

SHANGHAI COOPERATION ORGANIZATION AND ITS ROLE IN CHINESE
FOREIGN POLICY TOWARDS CENTRAL ASIA

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ABSTRACT

SHANGHAI COOPERATION ORGANIZATION AND ITS ROLE IN CHINESE FOREIGN POLICY TOWARDS CENTRAL ASIA

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The purpose of this thesis is to examine the Shanghai Cooperation Organization (SCO) as a regional organization and its role on the policies of People's Republic of China towards Central Asia. Central Asia region is important for Beijing because of plenty of reasons like energy, commercial ties, balancing weight of United States and security of Xinjiang Autonomous Region. In this respect, relations of China with this important region constitute great importance in order to understand current situation and future of China. SCO, as mainly a security organization, has been transformed to a multi purpose organization and it has begun to occupy important place in policies of China towards Central Asia. SCO is a very effective instrument for China in order to implement her policies, increase her influence and solve her problems in the region.

This thesis consists of five chapters; explanation of conceptual framework and introduction of the study will be made in Chapter 1 and then broad definition of SCO will be made in Chapter 2. In the 3rd chapter, sources and aims of Chinese foreign policy, Central Asia policy and effects of SCO to these elements will be explained. In chapter 4, attitude of other important powers to SCO will be examined and at the last Chapter thesis will be concluded.

Key Words: Regionalism, Shanghai Cooperation Organization, Shanghai Spirit, Foreign Policy of China, Central Asia

ÖZ

ŞANGHAY İŞBİRLİĞİ ÖRGÜTÜ VE ÇİN'İN ORTA ASYA POLİTİKALARINDAKİ ROLÜ

KÜÇÜK, ZEKİ FURKAN

Yüksek Lisans, Avrasya Çalışmaları

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Bu tezin amacı Şanghay İşbirliği Örgütü'nü (ŞİÖ) ve Çin'in Orta Asya politikalarına etkilerini incelemektir. Orta Asya bölgesi Pekin için enerji, ticaret, Sincan-Uygur bölgesinin güvenliği ve bölgedeki Amerikan varlığının dengelenmesi gibi açılardan son derece önemlidir. Bu bağlamda, Çin'in bu önemli bölge ile olan ilişkilerini anlamak, Çin'in mevcut durumunu ve geleceğini anlamak açısından büyük öneme sahiptir. Diğer taraftan, temel olarak bir güvenlik örgütü olan ŞİÖ, çok amaçlı bir organizasyona dönüşmüş ve Çin'in Orta Asya politikalarında önemli bir yer edinmiştir. ŞİÖ, Çin'in kendi politikalarını uygulaması, bölgede etkisini arttırması ve sorunlarını çözmesi açılarından çok etkili bir araç konumundadır.

Bu tez beş bölümden oluşmaktadır; kavramsal çerçevenin anlatılması ve tezin tanıtılması birinci bölümde yapılacaktır. İkinci bölümde ŞİÖ' nün kapsamlı tanımlaması yapılacaktır. Üçüncü bölümde Çin dış politikasının kaynakları, hedefleri, Çin'in Orta Asya politikaları ve ŞİÖ' nün bu unsurlara etkileri anlatılacaktır. Diğer önemli uluslar arası aktörlerin ŞİÖ' ye karşı tutumu dördüncü bölümde anlatılacak ve son bölümde tez sonuçlandırılacaktır.

Anahtar Kelimeler: Bölgeselcilik, Şanghay İşbirliği Örgütü, Şanghay Ruhu, Çin Dış Politikası, Orta Asya

To My Parents

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CHAPTER ONE

INTRODUCTION

The purpose of this thesis is to examine Shanghai Cooperation Organization (SCO) as a regional organization and its role on the policies of Peoples Republic of China towards Central Asia. This thesis will particularly focus on post-Cold War period that has changed power balances in the Central Asia in narrow interpretation and in the whole world in broader sense. This period has created suitable atmosphere for SCO to born. China will be the main actor in this study as one of the founders of the SCO and as an emerging global power in contemporary world politics. Central Asia will also be an important point in this thesis as being the playground of the “new great game” and at the same time being western gate of China.

Collapse of the Soviet Union has opened a new era in the world politics. Rigid, static and bipolar structure of Cold War left its seat to chaotic, slippery and more complicated unipolar world order. Security alliances of the blocs of the Cold War do not exist any more, permanent ally - enemy notions collapsed and every single state have started a competition in order to maximize their own interests. Meanings of terms that have significant importance in international relations have changed dramatically in post Cold War era. Security is the first of them; it has been transformed to something more complex and multi-dimensional from solely military level. During Cold War, states only perceived threat from other states, but in the post-Cold War era, number of threats has increased and their effects on stability and security of states deepened. Although military security is still important, it has lost its primary position in security understandings of the states; new threats like energy, separatism, radical movements, migration, drug and human trafficking, environmental problems have begun to occupy higher places in security threat lists of states.

Role of economy in world politics has changed, too. Role of economy in world politics increased significantly and it has become the key determinant in the policies of states. Liberalism and free market economy spread to whole world and privatization has become a fashionable phenomenon especially in post communist states.

Increasing importance of economy has made other elements related with economy gain vital importance; energy is the most important of them. Although energy is an important element since industrial revolution, its importance increased dramatically and it has transformed to *sine qua non* for a state in order to develop her economy. Because of this importance, competition over limited energy sources cause security threats both for states that need energy and states that own these sources. Therefore economy and security has become inseparable terms that deeply affect each other.

Terrorism emerged as an important multidimensional issue related with security, economy, social politics, religion and nationalism. Although it is not a new concept in international relations, it has climbed to the first rank in the security perceptions of states especially after 9/11 incidents. Today; asymmetric, nearly invisible and unforeseen character of terrorism is much more dangerous than traditional, symmetric threats that emanates from states.

Under these circumstances, United States has stand as only super power in the post Cold War era and find suitable place to implement her own policies without any serious objection. After Cold War, decision makers in Washington designated terrorism as the new “other” and they have started a “fight against terrorism” after 9/11 incidents and made important military interventions in Afghanistan and Iraq. Through “fight against terrorism” concept, United States has found chance to gain influence over important energy sources and geopolitically important territories. On the other hand, thanks to implementation of free market in post communist states and privatization processes, western multinational corporations penetrated in to everywhere on the world. Globalization and capitalism has become the most important phenomenon in post Cold War world order.

However, some regional powers have begun to object her policies and create their own policies in response to policies of United States. China is the most

important of these regional powers. China manage to grow her economy up 7-8 % average every year since economical reforms that were implemented during Deng Xiaoping administration at the end of 1970s. Beijing managed to shift her people from an agrarian society to industrial society, face of the country has modernized dramatically in last three decades and Chinese cities such as Shanghai, Beijing, and Guangzhou is not different from New York, London or Paris, any more. Commodities which have the sign of “Made in China” have conquered every market on the world. China uses globalism trend and “Western” values in order to develop her economy and benefits from them to create a multi polar world that is more suitable for her economical development. On the other hand, her significant economy creates important advantages for China in today’s economy centered world in terms of both security and politics. She uses her giant economy in order to support her military and political powers. Her permanent membership to United Nations (UN) Security Council; her great, developing army and increasing influence in the world politics are both affect and being affected by economical development of China.

Energy emerges as a vital issue when we put economy to core of politics of the states because it is impossible to sustain economical development without energy. In this sense, energy is much more important for China than other developing countries when we consider size and importance of her economy. Thus, Beijing makes moves in order to be influential in the energy rich parts of the world such as the Middle East, Africa and Central Asia. When these sources examined, it comes to the fore that Central Asia is one of the most feasible and profitable sources for China, thanks to its geographical proximity, political conditions of the region and transfer security. China pays great attention to energy rich regions of the world and she uses every chance to infiltrate into these regions through economical manners.

Besides energy issue, Central Asia constitutes the western gate of China in the historical “Silk Road” to economically developed Western markets. As an economy oriented state, China needs to sell commodities that she manufactured and developing countries of Central Asia, just in the other side of the border, constitutes great market for her. On the other side Central Asia is located in the middle of two important economically important regions; China and Europe. Therefore, Central Asia is the region that bounds China to European markets. As it can be seen Central

Asia is vital for China in terms of increasing her commercial ties both with Europe and newly independent states in the region.

Central Asia is not only important for Beijing because of energy and commerce but also this region is important in terms of territorial integrity of China. Separatist movements in Xinjiang-Uygur Region demanding independence from Beijing are longstanding problem of China that escalades occasionally. Local people of this region, Uygur Turks, have strong ethnic, religious and cultural ties with Central Asia countries. After collapse of Soviet Union, independence of Central Asian states influenced Uygur people in Xinjiang region. Some radical Islamist organizations, which demand independence, made terrorist attacks both in Xinjiang-Uygur Region and other parts of the China.¹ Beijing has implemented some harsh and strong measures against these terrorist organizations. However besides domestic activities China has made international moves to cut any possible support to these organizations from ethnically and religiously close Central Asia states. China gained support of her neighbors in Central Asia in her fight against separatist forces through international organizations, namely Shanghai Cooperation Organization.

In sum, Central Asia has vital importance for China in terms of security, economy, commercial ties and energy. On the other hand China has not completed her economical development, yet. Therefore she tries to avoid military engagements as much as possible, because Beijing interprets such an action as a great threat to its economical development. Consequently, Beijing aims to avoid problems through diplomacy and mutual cooperation especially in Central Asia. On the other hand Beijing is trying to gain support of other regional powers in order to increase her power and change international political environment to multi polar system. In this context, regional cooperation organizations which provides suitable atmosphere for negotiation and diplomacy, are the best way for China to reach her aim. Shanghai Cooperation Organization (SCO) is the product of this political interpretation.

SCO was founded with participation of Russia, China, Kazakhstan, Kyrgyzstan, Uzbekistan and Tajikistan in 2001. SCO has been transformed from “Shanghai Five” process which was primarily founded for security necessities of members, to SCO

¹ John Z. Wang, “Eastern Turkistan Islamic Movement: A Case Study of a New Terrorist Organization in China”, *International Journal of Offender Therapy and Comparative Criminology*, 5, No:47 (2003):575

which has more multidimensional nature ranging from security to economy. In this respect fighting against separatism, religious fundamentalism and separatism; energy cooperation, protecting status quo in Central Asia have emerged as main goals of SCO. China has been one of the most influential members of the organization; name and location of secretariat are the clear indicators of this influence. Through establishment of SCO, China has aimed to prevent any support to Xinjiang separatist elements, gain support of Russia and Central Asian states in order to increase her economical and political power and establish a multi polar world. It can be stated that, SCO is main the instrument of China in her policies towards Central Asia.

After this brief information about SCO, some conceptual information has to be given in order to understand SCO and its role in Chinese policies. Since SCO is a regional organization, it is important to understand theoretical framework of regional organizations primarily, in order to define place of SCO within other international organizations.

1.1 Conceptualization Regional Cooperation Organizations:

1.1.1 What Is the “Region”?

First of all, it will be beneficial to start explaining theoretical background of regional cooperation organizations with definition of the term of region, because this term constitutes the fundamental basic of regionalism. Starting with triple definition of David Lake and Patrick Morgan can be helpful in order to understand different aspects of regions; first they define region as “set of countries linked by geography and one or more common traits, such as level of development, culture or political institutions”, second; “set of countries that are or perceive themselves to be politically interdependent” and third “states perceive themselves as cohabiting a common area and sharing a common future”.² Lake and Morgan emphasizes on geographical closeness in their definition of region however they try not to develop their definition upon just geographical proximity. They also stress on common elements that create consciousness of being part of a region such as economy, culture and political interdependency. On the other side, in their third definition, they also

² David A. Lake and Patrick M. Morgan, “The New Regionalism in Security Affairs”, *Regional Orders, Building Security in a New World*, ed. David A. Lake and Patrick M. Morgan, (Pennsylvania: The Pennsylvania State University Press, University Park, 1997), 11-12.

stress importance of sociological elements such as cohabiting in a distinct area and sharing a common future under effects of that region.

Consciousness of belonging to a particular geographical area can be one of the most important elements in the definition of region. People who feel same things with their neighbors in a given area can pave the way for further cooperation and integration. Björn Hattne describes the steps of being a “region”, that she names this process as “regionness”.³ First; region exists as a “geographical unit” which separated by geographical obstacles that hinders contact between people, at the second step; region transforms to a “social system”, relations between parts of the region increases and states began to be interdependent especially in terms of security. At the third step; an “organized cooperation” occurs in the area and region began to be understood through membership to this institutional organization. In terms of security organizations, region emerges as a territorial element that will be defended by members of this region under the organization. At the fourth step; organization makes people come together and share their cultures, values and histories and a “regional civil society” born. At the last step, region emerges as an “acting subject” with common identity, interest, capability and belonging to a given region.

Bruce Russett also defines five characteristics of the region; first, “geographical proximity, second, social and cultural homogeneity, third shared political attitudes and behavior, fourth, political interdependence in the form of shared institutional membership and last economical interdependence.”⁴

Up until now, all the authors used element of geography somewhere in their definitions of region. Although there are plenty of other elements that are important in their definitions, geographical proximity constituted basic element of their argument. However, Joseph Nye claims that geography is not that important in the definition of the region. He emphasizes that there are not any clear cut geographically determined regions on the world and existing geographical boundaries can be arranged again and again according to political conditions,

³ Björn Hattne, “Development Security and World Order: A Regionalist Approach”, *European Journal of Development Research*, 9 No.1, (June 1997): 97

⁴ Norman D. Palmer, *The New Regionalism in Asia and the Pacific*, (Massachusetts: Lexington Books, 1991), 7.

purposes and time.⁵ As it can be understood from Nye's definition of region, he puts political will in to core of his definition and he claims that it can erase borders of a region and reshape them. He does not limit a region into a distinct geographical area and he emphasizes relativity of borders of the regions.

