Soviet territories. Third, Russia will maintain its borders. And outside its former territories, Russia shall carry out a normal foreign policy of national interest to maximize Russia's economy and security.

Russian and Soviet foreign policy has been driven by 3 fears: fear of being invaded (and then besieged), fear of internal unrest by outside trigger factors, and fear of losing its great-power status. These fears have resulted in a unique characteristic unlike other countries, in that there is minimal distinction between foreign, defence, and domestic policy.

Foreign policy is designed to prevent the aforementioned scenarios, and buffer states and alliances have always factored as a form of protection. To safeguard against invasion, huge forces equipped for fighting offensive wars on East and West fronts were necessary, and the army itself is used also in maintaining social order and internal suppression to prevent external influences triggering domestic unrest. A common sight during the Cold War would be the massive display of military power to prove its superpower status.

## **B. Risks and challenges to Central Asian security**

For Russia to maintain stability in the area, it needs to address several existing factors that are challenges to regional order. They are:

- 1) instability of political regimes based on clan loyalties
- 2) Central Asian states lack of experience in self-governance
- 3) unequal economic development
- 4) underlying potential for ethnic and religious conflicts
- 5) rampant corruption
- 6) heavy dependence in the rural areas of narcotics production and involvement of economic and political interests in drug trafficking
- 7) lack of infrastructure
- 8) susceptibility to pan-Turkism and hostile influences<sup>54</sup>

To minimize these risks, a complex approach is needed, a coherent combination of political, diplomatic, social and economic measures, which would likely be implemented through the SCO. In this regard, SCO member states need to further improve the existing legal framework and intensify practical interaction among the bodies involved in the fight against terrorism and arms and drug trafficking. A mechanism of joint response to situations threatening regional stability and security will be crucial. To lessen the economic gap, cooperation in socioeconomic areas is also needed to improve citizens' welfare in order to eliminate social factors that are breeding grounds for terrorist and extremist forces.

## **C. Other forms of regional cooperation in Central Asia**<sup>55</sup>

Immediately after the collapse of the Soviet Union all 5 Central Asian states became members of the CIS. Membership was usually unquestioned, although

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<sup>54</sup> Baranovsky.: 18.

<sup>55</sup> Heidemaria Guerer, "Forms of Regional Cooperation in Central Asia," *Geneva Centre for the Democratic Control of Armed Forces (DCAF)*, [http://www.dcaf.ch/\\_docs/CentralAsia\\_terror/Ch.1.pdf](http://www.dcaf.ch/_docs/CentralAsia_terror/Ch.1.pdf) (accessed May 16, 2007).

Uzbekistan pursued a sometimes more hesitant policy towards the commonwealth's CST, and joining **GUUAM** (Georgia, Ukraine, Uzbekistan, Azerbaijan, Moldova). But Uzbek membership in the latter organization was temporarily suspended one time due to lack of progress in expected enhancement of trade and communication relations (crucial for a land-locked country like Uzbekistan) in favour of territorial questions (Nagonyi Karabakh, Abkhazia, South Ossetia, Transnistria) with which Uzbekistan did not want to get involved and harm its relations with Russia for nothing.

**OSCE** membership gave the Central Asian states a 'European' outlook on the one hand, but in the course of time their membership also transformed the organization to have a Central Asian emphasis. The OSCE played its most important role in Central Asia through the rebuilding of Tajikistan after the civil war. Kazakhstan's application for the OSCE chairmanship in 2009 is an expression of the leadership role aspired to by Kazakhstan in Central Asia not only in the economic but also political field.

**CICA** (Conference on Interaction and Cooperation in Central Asia), a Kazakh initiative dating back to 1992, elaborated along the example of the OSCE confidence building and conflict preventing measures in Central Asia and its surroundings. Besides the 4 Central Asian states (except Turkmenistan), members are Afghanistan, Azerbaijan, China, India, Iran, Israel, Mongolia, Pakistan, Palestine, Russia, and Turkey. The agenda concentrates on security (e.g disarmament, nuclear free zone) and stability questions (e.g separatism, illicit trafficking) and in the aftermath of the Afghanistan events also on the war against terror (use of religion as a pretext). The present efficiency of CICA is sometimes to be doubted, especially after the creation of SCO, and relations among Central Asian states are sometimes less than confidence-building (e.g mining of borders, interruption of flow of goods and persons).

**Central Asian Cooperation Organization** was set up as the Central Asian Union in 1996, included Tajikistan since 1998 and Russia since 2004. The main

objective was to enhance economic cooperation, but so far not so successful. Uzbekistan was reluctant to participate but suggested Russia become a full member for hope of more Russian economic support.