As far as it is understood from abovementioned ideas, it is too hard to find a clear answer to question of "what is a region". However a common definition can be emerged through mixture of all these definitions; region is a common geographical, political, cultural and economical element that bounds people and the states within, through consciousness of belonging to that region.

1.1.2. Theoretical Background of Regionalism:

After definition of the "region", regionalism as the main theoretical basis of regional organizations has to be explained. During Cold War, dominant paradigm in the international relations theory was realism⁶ which gives significant importance to state power and interests of the states. However this theory does not give importance to regional dimension of the world politics.⁷ Regional politics was only important in terms of conflict management and conflict resolution in local crisis in a particular region and they did not constitute an important role in overall international politics. During Cold War, regions influenced global politics in two different ways; first, internationalized local conflicts and second, suppressed internal conflicts. In terms of internationalized conflicts, when a super power intervened to a regional issue inside of influence area of other super power, this intervention caused escalation of the issue to global level and regional issue began to have global outcomes. In terms of suppressed internal conflicts; sides of Cold War tried to prevent regional struggles

⁵ Joseph Nye, "Regional Institutions" *Regional Politics and World Order*, ed. Richard A. Falk and Saul Mendlovits (San Francisco: W.H Freeman and Company, 1973), 80.

⁶ Realism is the theory which claims that "international system is anarchic, states inherently possess some offensive military capability, which gives them the wherewithal to hurt and possibly destroy each other, no state can ever be certain another state will not use her offensive military capability, most basic motive driving states is survival, states are instrumentally rational." John J. Mearsheimer, "The False Promise of International Institutions" *International Security*, Vol. 19, No. 3 (Winter 1994/1995), 5-49 quoted in Jack Donnelly "Realism and International Relations" (United Kingdom: Cambridge University Press, 2000), 7.

⁷ Andrew Hurrell, "The Regional Dimension in International Relations Theory" *Global Politics of Regionalism Theory and Practice*, ed. Mary Farrell, Björn Hettne and Luk Van Langenhove, (London: Pluto Press, 2005) 38-39.

within their alliance in order to block penetration of other side in to her area of influence.⁸

This theory interprets regional organizations as different kinds of security alignments and does not take them as different theory in international relations. However, regionalism was a relatively popular phenomenon in 1970s despite dominance of realist theory. During these years, theorists such as Karl Deutsch and Ernst Haas created valuable works on regionalism, their main goal was to conceptualize and understand integration processes in Western Europe. They named regions as “subordinate systems” and they focused on integration processes.⁹ According to their claims, integrations in a subordinate system starts in basic, simple, technical matters which no one objects to further cooperation, then this integration process spills over other areas and interdependency among states deepens this process. Economy was the main starting point in this process. Transformation of European Union from European Coal and Steel Community was their most important laboratory which they examined their “spill over” effect. However during these years, national sovereignty and power relations were still extremely important elements and created a handicap in front of further integration in subordinate systems, most importantly in European Community. Haas claimed that the most important factor in this disappointment was “downplaying importance of external factors”.¹⁰ He said that there had been major problems that could not be solved within a particular region. These problems had been global and global theories had to be produced in order to solve them, thus regional theories had been insufficient against these problems.¹¹ These “external factors” that can not be solved within a region and without a global view, have marked the end of first period in regionalism theory which was called today “old regionalism”.¹²

After the Cold War, number of new interpenetrations of regionalism emerged and cooperation areas enlarged to social, security, political areas from only

⁸ David A. Lake and Patrick M. Morgan, “The New Regionalism in Security Affairs”, *Regional Orders, Building Security in a New World*, ed. David A. Lake and Patrick M. Morgan, (Pennsylvania: The Pennsylvania State University Press, University Park, 1997)

⁹ Norman D. Palmer, *The New Regionalism in Asia and the Pacific*, (Massachusetts: Lexington Books, 1991), 5-12.

¹⁰ Ibid.

¹¹ Ibid.

¹² Raimo Vayrynen, “Regionalism: Old and New”, *International Studies Review*, 5, (2003):28

economical level. It was understood that (contrary to realist understanding of regionalism) it is not enough to interpret regionalism as coalitions, alliances or inter-state institutions. Regionalism transformed to an umbrella that covers social and economical cooperation, increasing of regional awareness, identity and interstate institutions.¹³

Since interpretation of regionalization has been diversified, different theories which conceptualize regionalism in different levels emerged. Andrew Hurrell sums up these theories briefly in his article.¹⁴ He divides analysis of regionalism in to three main levels; global, regional and domestic. First part consists of systemic theories; under this topic he explains approach of neo-realism and structural interdependence-globalism. In neo-realist theory, balance of power is highly important. Famous statement of Thomas Hobbes, *homo homini lupus* can be applied to international environment because of its anarchic structure, according to this theory. Different from Realism, Neo-Realism gives more importance to organizations in political environment. Realism claims that competition is crucial in terms of economical dimension of regionalism; mercantilist competition brings actors together in order to be stronger against a rival. Same logic is valid in terms of power politics, too. Less strong states come together against big powers.¹⁵ Role of hegemonic power is crucial in order to understand especially security level of regionalism; cooperation in a given region can be emerged against the hegemonic power in order to limit her power. On the other hand weak states can pursuit a policy which creates regional cooperation with a particular hegemonic power in order to have some special benefits from her. Hurrell explains this as “bandwagoning”.¹⁶ Besides, this hegemonic power may try to create regional organizations in order to share cost, solve common problems and gain international support.

Structural interdependence and globalism theories place themselves at the opposite side of the neo-realism theory. According to these theories, economical and

¹³ Andrew Hurrell, “The Regional Dimension in International Relations Theory” *Global Politics of Regionalism Theory and Practice*, ed. Mary Farrell, Björn Hettne and Luk Van Langenhove, (London: Pluto Press, 2005) 39-41.

¹⁴ Andrew Hurrell, “Regionalism in Theoretical Perspective” *Regionalism in World Politics, Regional Organization and International Order*, ed. Louise Fawcett and Andrew Hurrell, (Oxford University Press, 1995), 45-69.

¹⁵ Ibid.

¹⁶ Ibid.

political interests of states have changed due to change in global economical system. As an economy originated phenomenon; globalism, predicts high level of interdependence among all states on the world through free flow of money, labor, ideas and disappearance of national borders. When we look at relation between globalism and regionalism we can see that, more interdependent the world gets, the more complicated and global problems emerge, thus global cooperation is necessary to solve these problems because regional institutions are not sufficient to solve these problems.¹⁷ On the other side, when current economical relations considered it is nearly impossible to stay just within a particular region; nearly all aspects of economics are global. However there are some aspects in globalism that act as stimulus to regionalism, according to Hurrell; first of all, globalised world interdependence creates problems that can only be solved through further cooperation.¹⁸ Things such as common culture, history, economical development, security and political interests, which are regional in common, make it easier to find solutions to these global problems. Second, although their impacts are regional, some issues are exaggerated to global level; such as environmental pollution. Therefore, these problems can be solved through regional cooperation and this strengthens and accelerates regionalism. Third important point is that global economical environment can pave the way to regionalism. States can choose to cooperate within a region in order to be more influential in global manner in free market economies. As it can be seen regionalism stands in the place somewhere between globalism and nation state.¹⁹

Second part in Hurrell's analysis of regionalism consists of regional interdependence theories. He examines neo-functionalism, neo-liberal institutionalism and constructivism under this topic. According to Neo-Functionalism, high level of interdependence in a particular region paves the way for political integration between these states.²⁰ Cooperation among states creates problems that can only be solved by further cooperation and integration because

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ Norman D. Palmer, *The New Regionalism in Asia and the Pacific*, (Massachusetts: Lexington Books, 1991), 3.

²⁰ Andrew Hurrell, "Regionalism in Theoretical Perspective" *Regionalism in World Politics, Regional Organization and International Order*, ed. Louise Fawcett and Andrew Hurrell, (Oxford University Press, 1995), 45–69

problems that are occurred during integration process are highly related with each other. Therefore, regional institutions were established in order to find solutions to common problems. This theory gives great importance to institutions. In the Neo-Liberal Institutionalism, increasing interdependence creates demands for regional cooperation just like in Neo-Functionalism theory. States are important elements in this theory and it focuses on the ways interdependence among states lead to institutionalized cooperation. Integration happens slowly, step by step as elements of integration increases.²¹ In constructivist theory, consciousness of belonging to a common region and common identity constitutes great importance. This theory depends on shared values, cultures, history and identity. Sociological side of this theory is much dominant than economical and political sides in this theory.²²

In the third part, Hurrell emphasizes the domestic level theories. He stresses that there is a strong relation between regionalism and domestic peace inside of states within a region. For a healthy regional integration, stable atmosphere inside of the state is necessary. On the other hand harmony among domestic choices of states in a particular region is another important element that affects regionalism.²³

After reviews about regionalism theory, it will be beneficial to examine security aspect of the theory hence SCO is a security originated organization.

1.1.3. Regionalism in terms of Security

When we focus on security dimension of regionalism, since SCO is fundamentally a security organization, it can be observed that states are still in the core of security regionalism. Although some new actors have come to the fore, such as NGOs, markets, companies; states are still the most dominant actor in security terms.²⁴ Buzan's definition of security complexes, proves the place of states in terms of security regionalism; "a group of states whose primary security concerns link together sufficiently closely that their national securities can not reasonably be

²¹ Ibid.

²² Ibid.

²³ Ibid.

²⁴ Barry Buzan and Ole Waever, *Regions and Powers, The Structure of International Security*, (United Kingdom: Cambridge University Press, 2003), 44-45.

considered apart from one another.”²⁵ It can be said that Buzan’s interpretation of security is highly influenced from realist and neo-realist theories and he plays down constructivist elements in security regionalism. However when it is considered that states are the only actors which have authority of making threat perceptions, it is logical to adopt states as the core of the security cooperation.

David Lake makes another definition of regional security system; “a set of states affected by one trans border but local externality that emanates from a particular geographic area”.²⁶ Two important elements draws attention in his definition, first; term of externality and second; stress on geographic area. Externalities are outcomes of state’s moves which have effects on other states in the region. These outcomes constitute one of the most important reasons for regional security organizations because move of a state for benefit of its own generally reduces benefits of other states in the region. Thus, states come together in order to limit or reverse move of other states. Geography is the other important element in Lake’s definition. In terms of security, geographical proximity constitutes significant importance since threats can spill over in short distances easier and faster. Therefore, contrary to Nye’s claim that is mentioned above, geographical closeness has vital importance in order to cooperate against a threat that is particularly seen in a distinct region.

There are two important elements in the analysis of security regionalism; first, “amity” and “enmity”²⁷, and second “distribution of power”.²⁸ Terms of amity and enmity are strongly influenced by historical and sociological factors of states in the region. Domestic decisions of the states in the framework of their security and threat perceptions define who is enemy and who is ally. These elements are determining the factors that who is going to make alignments against who.

²⁵ Barry Buzan, *People, States and Fear: National Security Problem in International Relations*, (Longman, 1991) quoted in Barry Buzan and Ole Wæver, *Regions and Powers, The Structure of International Security*, (United Kingdom: Cambridge University Press, 2003), 44.

²⁶ David A. Lake, “Regional Security Complexes: A Systems Approach”, *Regional Orders, Building Security in a New World*, ed. David A. Lake and Patrick M. Morgan, (Pennsylvania: The Pennsylvania State University Press, University Park, 1997), 48.

²⁷ Barry Buzan and Ole Wæver, *Regions and Powers, The Structure of International Security*, (United Kingdom: Cambridge University Press, 2003), 49.

²⁸ Andrew Hurrell, “The Regional Dimension in International Relations Theory” *Global Politics of Regionalism Theory and Practice*, ed. Mary Farrell, Björn Hettne and Luk Van Langenhove, (London: Pluto Press, 2005), 43.

In terms of distribution of power; hegemony or core-periphery terms come to the fore. Andrew Gamble and Anthony Payne define a hegemonic power as “incorporation of subordinate groups through the granting of special privileges and benefits”.²⁹ In order to gain these privileges and benefits, weaker states whether apply cooperation with hegemonic power within the regional institutions in order to be more influential against her and increase their bargaining power or they can come together in order to limit moves of hegemonic power. Latter one can create threat for security of hegemonic power and assure her to accept their decisions through institutions. On the other hand, weak states find chances to declare their ideas and show their interests to hegemonic power in an institutionalized structure. Hegemonic powers also have some benefits in cooperating with other states in a particular region through institutions; first of all, she engages in self-binding institutions in order to prevent other states to perceive threats from her and through this move she also prevents creation of any rivalry against her power. On the other hand hegemonic power strengthens, legitimizes and stabilizes her power through institutional structures. Hegemonic power also shares burdens, costs and responsibilities of her moves, gains information and transparency that is crucial for security moves through regional institutions.³⁰

Distribution of power issue can also be explained through core-periphery relations. States in the periphery come together under regional institutions through effects of abovementioned reasons against core. Regionalism looks like only way for peripheral states to become less peripheral in short term.

When we look at types of regional security organizations we can observe two different kinds of organizations according to Buzan and Weaver; first; “standard cooperation organizations” which consists of completely regional powers and a military-security agenda. There can be some power balances within the organization and a dominant power can emerge however all the powers in the system are regional, not global. Second type is “centered regional security organizations”. When one or more global powers, other than regional powers, become member of a regional

²⁹ Andrew Gamble and Anthony Payne, “Conclusion The New Regionalism” *Regionalism and World Order*, ed. Andrew Gamble and Anthony Payne, (Macmillan Press, 1996), 261.

³⁰ Andrew Hurrell, “The Regional Dimension in International Relations Theory” *Global Politics of Regionalism Theory and Practice*, ed. Mary Farrell, Björn Hettne and Luk Van Langenhove, (London: Pluto Press, 2005), 50-51.

cooperation organization, it is expected that global level power will gain the biggest influence and regional powers can not find any place to be more influential. In these cases, super power becomes center of the regional security organization and security understanding of the organization shifts from regional level to global level. Weaker members of the organization began to experience difficulties in showing their security concerns to super power although their threat perceptions are still in regional level. According to Buzan and Weaver these kinds of security co operations are more likely to be stable because central power establishes “open or penetrated hegemony” over other states of the region.³¹ Weaker states of the organization give some rights to super- center power to penetrate into conflicts and problems within the region in order to guarantee their security and stability in the anarchical nature of the region.

1.1.4. Place of Shanghai Cooperation Organization (SCO) in Regionalism Theory

First of all it has to be noted that Shanghai Cooperation Organization (SCO) is mainly a regional security organization,³² originated from security needs of member states. Economical, cultural, commercial and scientific aspects of the organization are developing gradually, however main aim of the organization on increasing cooperation in these issues is to strengthen security.

SCO perfectly suits to patterns of regional security organizations. Power politics, enmity- amity and geopolitics are crucial in the foundation of the organization. SCO founded as a response to outcomes of policies of United States, and this factor has brought member states together. It should be noted in here that although United States is not a local actor in Central Asia region, her moves and policies creates local outcomes in that region. Therefore, Lake’s emphasizes on local externalities changes its shape in terms of SCO. Limiting hegemonic power of United States in the Central Asia and emerging as a new polar in the political environment are the most important goals of the SCO. Thus, it can be seen that

³¹ Barry Buzan and Ole Waever, *Regions and Powers, The Structure of International Security*, (United Kingdom: Cambridge University Press, 2003),55-56.

³² Tie Jun Zhang, “China: Towards Regional Actor and World Player”, *Global Politics of Regionalism Theory and Practice*, ed. Mary Farrell, Björn Hettne and Luk Van Langenhove, (London: Pluto Press, 2005)

common points of the members are limiting United States, maintaining security and demand for multi polar world.

Geographical proximity is very important in SCO both in terms of membership and area of influence. Main focal point of the organization is security of Central Asia and it was founded to solve security issues in this region first. That is why members and the observer members are states which are located in the region and have important interests in the region.

When we examine the SCO in terms of types of regional security organizations we can observe that; SCO is moving to a centered organization from a standard organization. When “Shanghai five” was first born in 1996 all members of this formation were regional actors (that is why organization was standard) however today Russia tries to gain her former power during her super power times and China is rising as a global power. Therefore, it can be said that, although SCO is now a standard regional security organization, due to increase of influence of Russia and China, it can be a centered security organization in the future.

Conceptual background which SCO bases on can be best understood through statements of Chung in his article.³³ According to him, SCO is product of “new regionalism” which is based on free trade and cooperation on issues such as security, economics and changes in regional environment. This cooperation is interest based, open and functional. Contrary to “old regionalism” which depends on common culture, history, civilization and demands sacrifices from sovereignties of the states in order to reach a federation, new regionalism aims to link states from different cultures and administrative systems on the basis of economical benefit. Open character of new regionalism creates suitable atmosphere for other states in the region to join cooperation. Political systems, religious backgrounds and other differences of the states become unimportant because of interest based nature of the concept.

Reflection of new regionalism to SCO is materialized in the “Shanghai Spirit” concept. According to Chung, “Shanghai Spirit” is the core of the SCO which is an open cooperation not an alliance founded against a third party. Shanghai Spirit puts non interference to domestic affairs and respect to peculiarities of other states to its

³³ Chieng peng-Chung, “The Shanghai Cooperation Organization: China’s Changing Influence in Central Asia” *The China Quarterly*, 180, (2004).

core. Shanghai Spirit tries to find out some common points in order to build cooperation from differences of the states. Since mutual benefit is the base of this concept; political, religious and ethnical differences are unessential and all states are equal regardless of their size or economical and political power.

It should be noted in here that, elements of neo-realist theory can also be observed in SCO. First of all, sovereign states are the main actors of SCO, as it is the core of neo realist theory. On the other hand, SCO is fundamentally a security organization. According to neo Realist theory, security is in the first rank of hierarchy of interests and actors can make cooperation with others in order to reach common foreign policy goals.³⁴ In the power vacuum and anarchic environment of Post Cold War Eurasia, members of SCO gathered together in order to solve their security problems ranging from border demarcations to terrorism, separatism and radicalism.

Under the light of this framework, this thesis consists of three main chapters. In the second chapter, broad definition of SCO will be made. In order to understand SCO, it is vital to examine reasons behind foundation of this regional cooperation organization. Therefore needs of the founder states in the foundation process of SCO will be discussed in this chapter. Besides this, short history of the organization since 1996 Shanghai Summit and “Shanghai Five” will also be explained through annual summits and activities of the organization. Another important subject that will be explained in this chapter is institutional structure of SCO. Departments of organization, tasks of these departments, role of secretariat, importance of summits, temporary and permanent structures of SCO, aim of the organization are the issues that will be explained under this topic. Members are the most important aspect of this regional organization, thus analysis of these members, their aims and purposes is crucial in order to understand SCO and its structure. Members and observer members, necessity of observer membership, potential members will be examined in this chapter, too.

³⁴ Ian Bremmer and Alyson Bailes, “Sub Regionalism in the newly Independent States”, *International Affairs*, 74, No.1 (1998): 134 quoted in Amalendelu Misra, “Shanghai 5 and The Emerging Alliance in Central Asia: The Closed Society and Its Enemies,” *Central Asian Survey*, 20, No.3, (2001)

In the third chapter, general characteristics, sources and aims of China in terms of foreign policy and effect of SCO to these elements will be explained. Pragmatism, nationalism and multilateralism are the main sources of foreign policy of China. Through using these sources, Beijing tries to reach some goals; these goals are maintaining territorial integrity and domestic stability, modernization of armed forces and being a regional power in Asia Pacific region. These sources and goals will be explained in details at this chapter. Policies of China towards Central Asia are another issue that will be explained at this chapter. Central Asia is crucial for China because of multiple reasons such as security of Xinjiang Uygur Autonomous Region, energy and limiting influence of United States in the region. Central Asia policies of Beijing are heavily affected by general characteristics of Chinese foreign policy. Role of SCO in Chinese foreign policy will also be explained in this chapter. As a regional cooperation organization SCO creates great advantages in her western gate Central Asia. In this chapter, benefits of SCO to Beijing in terms of Xinjiang-Uygur separatist movements, increasing economical and commercial ties with Central Asian states and Russia and its role in energy relations between China and other member states will be discussed. All these elements will be explained under different topics.

In the forth chapter, attitude of other important powers to SCO will be examined. Approach of only super power United States towards this organization is vital since SCO aims a multi-polar world and challenges policies of Washington. United States' interpretation of SCO either as a threat or as an important actor which stabilizes historical "heartland" of the world is vital in order to predict power balances of the future. Therefore approach of United States to SCO will be discussed in this chapter. Approach of other big partner of SCO, Russia will also be mentioned in this chapter. What are the problems and fields of cooperation with China, what does Russia expect from SCO and how long cooperation between Russia and China within SCO can continue, are the questions that will be answered at this chapter. When we interpret SCO as an organization with aim of being another polar in the world politics, it is inevitable to examine approach of other important powers in the world such as European Union. As an economical global power, approach of this actor towards SCO is important in terms of human rights, democracy and energy.

Question of whether these important powers do have a policy towards SCO or not will be discussed in this chapter.

By answering and explaining abovementioned questions and subjects, this thesis aims to calculate role of SCO in the foreign policy of China and it tries to analyze whether SCO is a beneficiary instrument for China in order to reach her goals. Through example of SCO, questions of do political environment of the world go to a multi polar world, how long will hegemony of lonely super power United States survive and what will be role of China in the future of international relations will be questioned within this study.

CHAPTER TWO

SHANGHAI COOPERATION ORGANIZATION



Map 1: Members and Observer Members of SCO.

Source: A. J. K. Bailes, P. Dunay, P. Guang and M. Troitskiy, *The Shanghai Cooperation Organization*, SIPRI Policy Paper no. 17, (Stockholm: Stockholm International Peace Research Institute, May 2007)

Shanghai Cooperation Organization (SCO) completed its institutional structure and have arose as an important regional organization that occupies nearly 30 million 189 thousand square kilometers, approximately three fifth of Eurasian landmass and have 1.5 billion population which constitutes quarter of the entire world population.³⁵ Organization hosts two nuclear forces, Russia and China, with their massive military force and permanent membership to United Nations Security Council. SCO also has two observer members which have nuclear power, Pakistan and India. Oil reserves of SCO countries (including observer member Iran) constitutes 20% of world's total reserves.³⁶ Although SCO is larger than NATO and European Union in terms of population, land size and natural sources³⁷ and has important advantages in terms of military, political force and economical development, it is far behind NATO which generally compared with, economically with its \$3.2 million per annum.³⁸

2.1 Members

SCO has six members; China, Russia, Kyrgyzstan, Tajikistan, Kazakhstan and Uzbekistan. It can be said that although members have some common causes and targets, reasons for creating and joining to the organization and expectations from the organization varies from member to member. Consequently it will be beneficial to examine reasons and targets of the members separately because this situation may have important outcomes in terms of future of the organization. It should be noted that China will not be mentioned in this part because; detailed explanations about China in terms of her foreign policy and attitude towards SCO will be made in the next chapter as this issue constitutes the core of this study.

³⁵ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007):5.

³⁶ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007), 5.

³⁷ Ariel Cohen, "After G-8 Summit: China and the Shanghai Cooperation Organization," *The China and Eurasia Forum Quarterly*, 4, No. 3, (2006), 54.

³⁸ Chien-peng Chung, "China and the Institutionalization of the Shanghai Cooperation Organization," *Problems of Post-Communism*, 53, No. 5 (September-October 2006), 7.

2.1.1 Russia

Russia is one of the biggest members with China in terms of economy, military, population and territory. Although SCO initiated mainly by China and her security concerns, Russia also has important reasons in being member of SCO. First of all, after collapse of Soviet Union, Russians had to abandon Central Asia which they rule for hundreds of years. This retreat caused a power vacuum in energy rich and geopolitically important Central Asia. Russia did not want this vacuum to be filled by hegemony of United States or radical Islamic elements. Thus; Moscow allowed China to penetrate to historical “Heartland” of the world.³⁹ China was a preferable actor for Russia than United States and radical Islamic elements. Consequently Russia solved her problems with China, especially in terms of border disputes, and played an important role in establishment and institutionalization process of SCO. Then Russia found chance to solve her two big problems; radical Islamism and increasing influence of United States.

On the other hand through institutionalized SCO, Russia has found a chance to limit and control activities of China in her backyard.⁴⁰ Through “mutual benefit” and “developing multilateral ties” Russia managed to hinder any covered penetrations of China to Central Asia. Although Russia allowed China to be active in Central Asia, Moscow still interprets Central Asia as her “near abroad” and gives great importance to former Soviet states for her own security. Therefore China can only be active in this sensitive region under observation of Russia and Moscow can not allow China to take full control and erase Russian influence from this region.

Another reason for Russia for her membership to SCO is economical. Russia is the most important arms dealer of China and observer members India and Iran.⁴¹ Through military exercises and increased security cooperation among members and

³⁹ Jan Arno Hessbrugge, “The Shanghai Cooperation Organization: A Holy Alliance for Central Asia?” *Al Naklah, The Fletcher School Online Journal for Issues to Southwest Asia and Islamic Civilization*, Article 2, (Spring 2004): 3; Marc Lanteigne, “In Medias Res: The Development of The Shanghai Cooperation Organization as a Security Community,” *Pacific Affairs*, 79, No.4 (Winter 2006-2007):614.

⁴⁰ Alyson J. K. Bailes, Pál Dunay, Pan Guang and Mikhail Troitskiy, *The Shanghai Cooperation Organization*, (Stockholm: SIPRI Stockholm International Peace Research Institute Policy Paper, No 17, May 2007), , 33 author quotes to Kazakh analyst Zakir Chotaev.

⁴¹ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 21.

observers within SCO, Russia can find chances to increase her income from arms trade and find new costumers.

Energy is also an important reason for Russia to join SCO. Energy is an important tool for Russian foreign policy. In order to strengthen role of the energy, “energy club” within SCO founded with the initiative of Russia.⁴² Through this club Moscow strengthened her energy relations with SCO members, managed to find opportunities for new energy projects and put an important step forward to continue her dominance over Central Asia energy sources in terms of transport and exploitation. On the other hand with support of observer Iran and Kazakhstan, Russia has increased her influence on world energy markets and began to make solid steps towards establishment of a natural gas cartel in order to set prices of the natural gas in the entire world.⁴³

Besides these reasons, confronting western pressure can be the most important reason for Russia in highlighting SCO. After collapse of Soviet Union, NATO enlarged to former Soviet states in Eastern Europe and Moscow could not object this situation. “Colored Revolutions” with support of western NGOs caused decrease in Russian influence in some former Soviet states. Pressures to Moscow in her attitude towards Chechnya issue and latest anti-missile system projects of United States have made Russia to turn her face to SCO. With support of economical giant China and energy rich Central Asia, Russia showed her discomfort to west through SCO. Russia used non-interference to domestic affairs of the states concept in order to object “colored revolutions” and creating energy club in order to confront criticisms about lack of political and economical liberalism.⁴⁴ On the other hand through fight against “three evils”, Russia gained support of other members against any possible separatist, extremist movements like Chechens. It can be said that Russia has been taking what she wants from SCO and realized her reasons and targets in establishment of the organization.