**Eurasian Economic Community** comprises Belarus, Kazakhstan, Kyrgyzstan, Russia, and Tajikistan, with decision-making weighted heavily in Russia's favour. It was created in 1996 with the aim of a full-scale customs union and common economic space similar to the EU. This can be seen as a gathering of Russia's closest allies in the former Soviet Union. So far, results have been rather modest.

And for another security forum that Russia is a member, there is the **ARF** (ASEAN Regional Forum) comprised of 25 members that have a bearing on Asia-Pacific security. Established in 1994, it brings together ASEAN nations and their dialogue partners from around the world. It is based on the ASEAN principle that dialogue can produce qualitative improvements in political relationships, providing a setting which members can discuss current regional security issues and develop cooperative measures to enhance regional peace and security. In its first ten years, the ARF has made modest gains in building a sense of strategic community and, more recently, it has contributed to counterterrorism. But efforts to develop tools of preventive diplomacy and conflict management are still at an early age.

Even though there are numerous regional organizations in Eurasia, very few can be said to be functioning effectively. The idea of setting up a regional grouping can be beneficial in forging contacts with your neighbouring countries, but often there is overlapping of objectives and membership. At the same time, for a regional grouping to be effective, there should not be too many members (so that each member has a clear responsibility in managing the organization), be centred around a common goal that would be most beneficial for all members involved, and have concrete mechanisms that can effectively carry out the intended tasks.

If we were to compare the function of the SCO to another security-oriented organization such as the ARF, all of the abovementioned factors affect the performance and outcome of each. Whereas the ARF is made up of many members from all over the world, including the world's superpowers, the SCO has few members that have some degree of familiarity since historical times. While the ARF places emphasis on serving as a forum for security dialogue, the SCO gives importance to establishing mechanisms that will fulfill the long-term objectives. And because the ARF membership is so numerous and geographically distanced, it would be more difficult for a major power to exert influence in the area under consideration.

#### **D. Past achievements and weaknesses of the SCO**

The SCO's biggest achievement is its success in creating a stable institutional foundation despite the challenges brought about by sudden changes in the security environment, as was the case with September 11, 2001, or the 'colour revolutions' within the post-Soviet space. It indicates that its basic principles and outlook are in accordance with the reality faced by Central Asia. Even American engagement with Central Asia cannot undermine the SCO's function. Permanent institutions and permanent mechanisms to facilitate dialogue and meetings help maintain its basic operations. And a degree of consensus has been reached in the field of politics, economics, inter-state relations as well as external relations.

But past weaknesses of the SCO are that even though there have been many demands made by members, there are insufficient resources available to address the needs, being that the majority of members are developing economies. Furthermore, the effectiveness and credibility of any international organization is to a large extent dependent on the member states' willingness to entrust power and authority to the organization; up until now there has been little basis to cede authority to the SCO. Another major problem is that while the SCO has made progress in its conceptual framework, the process of reaching a practical agreement remains slow. The SCO should also choose a definite regional model, either the EU or the ASEAN model. Characteristics of the EU model is uniformity and harmonization in terms of common

values, integrated economies, a cohesive foreign policy strategy, and political integration among members. The ASEAN model, on the other hand, is based on diversity and the autonomy of individual member states, with intact sovereignties. Overall, the ASEAN model appears to be more suitable with regards to the SCO's operating environment, but it would also have to develop its own path.

### **E. Future SCO membership expansion?**

Currently, besides the 6 permanent members, 4 countries have been granted observer status: Mongolia, India, Pakistan and Iran. A contact group with Afghanistan has also been set up. This has raised speculation of future acceptance as members because the most recent member, Uzbekistan, also started out from observer status. The inclusion of Iran, particularly at a time of heightened tension caused by Tehran's pursuit of a nuclear program, has increased the perception of the SCO evolving into an anti-US bloc; America had sought observer status at the 2005 summit meeting but was turned down. This, combined with SCO's timeline for a reduced US military presence in Central Asia, deepening Russia-China cooperation, and the setbacks to US diplomacy in Central Asia, prompted a policy review in Washington. By virtue of SCO membership, Iran can partake of the various SCO projects, which in turn means access to technology, increased investment and trade, infrastructure development such as banking, communication, etc., not to mention global energy security. If Iran were to enter the SCO, Russia and China, the two major powers of the SCO, would be seen as siding with Iran and its nuclear program and would embark on a collision course with the West.

But the SCO currently still lacks a legal basis for membership expansion, and has declared a moratorium on accepting new members until solid cooperation among existing members is achieved. As for Russia, this would give them time to consolidate their position in Central Asia once again, and not necessarily at odds with the West. Russia would be willing to cooperate with other major powers, but for their "near abroad", they would always be ready to assert their role to ensure their security and national interests.

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