⁴² Ibid., 26-27

⁴³ “Putin says 'cheap gas era' ending”, BBC News, December 23, 2008, <http://news.bbc.co.uk/2/hi/europe/7796806.stm>, (accessed June 21, 2009)

⁴⁴ Alyson J. K. Bailes, Pál Dunay, Pan Guang and Mikhail Troitskiy, *The Shanghai Cooperation Organization*, (Stokholm: SIPRI Stockholm International Peace Research Institute Policy Paper, No 17, May 2007): 40.

2.1.2 Kazakhstan

Kazakhstan is the third largest member of the SCO after Russia and China with her 2.717.300 square km land.⁴⁵ Kazakhstan has important reasons to be part of the SCO, especially in terms of economy. This large country has important energy reserves; 30.000 billion barrels of oil and 65.000 billion cubic feet of natural gas.⁴⁶ However Kazakhstan does not have enough infrastructures to sell her energy to world markets. Kazakhstan can only reach world markets through Russia because of old Soviet pipeline systems that aim to distribute the oil to former Soviet territory. Kazakh oil is first being transferred to Russian port in Black Sea coast Novorossiysk via pipelines and then spread to world markets via tankers.⁴⁷ This situation makes Kazakhstan bound to Russia in terms of economy especially high percentage of energy sources in Kazakh economy concerns.

However SCO has created new chances for Kazakh economy to diversify her customers. Thanks to increased dialogue within SCO and Shanghai Five, China and Kazakhstan made important energy agreements in order to build a pipeline from Kazakhstan to China and Chinese gained exploitation and exploration rights in Aktyubinsk and Uzun oil fields in Kazakhstan. Pipeline activated in 2006 and began to pump oil to China. Thanks to these agreements Kazakhstan began to balance Russia in economical terms. Although Kazakh economy still highly depended on Russia, Kazakhstan made her first steps to break it.

Increasing trade volumes with China is another benefit of SCO to Kazakhstan. Thanks to start of SCO to operate in economical field, trade rates between China and Kazakhstan began to increase. Infrastructure projects and common initiatives among members in order to increase trade have been extremely beneficial for Kazakh economy.

Security is another important reason for Kazakhstan in her joining and supporting SCO. Kazakhstan has nearly 4 million Russian people today which

⁴⁵ "Kazakhstan," CIA, World Fact Book, <https://www.cia.gov/library/publications/the-world-factbook/geos/kz.html>, (accessed June 21, 2009)

⁴⁶ "Kazakhstan Energy Profile," Energy Information Administration, Official Energy Statistics from the US Government, http://tonto.eia.doe.gov/country/country_energy_data.cfm?fips=KZ, (accessed June 21, 2009)

⁴⁷ Majid, Jafar, "Kazakhstan: Oil, Politics and the new Great Game" *The Caspian, Politics energy and security* Ed. Shirin Akiner, (London: Routledge Curzon, 2004), 204

constitutes % 30 of her total population.⁴⁸ This situation constitutes a potential threat for Kazakhstan. After economy, heavy influence of Russia over Kazakhstan can be felt on political field too because of this Russian minority. Russia have chance to make interventions to Kazakh policies thanks to this large minority. On the other hand this situation causes tension between Russians and native Kazakhs. Through SCO, Kazakhstan prevented potential Russian interventions to her policies. Due to non-intervention to domestic affairs of states which is one of the basic principles of the SCO, Kazakhstan limits Russian influence in her country.

Kazakhstan wants to be a regional power in Central Asia. In order to reach this goal Astana needs stability in the region. SCO provides stability and creates suitable atmosphere for Kazakhstan to achieve her goals. On the other hand, international status of Kazakhstan is increasing without taking too much responsibility and antagonizing West, thanks to SCO.⁴⁹

2.1.3 Uzbekistan

Together with Kazakhstan, Uzbekistan is one of the leading members of SCO in Central Asia. After collapse of the Soviet Union, Uzbek government implemented a strict nation building process in order to erase Russian influence in the country. During this period Islam was the most important element that Tashkent used in order to create a consciousness of nation, autonomous identity and legitimize the state authority. Because Uzbekistan has the largest Muslim population among Central Asia countries, she pursues close relations with Islam as an ideology.⁵⁰ However this close relation began to cause problems especially in terms of increasing radical Islamist elements with the effect of bad social and economical conditions.

Under these conditions powerful opposition which was leaded by Islamic Movement of Uzbekistan (IMU) with Islamic sentiments occurred against Uzbek leader Islam Karimov. Uzbekistan began slipping towards a “green revolution”⁵¹

⁴⁸ Sebastien Peyrouse, “The Russian Minority in Central Asia: Migration, Politics and Language” Occasional paper no 297, Woodrow Wilson International Center for Scholars, Kennan Institute, (2008): 4

⁴⁹ Sun Zhuangzhi, “New And Old Regionalism: The Shanghai Cooperation Organization and Sino-Central Asian Relations”, *The Review of International Affairs*, 3, No. 4, (Summer 2004), 607.

⁵⁰ Amalendelu Misra, “Shanghai 5 and The Emerging Alliance in Central Asia: The Closed Society and Its Enemies,” *Central Asian Survey*, 20, No.3, (2001): 316.

⁵¹ Term of “Gren Revolution” belongs to G. Chufirin.

with the effects of radical Islamic elements. Under these conditions SCO provided great opportunities and support to Uzbekistan against radical Islamic elements. First of all, Uzbekistan gained support of Tajikistan and Kyrgyzstan which most of the IMU members escape to.⁵² On the other hand after incidents in Andijan, SCO members showed their support to Uzbek government.

It can be seen that reason of Uzbekistan in joining to SCO in 2001 is effected by influence of domestic opposition. In terms of international relations, Uzbekistan had good relations with West and especially United States; she was member of GUUAM (Georgia, Ukraine, Uzbekistan, Azerbaijan and Moldova) which was initiated by United States, signed strategic partnership declaration with United States and provided Khanabat military base to Washington in her operation against Taliban and signed a basket treaty with IMF in 2002.⁵³ However Andijan uprisings in 2005 marked the end of this era. Heavy criticism of West towards attitude of Uzbek government against rioters and suspicions of Western support to rioters put an end to good relations of Uzbekistan with the west. After that Uzbekistan turned her face to SCO.

2.1.4 Tajikistan

Tajikistan is the one of the smallest members of SCO with Kyrgyzstan and she has the lowest GDP.⁵⁴ Under these circumstances reasons of Tajikistan in joining SCO are generally economic. First of all, Tajikistan gained important loans especially from China in order to buy goods from this country. Thanks to these loans trade volumes of Tajikistan increased. On the other side although Tajikistan does not have too much natural sources, she has important water resources and this situation creates great advantages in terms of hydroelectric. Tajikistan increased cooperation with China in hydroelectric field and gained important investments both in construction of power plants and increasing infrastructure.⁵⁵

⁵² Flemming Splidsboel Hansen, "The Shanghai Cooperation Organization" *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 221.

⁵³ Sun Zhuangzhi, "New And Old Regionalism: The Shanghai Cooperation Organization and Sino-Central Asian Relations", *The Review of International Affairs*, 3, No. 4, (Summer 2004): 605.

⁵⁴ *Ibid.*, 606.

⁵⁵ For detailed information see Vitaly Frolankov "China and the SCO Member Countries of Central Asia: Cooperation Over Energy" *Far Eastern Affairs*, 36 Issue 2, (2008).

Another important reason for Tajikistan to join SCO is security. When Tajikistan gained her independence after collapse of Soviet Union, a serious civil war began from 1992 to 1997. After that, Tajikistan began to have important problems with Uzbekistan and Kyrgyzstan because of Fergana Valley. Radical Islamist elements such as Hizb-ut Tahrir began to get powerful in this disputed area. On the other hand she had some border disputes with China from Soviet times. SCO and Shanghai Five mechanism created solutions for all these problems; border disputes were solved through negotiations under Shanghai Five, thanks to fight against terrorism, separatism and radical Islamism concept of SCO activities of Hizb-ut Tahrir and other radical organizations declined and relations with her neighbors increased gradually.

2.1.5 Kyrgyzstan

Kyrgyzstan has good relations with western countries especially with United States. She was one of two countries which provided military bases to United States. However after “Tulip Revolution” in 2005 relations with West began to deteriorate. Increasing corruptions, harsh policies of authoritarian regime and increasing income gaps caused uprisings in Kyrgyzstan and Askar Akayev had to resign after “Tulip Revolution”. Effects of western NGOs in this regime change interpreted as intervention to domestic affairs of Kyrgyzstan by SCO. After this revolution SCO showed its support to new leader of Kyrgyzstan, Kurmanbek Bakiev. In 2005 summit members of SCO asked for evacuation of military bases in Kyrgyzstan and Uzbekistan. Although United States forces did not evacuate the base, rent for the Manas military base increased. However this did not last long; Kyrgyzstan had a decision on closing the Manas airfield in the first months of 2009.⁵⁶

On the other hand Kyrgyzstan managed to have some economical gains thanks to SCO. China and Kyrgyzstan made agreements in energy field including pipelines. Some parts of the pipeline from Turkmenistan to China are projected to go through Kyrgyzstan. Second pipeline project from Uzbekistan to China is also planned to pass through Kyrgyzstan. Because these pipelines are planned to pass through

⁵⁶ “Kyrgyz closure of US base 'final' ”, BBC News, 6 February 2009, <http://news.bbc.co.uk/2/hi/asia-pacific/7873866.stm>, (accessed June 21, 2009)

conflicted Fergana Valley, China can be more active in stability of this region in order to provide security of energy flow.⁵⁷

It can be said that small embers of SCO, Kyrgyzstan and Tajikistan wants to have close ties with Western states especially in terms of economics. However they want to limit and avoid Western powers' penetration to their domestic affairs. Therefore they try to balance west with SCO. While getting support of SCO in security field, they try to have more economical and cultural relations with the West.

2.2 Observer Members and Enlargement

SCO has not finished its legal basis for enlargement and members have disagreements on the possible members of the organization and deepening the organization instead of enlargement. Some members claim that new members will bring their own problems to the organization and cause extra burden in to the SCO. However, on the contrary, some say that new members can bring new chances for SCO especially in terms of energy and transportation.⁵⁸ Enlargement supporters claim that observer states can make investments in the rural areas of the Central Asia in the level of companies and states. Through this, they can make great contributions to economical development and cooperation.⁵⁹ Although members signed a moratorium on enlargement in 2006, it can be seen that, there is lack of agreement on the enlargement issue. While China and Uzbekistan support enlargement, other members object enlargement process.

Consequently members established "observer membership" in order to hold strategically important states in the periphery of the organization and prepare them for integration with the organization. SCO observer members have right to attend to the summits but they do not have right to vote. Mongolia, Iran, Pakistan and India are observer members of SCO today.

⁵⁷ Vitaly Frolankov "China and the SCO Member Countries of Central Asia: Cooperation Over Energy" *Far Eastern Affairs*, 36 Issue 2, (2008): 72.

⁵⁸ Vladimir Portyakov, "The Shanghai Cooperation Organization: Achievements, Problems, Prospects", *Far Eastern Affairs*, 35, Issue 4, (2007): 5.

⁵⁹ G. Chufirin, "The SCO: Changing Priorities," *International Affairs*, 53, No.1, (2007): 61.

2.2.1 Mongolia

Mongolia has become the first observer of the SCO in 2004. Strategic location of Mongolia is the most important factor in her gaining observer status. She is in the middle of the influence area of the organization; that is to say absence of Mongolia in the SCO could cause a security vacuum and hinder moves of the organization. On the other hand Mongolia has great importance in terms of territorial integrity of China. Through making Mongolia observer member to SCO, China avoided any possible support of this country to separatist elements that want to join Mongolia in Inner Mongolia province.⁶⁰

2.2.2 Iran

Iran gained observer status in 2005 with India and Pakistan. When relations of Iran with western states considered, joining of this country to the SCO is one of the solid moves against United States hegemony and realization the aim of the organization towards multi-polar world. However besides symbolic means observer membership of Iran contains pros and cons at the same time. When we examine benefits; first of all Iran is an energy rich country. Through joining of Iran to the SCO, Russia gains great advantage in terms of energy club within SCO. On the other hand establishing such cooperation under SCO is heavily beneficial for China which needs significant energy in order to feed her giant economy. Geographical location of Iran is another positive aspect. In terms of transportation of oil and gas of Caspian region members of the SCO to the world markets Iran is the shortest way to the Indian Ocean. On the other hand Russia and China have important cooperation with Iran especially in arms trade field. Joining Iran to the SCO can increase trade volume between these states.

Besides benefits there are important disadvantages of joining of Iran to the organization. First of all, Iran may try to exploit SCO against western powers in the nuclear program crisis and this may cause antagonizing of SCO to United States at a time that it is not ready to confront. On the other hand Iran may use SCO to increase her level of influence in Central Asia states, especially Persian speaking Tajikistan.⁶¹

⁶⁰ Barış Adıbelli, "Çin'in Avrasya Stratejisi," (İstanbul: IQ Kültür Sanat Yayıncılık, 2007), 10.

⁶¹ Flemming Splidsboel Hansen, "The Shanghai Cooperation Organization" *Asian Affairs*, Vol. XXXIX, No.2, (July 2008), 229.

Although Russia looks like supporting full membership of Iran to SCO because of her energy club target and arms trade, China has attitude of confronting her membership not to antagonize United States.

2.2.3 India

India and Pakistan as “enemy brothers” cause the biggest concerns and disagreement among members. Russia has longstanding good relations with India dates back to 1971 treaty and arms trade agreements.⁶² Relations with Tajikistan are in a good level and India has an air force base in Aini region in Tajikistan. On the other side China interprets India as a strategic opponent to her increasing economical and political power in the region. Border clashes between these two states in the history are important elements that cause increasing of these feelings.

Joining of India to the organization can make great contributions to organization especially in terms of economical fields. Through joining of India, SCO will host three major developing countries in the world; Russia, China and India. Thus especially energy rich however industrially poor Central Asia members of the SCO can benefit joining of a major economical power to the organization. On the other hand, India’s strategic position on the energy transportation routes from north to the Indian Ocean can be another important positive element in the joining of the India.

Although joining of India to SCO has some benefits, it can also carry some of her dangerous problems in to the organization. Most important of these problems is border disputes between Pakistan on Jammu Kashmir region. India and Pakistan, both nuclear powers, had armed clashes several times and this conflict has come to a deadlock. Joining of India will result joining of her rival and other observer member Pakistan to the SCO not to hinder power balance between these states and destabilize Indian sub continent. Under this situation problems between Pakistan and India may spill over to other members and cause polarization of the SCO. Russia supports joining India to organization because of arms trade, economical reasons and energy transportation routes. However China has some suspicions about India, she interprets her as a possible opponent, she has some border disputes with her in Aksai Chin and

⁶² Jan Arno Hessbrugge, “The Shanghai Cooperation Organization: A Holy Alliance for Central Asia?” *Al Naklah, The Fletcher School Online Journal for Issues to Southwest Asia and Islamic Civilization*, Article 2, (Spring 2004): 5.

Arunachal Pradesh regions and she has close relations, especially in terms of military industry, with Pakistan. Under these conditions China may contradict membership of India. Thus problems between Pakistan and India may cause problems between Russia and China and pave the way to the weakening of the organization.

2.2.4 Pakistan

Pakistan is another observer member of SCO, which joined the organization in 2005. There are important benefits and dangers of joining of Pakistan to the organization, too. Pakistan is in the location that bounds Iran and Middle East to the SCO members. Although Central Asian members of SCO have important energy sources, there are still not enough infrastructures that transfer those sources to the other states. Consequently, the Middle East still has significant importance in terms of energy for especially economical giant China. Pakistan constitutes the bridge that links China and Central Asia to the Middle East.

However current unstable atmosphere and relations with Taliban in the past, causes some suspicions about Pakistan in the organization. Especially Russia has suspicion on Pakistan since her relation with Taliban in Afghanistan. After Afghanistan operation of United States, Pakistan showed her support to global coalition and Musharraf made a visit to Moscow in 2002 in order to increase relations between Russia and Pakistan. However it is hard to overcome suspicious of Russia against Pakistan, which emanates from Pakistan's support to "Mujahedeen" forces during Soviet occupation in Afghanistan.⁶³ On the other side it is also a matter of concern that Sunni dominated Pakistan can increase her influence over Muslim population in Central Asia and China.⁶⁴

Pakistan's problems with India are another matter of concern. In case of joining Pakistan to the SCO, problems will be moved to the organization and it is hard to imagine find a solution to the problem between them within the SCO. Under recent conditions, Pakistan has important problems in terms of Islamic fundamentalism. Assassination of Benazir Bhutto and unstable atmosphere of the country are

⁶³ Jan Arno Hessbrugge, "The Shanghai Cooperation Organization: A Holy Alliance for Central Asia?" *Al Naklah, The Fletcher School Online Journal for Issues to Southwest Asia and Islamic Civilization*, Article 2, (Spring 2004): 5.

⁶⁴ Flemming Splidsboel Hansen, "The Shanghai Cooperation Organization" *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 229.

indicators of moving of Pakistan towards hands of radical Islamism. Pakistan may try to take support of SCO in terms of fight against radical elements. However it is not clear that, whether SCO will want to involve such a complex situation.

Besides all these negative effects China support Pakistan because of important military industry investments in this country and aim to balance rapid increasing of India. Russia which objected to membership of Pakistan in 2001 because of her support to Taliban, can be convinced only under joining of India.⁶⁵

Joining of both India and Pakistan have also some legal difficulties emanates from their non-signatory of Non-Proliferation of Nuclear Weapons Treaty. As is known both India and Pakistan are nuclear powers but they have not signed Non-Proliferation Treaty (NPT). This situation is totally contradict with emphasizes on NPT regime in founding documents of the SCO.⁶⁶ Membership of India and Pakistan without signing NPT can make relations of SCO with North Korea which is under heavy pressure because of not signing NPT, much harder. This situation also puts Russia and China which are two members of six party talks about situation of North Korea, in a very bad condition diplomatically. On the other hand United States offers nuclear partnership to India although she is not member of NPT. This makes the situation much more complex in terms of joining India and Pakistan to the organization.

2.3 Evolution of Shanghai Cooperation Organization

2.3.1 Origins of SCO

Origins of the SCO can be dated back to border demarcation talks between China and Russia, Kazakhstan, Kyrgyzstan and Tajikistan after the collapse of the Soviet Union. Border issues with the Soviet Union had been very important subject for Beijing since armed clashes in 1969. Consequently, China began negotiations with these former Soviet Republics in order to solve border disputes that emanated in Soviet times. Through these talks China aimed to reduce heavy burden of border

⁶⁵ Flemming Splidsboel Hansen, "The Shanghai Cooperation Organization" *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 5

⁶⁶ Alyson J. K. Bailes, Pál Dunay, Pan Guang and Mikhail Troitskiy, *The Shanghai Cooperation Organization*, (Stockholm: SIPRI Stockholm International Peace Research Institute Policy Paper, No 17, May 2007): 40.

troops in her developing economy and avoid any possible tension in her western border. On the other side, through these border talks Central Asia states and Russia wanted to hinder China to exploit power vacuum after collapse of Soviet Union and prevent potential territorial claims of economically strong China in Central Asia.

Negotiations ended on April 26, 1996 and leaders of abovementioned countries gathered in Chinese city of Shanghai and signed “Treaty on Strengthening Trust in Military Affairs in the Border Regions”.⁶⁷ Sides agreed to notify one another about their military exercises in 100 km of Chinese border with other four signatory states. This agreement marked the beginning of the “Shanghai Five” which is predecessor of SCO. Next year leaders of these states gathered in Moscow on April 24, 1997 and signed “The Treaty on Mutual Reduction of Military Forces on the Borders”, and agreed to deploy maximum 130,400 personnel within 100 km of Chinese border with other four states.⁶⁸ Next summit held in Almaty on July 3, 1998 and a joint statement about fight against transnational security issues such as ethnic separatism, religious fundamentalism, terrorism, arms-smuggling, drug-trafficking and cross border crimes was signed.⁶⁹ In 1999 next Shanghai Five summit, held in Bishkek on August 24, leaders of the five states signed “Bishkek Declaration” which contains cooperation against separatist, terrorist and religious fundamentalist forces.⁷⁰ Consequently fight against these “three evils” has arisen as focal point of both Shanghai Five and its successor SCO. Next year Shanghai Five leaders made their annual summit in Dushanbe, on July 5, 2000. In this summit Uzbekistan attended the summit as observer for the first time. On the other hand, parties signed “Dushanbe Declaration” which includes increasing cooperation against “three evils” of separatism, terrorism and religious fundamentalism and creation of an anti-terrorism center.⁷¹ In this summit Chinese leader Jiang Zemin proposed to shift these annual summits to permanent, institutional body. “This year defense ministers made their first meeting in Astana in March and Foreign Ministers made their first meeting

⁶⁷ Sun Zhuangzhi, “New And Old Regionalism: The Shanghai Cooperation Organization and Sino-Central Asian Relations”, *The Review of International Affairs*, 3, No. 4, (Summer 2004), 600.

⁶⁸ Chieng peng-Chung, “The Shanghai Cooperation Organization: China’s Changing Influence in Central Asia” *The China Quarterly*, 180, (2004), 990.

⁶⁹ Ibid.

⁷⁰ Flemming Splidsboel Hansen, “The Shanghai Cooperation Organization” *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 219.

⁷¹ Sun Zhuangzhi, “New And Old Regionalism: The Shanghai Cooperation Organization and Sino-Central Asian Relations”, *The Review of International Affairs*, 3, No. 4, (Summer 2004): 600.

before leaders' summit in Dushanbe on July 5".⁷² Shanghai Five era came to an end with Dushanbe summit in 2000.

During "Shanghai Five" era, main aim of the states was to solve problems among each other, especially in the fields of borders disputes and strengthening trust. Through setting fight against "three evils" of terrorism, separatism and fundamentalism as main target, these states showed that they managed to solve their problems among themselves and they are ready for further cooperation on problems which all of them suffer from. In other words, members began to look for solutions to their common problems emanates from "three evils". This compromise of interests paved the way to institutionalization of the SCO.

2.3.2 History and Activities of SCO

Next annual summit of heads of Shanghai Five states held in Shanghai on June 14-15, 2001 and this summit marked establishment of the SCO with participation of Uzbekistan. In the Shanghai summit, leaders of the People's Republic of China, the Russian Federation, the Republic of Kazakhstan, the Kyrgyz Republic, the Republic of Tajikistan and the Republic of Uzbekistan signed "Declaration on Establishment of Shanghai Cooperation Organization", joint statement on accepting Uzbekistan as member of Shanghai Five Mechanism and "Shanghai Convention on Fight Against Terrorism, Separatism and Extremism".⁷³ Through this convention, members set the main target of the organization as fighting against "three evils" and strengthened "Bishkek Declaration" that was signed in 1999. On the other side heads of governments made their first summit in Almaty on September 13-14 in the same year.⁷⁴ A memorandum was signed in this summit about targets in economical field and establishing suitable atmosphere for increasing trade and investments.

Declaration on Establishment of the SCO basically determines purposes, characteristics, areas of cooperation and methods of working. First of all, declaration sets purposes of the organization as follows;

⁷² Chieng peng-Chung, "The Shanghai Cooperation Organization: China's Changing Influence in Central Asia" *The China Quarterly*, 180, (2004), 7.

⁷³ "Shanghai Summit Issues Press Communique", *Xinhua News Service*, June 15, 2001, <http://news.xinhuanet.com/english/20010615/419559A.htm>, (accessed June 19, 2009).

⁷⁴ Chien-peng Chung, "China and the Institutionalization of the Shanghai Cooperation Organization," *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 6.

strengthening mutual trust and good-neighborly friendship among the member states; encouraging effective cooperation among the member states in political, economic and trade, scientific and technological, cultural, educational, energy, communications, environment and other fields; devoting themselves jointly to preserving and safeguarding regional peace, security and stability; and establishing a democratic, fair and rational new international political and economic order.⁷⁵

Declaration puts “Shanghai Spirit” in to the core of the organization and emphasizes its importance as a road map in to the future of the organization as it is stated before. This spirit can shortly be defined as five “C”s; confidence, communication, cooperation, coexistence and common interest.⁷⁶ At this point, definition of the “Shanghai Spirit” is crucial in order to understand basic logic of the SCO. First of all “Shanghai Spirit” does not target any other actors in the world politics, respects others and their differences while following its own aims. It emphasizes importance of dialogue in solution of problems and puts mutual benefit and mutual trust in to the core of its understanding of international relations. “Shanghai Spirit” is not an “alliance” it is an open cooperation and partnership for each state in the political arena.⁷⁷ That is why it is against power relations, resists use of force and hegemony especially in its area of influence; Central Asia. Non-interference to domestic affairs of the states is the most important aspect of the “Shanghai Spirit”. These principles of the Shanghai Spirit can be felt in every part of the declaration.

Declaration also emphasizes benefits of economical and trade cooperation among member states and planned to sign documents in these fields in order to solidify and strengthen economical cooperation. It is stated in the declaration that “in the current international situation, it is of particular significance to preserve global

⁷⁵ “Declaration on Establishment of Shanghai Cooperation Organization”, Ministry of Foreign Affairs of the Russian Federation Information and Press Department, <http://www.in.mid.ru/B1.nsf/arh/4255347F7E3D3DD643256A720052A1C8?OpenDocument>, (accessed June 19, 2009)

⁷⁶ Five “C”s” concept belongs to Prof. Lu Zhongwei, President of China Institute of Contemporary International Relations in Beijing, China, quoted in article of Xu Tao “On the SCO Under New Situation” *Contemporary International Relations*, 12 No. 6, (June 2002): 23.

⁷⁷ 991

strategic balance and stability”.⁷⁸ From this statement, it can be said that SCO gives significant importance to preserving *status quo* in Central Asia region first and then in the entire world.

On June 7, 2002 heads of member states gathered in St. Petersburg and made one of the most important summits of the organization by reason of signing “The Charter of Shanghai Cooperation Organization” and “Agreement on Regional Anti-terrorist Structure”.⁷⁹ Charter of the Organization consists of 26 articles which determine basic principles, targets, administrative bodies, finance of the organization, membership, relations with other actors, and decision taking process. At the introduction part of the charter, it is stated that;

(the SCO is) ...Striving for further enhancement of comprehensive cooperation; Desiring to jointly contribute to the strengthening of peace and ensuring of security and stability in the region in the environment of developing political multipolarity and economic and information globalization...Proceeding from the spirit of mutual trust, mutual advantage, equality, mutual consultations, respect for cultural variety and aspiration to joint development that was clearly established at the meeting of heads of six States in 2001 in Shanghai...Reaffirming our adherence to the goals and principles of the Charter of the United Nations, other commonly acknowledged principles and rules of international law related to the maintenance of international peace, security and the development of good neighborly and friendly relations, as well as the cooperation between States.⁸⁰

These statements indicate that targets of SCO are creating stable and secure atmosphere in its area of influence, establishing multi-polar political environment and benefit advantages of globalization in terms of economy. It is stated in

⁷⁸ “Declaration on Establishment of Shanghai Cooperation Organization”, Ministry of Foreign Affairs of the Russian Federation Information and Press Department, <http://www.in.mid.ru/B1.nsf/arh/4255347F7E3D3DD643256A720052A1C8?OpenDocument>, (accessed June 19, 2009).

⁷⁹ “History of development of SCO”, *Xinhua*, http://news.xinhuanet.com/english/2008-08/21/content_9572869.htm, (Accessed July 24, 2009)

⁸⁰ “Charter of Shanghai Cooperation Organization”, Official Website of SCO, <http://www.sectSCO.org/EN/show.asp?id=69>, (accessed June 19, 2009)

“Principles” part in article 2 that “SCO is not directed against other states and international organizations”. From this, it can be said that although SCO aims to create a multi-polar world, members do not want to antagonize sole superpower United States and harm their close economical relations with Washington

It can be understood from introduction part of the charter that members want to reach targets through “Shanghai Spirit” which was set in establishment declaration of the SCO. Support to United Nations and international law can be interpreted as members’ insist on equality of states in order to challenge one sided policies of United States and efforts of China and Russia to use their weight in the United Nations that emanates from their permanent membership to Security Council.

According to charter, main targets of the SCO are to solidify mutual trust and friendship among members, increase cooperation in order to strengthen peace and security in the region, fighting against terrorism, separatism and extremism. Besides these targets organization also aims to increase cooperation in economy, trade, energy, science and technology, environment protection and culture. Elements that compose “Shanghai Spirit” such as mutual benefit, respect to sovereignty and not interfering to domestic affairs of states, equality, peaceful solution of problems and open cooperation are stated as main principles of SCO in the charter.

Regional Anti Terrorism Structure (RATS) which is one of the two permanent bodies of SCO with Secretariat, founded at this summit in Uzbek capital of Tashkent according to “Agreement on Regional Anti-terrorist Structure”. In October 2002, first military exercise under framework of SCO held in Kyrgyzstan with participation of Chinese and Kyrgyz forces.⁸¹

Next summit of the SCO held in Moscow on May 28-29, 2003. At this summit leaders agreed on increasing economical cooperation through encouraging trade, developing infrastructure, increasing investments and avert trafficking illegal arms and narcotics trade especially from Afghanistan.⁸² Economical aspect of the organization began with this summit. Zhang Deguang, China’s former ambassador to

⁸¹ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007):16.

⁸² Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 9.

Russia appointed as first Secretary General of SCO in this summit.⁸³ Same year on August, members held “Cooperation 2003” military exercise with participation of all members except Uzbekistan in Almaty Oblast of Kazakhstan and Xinjiang province of China.⁸⁴ This military exercise which aimed implementation of Shanghai Convention on fight against three evils, was the first time that China invited foreign military forces to her country.⁸⁵

2004 Summit of SCO held in Tashkent, Uzbekistan on June, 17, 2004. Leaders signed “Agreement on Cooperation in Combating Illegal Turnover of Narcotic and Psychotropic Substances” and agreed to tighten customs in the Afghanistan border in order to avoid smuggling of arms and narcotics.⁸⁶ Another important decision that was taken in this summit was accepting Mongolia as observer member to the SCO.⁸⁷ At the summit, leaders also have taken economical decisions such as creation of five working groups on commerce, customs, quality inspection, investment promotion and transportation. Leaders agreed to realize free flow of the goods, capital, services and technology in twenty years time beginning from 2005. Election observer teams were established in this summit in order to monitor elections in member states.⁸⁸ Regional Anti Terrorism Structure (RATS) and Secretariat which are two permanent bodies of SCO started to work officially with ceremony before leaders’ summit. This year, SCO gained observer status at the UN and signed memoranda of understanding with the Association of South East Asian Nations (ASEAN) and Commonwealth of Independent States (CIS).⁸⁹

Next year, SCO held one of the most important summits in its history in Astana, Kazakhstan in 2005. Uprisings in Andijan, Uzbekistan and “colored revolution” in

⁸³ Ding Ying, “Growing Regional Security Strength” *Beijing Review*, 50, No. 35, (August 30, 2007): 10.

⁸⁴ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 16.

⁸⁵ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 16.

⁸⁶ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 9.

⁸⁷ *Ibid.*, 12.

⁸⁸ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 10.

⁸⁹ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 8.

Kyrgyzstan put their mark on the summit. Harsh criticisms of Western states towards attitude of Uzbek government against rioters and western links in the “Tulip Revolution” in Kyrgyzstan were interpreted as interfering to domestic affairs of these countries by SCO members. At this summit, members’ desire for multi-polar world and limit activities of United States in Central Asia region crystallized; at the final statement of the summit, members wanted United States to determine a deadline to withdraw her troops from Afghanistan and evacuate the military bases that she had used during Afghanistan operation in Kyrgyzstan and Uzbekistan.⁹⁰ Through this statement SCO states showed their support to Uzbekistan and Kyrgyzstan, made their first solid step towards creating a multi-polar world through limiting United States presence and activities in the region. Another important decision that was taken in this summit was accepting Iran, India and Pakistan as observer members to the organization. Accepting Iran, one of the “rogue states” of United States, showed position of SCO towards United States.

Same year China and Russia made a bilateral military exercise on August which is called “Peace Mission 2005”. Although this was a bilateral exercise, officials from both sides stressed that exercise was held under framework of SCO. Attendance of observers from other members was a solid indicator of character of this exercise. Russian and Chinese troops made a joint military exercise for the first time in their history. Aims of this military exercise were declared as increase capability of combined action, develop fighting methods against three evils and exchange experience.⁹¹ In this military exercise, 10.000 military personnel and heavy weapons, such as long range heavy bomber planes and naval forces were used. It can be said that, through using heavy weapons that are not effective against asymmetric terrorist forces, both Russia and China wanted to show their forces and their abilities to the world. Reaction of these big powers of SCO can be interpreted as a message to the West which members of SCO blame at the incidents in Andijan and Kyrgyzstan.

Same year, heads of governments of SCO states made a summit in Moscow and started 100 projects in order to increase cooperation especially on energy and

⁹⁰ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 10.

⁹¹ *Ibid.*, 16-17.

transportation fields.⁹² At the same summit “SCO Development Fund” was established in order to support joint projects and participants agreed on to establishing a mechanism for quick reaction and mutual aid in the case of natural disasters. SCO-Afghanistan Contact Group established in this year with participation of SCO secretariat members and Afghan embassies to SCO members.⁹³ United States made an application to join to the SCO in this year but her application was rejected.⁹⁴ On the other hand Belarus applied for membership to the organization.⁹⁵

2006 summit of SCO was held in Shanghai on June 15. At the summit it is stated that models of development should not be exported and use as pretexts to interfere domestic affairs to other states.⁹⁶ Economical aspect dominated the summit; members emphasized importance of economical cooperation and approved foundation of SCO Business Council and Interbank Association of SCO.⁹⁷ An anti terror exercise, “East anti-Terror 2006” held in Uzbekistan on March with participation of members’ Special Forces and law enforcement services.⁹⁸

Next Summit of SCO held in Bishkek, Kyrgyzstan on August 16, 2007. Besides leaders of member states and observers, Turkmen President Gurbanguli Berdimuhammedov and undersecretary of UN B. Lynn Pascoe also attended to this summit.⁹⁹ At the summit leaders of member states signed a treaty on strengthening mutual trust and good neighborly relations. At the summit leader of China, Hu Jintao, suggested improving legal structures of member states in order to increase economical cooperation. It is stated that economical cooperation in terms of energy, transportation and telecommunications are in high level however business and banking committees should take more important roles. At the final declaration of the

⁹² G. Chufrin, “The SCO: Changing Priorities,” *International Affairs*, 53, No.1, (2007): 59.

⁹³ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 10.

⁹⁴ Ariel Cohen, “After G-8 Summit: China and the Shanghai Cooperation Organization” *The China and Eurasia Forum Quarterly*, 4, No. 3, (2006): 63.

⁹⁵ Marc Lanteigne, “In Medias Res: The Development of The Shanghai Cooperation Organization as a Security Community,” *Pacific Affairs*, 79, No.4 (Winter 2006-2007):621

⁹⁶ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 8.

⁹⁷ G. Chufrin, “The SCO: Changing Priorities,” *International Affairs*, 53, No.1, (2007): 60.

⁹⁸ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 17.

⁹⁹ “Chronicle of main events at SCO in 2007”, Official Website of SCO, <http://www.sectsc.org/EN/show.asp?id=97>, (accessed June 19, 2009)

summit, leaders emphasized importance of multilateralism, information security, energy cooperation, stability and security in the Central Asia. Importance of international cooperation under leadership of UN was another important matter which was emphasized at the declaration. Cooperation with other international organizations such as CIS, Eurasian Economic Community and ASEAN interpreted as important issues at the declaration.¹⁰⁰ Leaders signed an agreement on cultural cooperation and action plan for SCO members on international information security.¹⁰¹ Bolat Nurgaliev appointed as second Secretary General of this SCO at this meeting.

On May in the same year, an anti- terror exercise which is called “Issyk-Kul 2007” held in Kyrgyzstan with participation of Special Forces and police forces of member states. On the other hand observers from Collective Security Treaty Organization (CSTO) also monitored the exercises.¹⁰² On August 2007, SCO members held the biggest military exercises in history of the organization both in Urumqi, Xinjiang region of China and Cherbarkul region of Russia with participation of nearly 7000 troops from all member states under name of “Peace Mission 2007”.¹⁰³ After Bishkek summit leaders of member states observed last stage of the exercises for the first time and showed how much they give importance to these exercises. Aims of the exercises were strengthening capabilities on fight against terror, establishing security and stability in the region, increasing military cooperation and partnership.¹⁰⁴ However when scenario of the exercises observed, it can be understood that this military exercise was also aimed internal security; scenario was very similar with the incidents in Andijan, Uzbekistan.¹⁰⁵

Crisis in Georgia put its mark on to the 2008 summit of SCO, which was held in Dushanbe on August 28, 2008. After emphasizing importance of solutions to international problems through diplomacy, negotiations and in the basis of mutual

¹⁰⁰ Ding Ying, “Growing Regional Security Strength” *Beijing Review*, 50, No. 35, (August 30, 2007): 10.

¹⁰¹ “Chronicle of main events at SCO in 2007”, Official Website of SCO, <http://www.sectSCO.org/EN/show.asp?id=97>, (accessed June 19, 2009)

¹⁰² Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 17

¹⁰³ Ibid. 18

¹⁰⁴ Ibid. 17

¹⁰⁵ Ibid.

benefit, members stated use of force has negative effects on regional and international problems and should only be implemented under guidance of UN. Members invited relevant parties on the crisis in South Ossetia, Georgia to solve problems through peaceful way and support Russia in her attitude in this crisis. On the other hand at the summit, leaders of members stated that installation of global anti-missile system has negative effects on international balance of power, control of weapons and nuclear non-proliferation.¹⁰⁶

2009 summit of SCO held in Yekaterinburg, Russia on June 15-16. At the final declaration of the summit, members emphasized importance of cooperation among international community in order to overcome results of global economic crises. Members also stated their desire of a new financial system which is more equal, well regulated and able to give equal chance for every member to benefit advantages of globalization. At the summit, members declared their support to expanding cooperation on energy issues, Treaty of Establishing a Nuclear Free Zone in Central Asia and denuclearization of Korean Peninsula. Belarus and Sri Lanka has become dialogue partners of SCO at this summit.¹⁰⁷

As it can be seen from the history of the SCO, organization is heavily affected by international events and creates its own attitude toward these events. This can be felt more concrete way when these events have effects on Eurasia region. The summit which marked beginning of Shanghai Five in 1996 held just after crises in Taiwan straight between United States and China. Russia showed her support to China both by making military exercises in the straight and making first summit of Shanghai Five. When uprisings occurred in Andijan and a “colored revolution” took place in Kyrgyzstan, SCO members showed their support to these states and made their first concrete step against United States. SCO members criticized United States in her efforts at anti-missile system and supported Russia in Georgia crisis. And finally after global economical crises members declared their desire for a new economic system. Evolution of SCO coincides to important incidents in international arena and members developed the organization in order to respond these incidents.

¹⁰⁶ “Chronicle of main events at SCO in 2008,” Official Website of SCO, <http://www.sectSCO.org/EN/show.asp?id=66>, (accessed June 20, 2009)

¹⁰⁷ “Yekaterinburg Declaration of the Heads of the Member States of the Shanghai Cooperation Organization” Official Website of SCO, <http://www.sectSCO.org/EN/show.asp?id=87> (accessed July 23, 2009)

2.4 Structure of SCO

2.4.1 Institutional Bodies and Decision Making Process of SCO

Institutional structure of the organization is composed with the charter which was adopted in St-Petersburg summit in 2002. According to charter, organization has these bodies; The Council of Heads of State; The Council of Heads of Government (Prime Ministers); The Council of Ministers of Foreign Affairs; Meetings of Heads of Ministries and/or Agencies; The Council of National Coordinators; The Regional Antiterrorist Structure (RATS) and Secretariat. RATS and Secretariat are the only permanent bodies of the organization.

Council of Heads of States is the highest decision making body of the SCO. Heads of States make a summit once in a year and take decisions on priorities and activities of the organization, basic issues about integration, attitude of the SCO towards other organizations and states and they discuss international issues. Summits of the Council of Heads of States are held in different member states every year according to Russian alphabetic order of the members. Leader of the host state chairs the summit.¹⁰⁸

Council of Heads of Governments is responsible for determine budget of the organization and make decisions on particular, especially economic, topics. Summits of Council of Heads of Governments are held once in a year in a different member country. Summits are chaired by Prime Minister of the host country, just like in Council of Heads of States. Place of the summit is determined in previous summit.¹⁰⁹

Council of Ministers of Foreign Affairs is responsible for making preparations of summits of Council of Heads of States, conduct daily activities of the organization, make consultations on international issues and represent the organization in its external contacts. This council gathers one month prior to summit of Heads of States in the country of the state that hosts summit of Heads of States. Council of Ministers of Foreign Affairs can make extraordinary meetings with

¹⁰⁸ “Charter of the SCO, Article 5, The Council of Heads of States,” retrieved from Official Website of SCO, <http://www.sectSCO.org/EN/show.asp?id=69>, (accessed June 20, 2009).

¹⁰⁹ “Charter of the SCO, Article 6, The Council of Heads of Governments (Prime Ministers)”, retrieved from Official Website of SCO, (accessed June 20, 2009).

initiative of at least two members and acceptance of others in a country determined by mutual agreement.¹¹⁰

According to decision of Council of Heads of States and Prime Ministers, related ministers of member countries may make summits on particular topics. On the other side, permanent or ad hoc working groups which consist of representatives of the ministries or agencies of the members can be established in order to deal with particular topics.¹¹¹

Coordination of the functions of the organization is composed by Council of National Coordinators which makes meetings three times a year. This council makes necessary preparations for summits of heads of states, governments and foreign ministers. Meetings of this council are headed by the coordinator of the state which hosts summit of head of states.¹¹²

RATS and Secretariat are the two permanent bodies of the organization. RATS is located in Tashkent, Uzbekistan and began its operations in 2004. Function of the RATS is “collecting and sharing intelligence on suspected terrorist groups operating in SCO countries.”¹¹³ Director of the RATS is appointed by Council of Heads of States for three years.¹¹⁴ Existing director of RATS is Kasimov Vyacheslav Temirovich from Uzbekistan.¹¹⁵ RATS specified fourteen terrorist organizations that has threaten stability and security of the Central Asia region including Taliban, Hizd-ut Tahrir and Islamic Party of Turkestan in 2006 and it has prevented over 250 terrorist attacks before they take place since it has established.¹¹⁶

Secretariat is located in Beijing, China. This permanent body is responsible for making draft documents, proposals on budget of the organization and implementation of decisions of Council of Heads of States. Secretary General of the organization is appointed by Council of Heads of States on the nomination of

¹¹⁰ “Charter of the SCO, Article 7, Council of Ministers of Foreign Affairs”

¹¹¹ “Charter of the SCO, Article 8, Meetings of Heads of Ministries and/or Agencies”

¹¹² “Charter of the SCO, Article 9, The Council of National Coordinators;” Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization,” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 5

¹¹³ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization” *Problems of Post-Communism*, 53, No. 5 (September-October 2006):7

¹¹⁴ Ibid., 7.

¹¹⁵ “Director of EC RATS”, Official Webpage of RATS, http://www.ecrats.com/en/director_of_rats/, (accessed June 21, 2009)f

¹¹⁶ Marc Lanteigne, “In Medias Res: The Development of The Shanghai Cooperation Organization as a Security Community,” *Pacific Affairs*, 79, No.4 (Winter 2006-2007):618.

Council of Ministers of Foreign Affairs, for three years. Secretary General is appointed from citizens of member states on the order of alphabetic order in Russian alphabet. Existing Secretary General is Bolat Nurgaliev from Kazakhstan. Secretary Generals do not have right to be appointed second time. Secretary General has three deputies responsible of political-security issues, economical-humanitarian issues and administrative, legal-budget issues and an assistant secretary in charge of external and media relations.¹¹⁷ Secretariat officials are appointed in proportion of contribution to budget of their states. RATS and Secretariat have \$4 million annual budget, %60 for secretariat and %40 for RATS.¹¹⁸ China and Russia each provide %24, Kazakhstan %21, Uzbekistan %15, Kyrgyzstan %10 and Tajikistan %6 of the budget.¹¹⁹ Decisions are taken by consensus, regardless abstention of a member, except for suspension of expulsion decisions which are made by “consensus minus”, one vote of the member state concerned.¹²⁰

2.4.2 Areas of Cooperation

Areas of cooperation among SCO members can be separated to there main fields, political, economic and military.

2.4.2.1 Security Cooperation

Security is the first and main aspect of cooperation among SCO members. Security cooperation among SCO members can be materialized in the fight against “three evils” of terrorism, separatism and religious fundamentalism. Fight against these elements was set as target of the organization in Bishkek Declaration in 1999 and than entered every legal document of the organization. Setting these elements as main aims of the organization is emanated from common necessities of the member states. Russia and China have serious problems in terms of separatism and religious fundamentalism in Chechnya and Xinjiang region. On the other hand all Central Asia

¹¹⁷ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization” *Problems of Post-Communism*, 53, No. 5 (September-October 2006):7

¹¹⁸ Alexander Lukin, “The Shanghai Cooperation Organization: What’s Next?” *Russia in Global Affairs*, 5 No.3, (2007): 45 quoted in Flemming Splidsboel Hansen, “The Shanghai Cooperation Organization” *Asian Affairs*, XXXIX, No.2, (July 2008):226.

¹¹⁹ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization” *Problems of Post-Communism*, 53, No. 5 (September-October 2006):7.

¹²⁰ *Ibid.*, 5.

members except Kazakhstan have troubles with radical Islamist organizations such as Hizb-ut Tahrir and IMU (Islamic Movement of Uzbekistan). Cooperation against these “three evils” constitutes a perfect basis for mutual cooperation and increasing integration. On the other hand cooperation on these three forces does not force SCO to set any other actors except terrorist, separatist and fundamentalist organizations as rival. Setting the same elements with West as enemy has created suitable atmosphere for SCO to complete its structure and develop integration without worsening its relations with other actors. It can be stated that main point of SCO in dealing with three evils is eliminating causes of these forces. Therefore SCO aims to provide stable and secure atmosphere in the region in order to avoid rise of terrorist, separatist and fundamentalist elements. In this respect, policies of United States create handicaps for SCO because they cause instability in the region. One of the reasons why SCO wants to limit and contain United States in the region is to prevent her to cause instability in the region, and avoid terrorist separatist and fundamentalist elements to use this instability.

Although SCO has controversies with west and United States, it is not likely to challenge United States policies directly in the near future. Name of the United States is not mentioned in the declarations and legal papers of the organization even in the 2005 Astana summit declaration which SCO wanted United States to set a deadline for evacuation of the military bases in Uzbekistan and Kyrgyzstan. SCO does not set United States as a rival yet although it has important objections towards her policies in Central Asia. In other words SCO will not be another Warsaw Pact in the near future. First of all members do not want SCO to transform such an alliance. As it is stated in the charter SCO is not an alliance founded against a third party. Therefore, although members want a multi polar world and object policies of United States, they do not declare direct opposition to Washington. This situation can be felt in military exercises; using heavy weapons in the exercises caused some unrest among members that these weapons may cause misunderstanding of other actors especially in the West. Consequently members want to proceed with caution in terms of security not to worsen their relations with West. On the other hand, although members have common cooperation points, every single member of the organization has its own targets and does not want to involve others’ problems. Members also

have some controversies especially in terms of potential members. These reasons cause establishment of common

2.4.2.2 Political Cooperation:

Main aim in political cooperation among members is protecting *status quo* in Central Asia. Central Asian states all have autocratic administrations and current undemocratic environment is beneficial for members in terms of continuum of their legitimacy and rule. Because of severe lack of democratization in SCO member states, democratization means change in domestic situation in a member and this change can cause domino effect which paves the way for destabilization of other members and the region. Therefore, members of SCO states work together against political intervention of Western powers to Central Asia region and their efforts to change understanding of democracy of SCO states. Hansen states that SCO will increase tone of their objection to Western pressures in terms of democracy and will shift from defense to offence against West. He explains this situation as minimalist and maximalist forms; in minimalist form, democracy is rejected as an “alien” concept to Central Asia and existence and equality of different types of democracy are emphasized by SCO members. In maximalist concept West is blamed with using double standards especially in terms of human rights.¹²¹ SCO members interpret democratization moves as intervention to domestic affairs of states and emphasize importance of respect and non intervention to domestic affairs of states in its every legal documents and declarations. All of the members of SCO have good relations with West especially in terms of economy and they want to increase these relations, however they want West to respect their peculiarities and they also want to limit Western interventions to domestic affairs. SCO constitutes an important tool for members to cooperate against western pressures especially in terms of democracy and human rights.

On the other hand SCO members try to limit activities of United States both in Eurasia region and in the world in order to create a multi polar world. Criticizing

¹²¹ Flemming Splidsboel Hansen, “The Shanghai Cooperation Organization” *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 223

United States in anti –missile systems and Georgian crisis¹²², supporting Uzbekistan and Kyrgyzstan after uprisings in their country are indicators of SCO's policy. However SCO members still have separated targets to reach through SCO. This situation causes some disagreements among members and hinders making solid and concrete steps in their way towards a multi polar world.

2.4.2.3 Economical Cooperation

Economical cooperation in SCO can be seen in two different fields; energy and trade. Energy is crucial for developing economies of SCO, especially China. China was a self sufficient state in terms of energy until 1993. However, oil reserves of the country could not meet the increasing demand of developing economy and China began oil imports in that year. Most of the oil that China imports comes from Middle East and Africa via tankers through Indian Ocean and strategic straights of Hurmuz, Malacca and Taiwan. Dominance of United States in these sea routes increases the probability of blockage in case of a crisis between China and United States. On the other hand, long standing problems with Taiwan, controversial situation in the Persian Gulf and Hurmuz Strait constitutes great risks for energy security of China.

In order to secure her energy Beijing decided to diversify her energy sources and secure transit routes. Under these conditions SCO which hosts %20 of oil reserves of the world together with observer Iran¹²³ constitutes great opportunity for China. SCO creates suitable atmosphere for bilateral energy agreements as it can be seen at the Uzbek-Chinese energy deal before 2006 Shanghai summit including oil and gas exploration and exploitation. China also made important energy agreements with Russia including a pipeline from Siberia to Chinese Far East. Most important energy agreement of China has been made with Kazakhstan including a pipeline

¹²² In August 2008, Georgia launched a military operation against South Ossetia capital Tshinvali in order to suppress attacks from this region to neighboring Georgian cities. Russia responded this movement with supporting South Ossetians and began bombing Georgian territories. Russian navy blocked Georgian coasts and Russian ground units entered Poti and Gori. Crisis ended with signing of ceasefire thanks to initiatives of EU and France. This crisis caused increase of tension between Russia and United States-NATO. "Day-by-day: Georgia-Russia crisis", BBC, <http://news.bbc.co.uk/2/hi/europe/7577122.stm>, (accessed in 22 September 2009)

¹²³ Ed. Marcel de Haas, Contributions by Frans-Paul van der Putten, *The Shanghai Cooperation Organization, Towards a Full-Grown Security Alliance?*, (The Hague: Netherlands Institute of International Relations, , November 2007): 23.

from Kazakhstan to Xinjiang region of China. Energy sources of Central Asia and Russia constitutes great chances for China because of proximity of these sources and security of transportation. Energy policies and agreements of China will be discussed in details in the next chapter.

Most important initiative of the SCO in energy terms is establishment of SCO “Energy Club”. Thanks to proposal of Vladimir Putin in Shanghai Summit in 2006, Energy Club founded in Moscow on July 3, 2007 with participation of all member states and observers.¹²⁴ Aim of this club is “uniting energy producers, consumers and transit countries in coordination with their energy strategies with the aim of increasing energy security.”¹²⁵ Energy Club within SCO is longstanding project of Russia. Moscow uses her vast energy sources as a tool in her foreign policy especially against Western countries. In participation of other energy rich states such as Iran and Kazakhstan through SCO, influence of Russia will increase in world politics.

Trade is another important aspect of economical cooperation within SCO. After foundation of SCO, trade volumes between China and Central Asia states increased %290 between 2001 and 2004.¹²⁶ On the other hand trade between Russia and China increased %37 only in 2005.¹²⁷ Although these figures indicate great increase in trade rates there are still important problems among SCO members in terms of trade. First of all members still have serious suspicions to other members and this mistrust causes high transit charges and protectionist tariffs. Although some working groups established in Tashkent summit in 2004 at the fields of commerce, customs and transportation in order to increase cooperation and trust, realization aim of free flow of goods, services and capital is still to far away.

To sum up, SCO is a regional organization active in the fields of security, economy and politics. Although all members have some common targets especially in terms of radical Islamist terrorism, there are different expectations of the members

¹²⁴ Ibid., 26.

¹²⁵ Ibid.

¹²⁶ Flemming Splidsboel Hansen, “The Shanghai Cooperation Organization” *Asian Affairs*, Vol. XXXIX, No.2, (July 2008): 225.

¹²⁷ Marc Lanteigne, “In Medias Res: The Development of The Shanghai Cooperation Organization as a Security Community,” *Pacific Affairs*, 79, No.4 (Winter 2006-2007):619.

from the organization. This situation may cause some negative effect to future of the organization. However SCO is now satisfying needs of members and has important weight in the region.

CHAPTER THREE

FOREIGN POLICY OF CHINA AND PLACE OF SCO

Since being one of the biggest partners of SCO, weight of China over the organization is very important. Name and location of general secretary of the organization are clear indicators of Chinese influence over the SCO. Consequently, SCO is heavily affected by Chinese foreign policy. Crucial elements of Chinese foreign policy such as “five principles of peaceful coexistence”¹²⁸, mutual benefit and peaceful solution for problems have influenced SCO heavily and they have become the corner stones of “Shanghai Spirit”. Therefore understanding Chinese foreign policy is a must in order to understand SCO.

Chinese foreign policy has some sources which supports it on its way to reach its aims. These sources are important instruments of decision makers in Beijing on their way to realize foreign policy goals of China. Therefore, understanding these sources and goals can provide possibility of understanding place of SCO in Chinese foreign policy and affects of them to the organization.

Since Central Asia policy is a sub branch of overall Chinese foreign policy it is impossible that it can not be affected by main elements of Chinese foreign policy. Therefore Central Asia policy of China will be explained at this chapter in order to connect Central Asia to general foreign policy of China and point out importance of SCO in Central Asia policy.

¹²⁸ These principles are; mutual respect for sovereignty and territorial integrity, non aggression, noninterference in each other's internal affairs, equality and mutual benefit, peaceful coexistence. Judith F. Kornberg and John R. Faust, *China in World Politics, Policies, Processes, Prospects*, (Toronto: Lynne Rienner Publishers, 2005), 14.

3.1 Main Sources of Chinese Foreign Policy

3.1.1 Pragmatism

China has managed to implement pragmatism which is contrary to biases, permanent rules and principles in to core of the state system both in foreign and domestic affairs. Through pragmatism, China has set rationalism, benefit and efficiency as the main determining elements of decision making process. Pragmatism has provided suitable way to reach practical outcomes, maximizing efficiency and taking results from former mistakes.¹²⁹ China can be defined as a pragmatist state because of the reason that she puts her benefit in to the core of the relations with other actors. Only criteria for Beijing to establish a relation is benefit of China, therefore domestic and situation of the other actor is not important.

Pragmatism in China can be best described with the famous words of second leader in Beijing after Mao, Deng Xiaoping; “No matter if it is a white cat or a black cat; as long as it can catch mice, it is a good cat.”¹³⁰ Through this way of thinking, Deng started the shift China from rigid, solid and stable characteristics of socialism to more flexible and less ideological nature of “socialism with Chinese characteristics.” Deng aimed to transform China to a prosperous country and modernize it through opening her to the world. However solid isolationism of China especially from western world constituted a giant obstacle in front of his goal. Pragmatic personality of Deng Xiaoping stepped in and he merged values of socialism with capitalism; he launched “open door” policy to open China to outside world both in economical and political terms in the last years of 1970s. Without leaving control of socialism in macro level, he allowed capitalist sentiments and approaches in micro level of the economy in China and started the economical development of China that paved the way to the economical giant of today’s world. Only aim of Deng Xiaoping was to accelerate development of China;

...If an idea can help speed up development, we must not stop it but should try to make development still faster. In any case, we must set

¹²⁹ Lucian W. Pye, “On Chinese Pragmatism in the 1980s”, *China Quarterly*, No.106, (June 1986): 210.

¹³⁰ Deng Xiaoping, “Restore Agricultural Production”, *Selected Works of Deng Xiaoping*, Vol I (1938-1965), retrieved from News of the Communist Party of China, <http://english.peopledaily.com.cn/dengxp/vol1/text/a1400.html>, (Accessed July 20, 2009)

store on efficiency and equality. We must seize every opportunity to make the country develop quickly.¹³¹

Today China is still walking on the way that Deng Xiaoping opened; flexibility and pragmatism constitutes the main basis of Chinese Foreign Policy. Thanks to pragmatist approach, today China have been opened to the world and gained significant economical gains in the globalization era which erased the boundaries of the states. China establishes economical ties with every single country on the world without paying attention to their domestic situation, ideology or their place in international area. Increasing economical relations with Angola and Sudan is the best proof of pragmatic approach of Beijing to other states. Because, these states have been condemned by international community by the reason of their attitude towards their people and ongoing civil wars. Although Beijing has strong pressure especially from Western countries because of supporting governments of these states, China continues to maintain strong economical relations with these countries and gives economical and military aid without any conditions notwithstanding to their domestic situations. Through pragmatic approach that is independent from general principles, China has gained significant economical free scope and advantage. For Beijing, only criteria to establish relations with a state are benefit of China from that relationship.

Pragmatism can be observed in security field, too. Armed forces of China are still at the era of modernization; Beijing tries to upgrade the world largest military force¹³² to the level of protecting her territorial integrity, increasing economical interests and geopolitical influence. However, Chinese military forces are still not at the desired level. On the other hand sustainability of economical development is one of the most important issues in Chinese foreign policy. In order to continue her economical development China needs stable and safe environment around her country. Because of disequilibrium between aim and the tool, China established a new security concept which has become effective especially in the post Cold War era; security must be relied on mutual trust and common interests instead of military

¹³¹ Kishore Mahbubani, *The New Asian Hemisphere*, (New York: Public Affairs, 2008), 77.

¹³² Jin H. Pak, "China's Pragmatic Rise and US Interests in East Asia", *Military Review*, November-December (2007)

alliances.¹³³ Through this pragmatic shift, China gives all her attention to economical development and tries to avoid military conflicts that can be disastrous for economical development. Therefore Beijing follows peaceful foreign policy, puts “five principles of peaceful co existence” in to core of her foreign policy and uses “soft power” especially towards her neighbors on the basis of economy in order to not to scare them, create a stable environment and protect her economical interests. Meanwhile, she continues to modernize her military which is *sine qua non* for a regional power. Stable environment in her area of influence gives great chance and time to China in order to modernize her military. As it can be observed China tries to create a safe and stable environment around herself in order to gain maximum benefit both for her economy and security.

Pragmatism creates suitable atmosphere for decision makers in Beijing, that they are not bound with permanent principles and rules, thus they can adapt to any changes of the conditions of power balances. Besides permanent friends and enemies, China even does not have permanent interests, because even interests of Beijing can change due to the circumstances.¹³⁴

3.1.2 Nationalism

History of nationalism in China dates back to last years of imperial era in 19th century. Decline in central power of Manchu Dynasty caused decentralization of state power and shift of authority to local warlords. Opium War with British and then unequal treaties which gave significant economical and political privileges to Western powers in the important sea ports of the China such as Hong Kong and Macao, accelerated decline of Manchu Dynasty. Semi-colonization of China caused emergence of sovereignty as an important problem. Foreign presence and decentralization of the state caused beginning of national sentiments and anti foreignism among Chinese people. This process paved the way to Boxer Rebellion in 1900 against foreigners causing death of approximately 250 of citizens of other

¹³³ Winberg Chai, “The Ideological Paradigm Shifts of China’s World Views: From Marxism-Laninsm-Maoism to the Pragmatism-Multilateralism of the Deng-Jiang-Hu Era”, *Asian Affairs*, Fall, (2003): 169.

¹³⁴ Lucian W. Pye, “On Chinese Pragmatism in the 1980s”, *China Quarterly*, No.106, (June 1986): 219.

states.¹³⁵ After that rebellion, Chinese Nationalist Party (Kuomintang, KMT) which established Republic of China in 1912 through knocking over Manchu Dynasty under leadership of Sun Yat Sen, founded in Tokyo in 1905. However, nationalism in China continued to increase especially after Versailles Treaty that gave German enclaves to Japan instead of China in May 4, 1919. Chinese Communist Party (CCP) which founded in 1921 blamed Kuomintang not to defend national interests of China enough. Both Kuomintang and CCP aimed strong and nationalist China but from different paths.¹³⁶ Nationalism was used by Mao, too. After he founded Peoples Republic of China in 1949, he used nationalism as a transition ideology from totalitarianism of nationalist China to socialist China.

However, nationalistic sentiments aiming; strong, independent and sovereign China, which began with Opium war in 1840-1842, caused a “strong state complex” in Chinese people and elites. Whenever national identity is at stake or thought to be at stake, nationalism has begun to rise among Chinese people. Reasons of rise of nationalism in China have to be looked for both in domestic and foreign fields; however significant economical development of China after 1970s is the only common point which is effective in both fields.

When domestic reasons concerned; economical, political, administrative and social changes caused by Deng Xiaoping’s reforms are the most important of the reasons of increase in nationalism. Reforms of Deng era aimed to implement economical development beginning from local level to national level. Then because of this policy central authority has begun to shift from central government to local authorities.¹³⁷ This process caused shift of identity of people and power of governance from central to local authorities. On the other hand, increasing of capitalism in local level has undermined Maoism and Marxism in national

¹³⁵ Judith F. Kornberg and John R. Faust, *China in World Politics, Policies, Processes, Prospects*, (Toronto: Lynne Rienner Publishers, 2005), 12.

¹³⁶ Yongnian Zheng, *Discovering Chinese Nationalism in China, Modernization, Identity and International Relations*, (Cambridge: Cambridge University Press, 1999), 14-17; Judith F. Kornberg and John R. Faust, *China in World Politics, Policies, Processes, Prospects*, (Toronto: Lynne Rienner Publishers, 2005), 11-13

¹³⁷ Judith F. Kornberg and John R. Faust, *China in World Politics, Policies, Processes, Prospects*, (Toronto: Lynne Rienner Publishers, 2005), 49-55; Yongnian Zheng, *Discovering Chinese Nationalism in China, Modernization, Identity and International Relations*, (Cambridge: Cambridge University Press, 1999), 18.

level.¹³⁸ This erosion in national level politics caused rise in nationalism. Rise of ethnic nationalism in border areas such as Xinjiang, Tibet and Inner Mongolia emerged as another domestic reason for increase in Chinese nationalism.¹³⁹

When we observe foreign reasons for nationalism in China, we can again see economical development of China as the main element. Sudden and massive development of China in economical terms has caused anxiety and skepticism in other states towards China and Chinese people with the fear of decline in their powers. Thus, these states have begun to be more aggressive and protectionist towards China.¹⁴⁰ This process interpreted by Chinese as their rise will be cut by western powers which do not want China to be a strong and prosperous state in world politics. Thus, anger against Western states increased and nationalism has begun to rise, in recent years. On the other hand Globalization process which weakens state power, sovereignty of the states and increases power of NGOs, firms is another element causing nationalism among Chinese people.¹⁴¹ Because, increase of globalization and capitalism in China, undermines Maoist and Marxist tendencies and nationalism fills the vacuum that has caused by undermining of socialist values.

Nationalism in China has emerged in three main forms; nativism, anti-traditionalism and liberal nationalism. “Nativism” movement supports anti-foreignism and sees impact of capitalism and retreat from Chinese values, namely Confucianism, as the main reasons for backwardness of China.¹⁴² On the contrary, “anti-traditionalism” movement sees traditions of China as the main reason for backwardness and supports more integration with West and capitalism.¹⁴³ “Liberal nationalism” on the other hand, demands both strong, independent China and

¹³⁸ Yongnian Zheng, *Discovering Chinese Nationalism in China, Modernization, Identity and International Relations*, (Cambridge: Cambridge University Press, 1999), 18.

¹³⁹ Ed. Wang Gungwu and Zeng Yongnian., *China and New International Order*, (New York: Routledge, 2008), 39

¹⁴⁰ Deprivation of Most Favored Nation status of China in US can be the best example of this kind of Western attitude, Yongnian Zheng, *Discovering Chinese Nationalism in China, Modernization, Identity and International Relations*, (Cambridge: Cambridge University Press, 1999), 3.

¹⁴¹ Ed. Wang Gungwu and Zeng Yongnian., *China and New International Order*, (New York: Routledge, 2008), 39

¹⁴² Suisheng Zhao, “China’s Pragmatic Nationalism: Is It Manageable?”, *The Washington Quarterly*, Winter (2005-06): 136-137.

¹⁴³ Ibid.

individual rights. In international arena it supports CCP and its policies but in domestic level they want more individual rights.¹⁴⁴

Officials in Beijing realized dangers of the uncontrolled nationalism at public protests against United States, after bombing of Chinese embassy in Belgrade during NATO operation. They noticed that, it can cause deterioration in aim of China of avoiding conflicts and pursue peaceful diplomacy and tension with other states. Therefore Beijing has used its pragmatism and implemented state controlled pragmatic nationalism¹⁴⁵ which is mixture of abovementioned kinds of nationalism. This kind of nationalism interprets lack of modernism as the main reason for backwardness of China and accepts any kinds of foreign policy approach that is beneficial. It wants to integrate China to the world but in interest driven and nationalistic way instead of ideological way. It wants cooperative diplomacy with other powers and aims multi polar world. Although it is flexible in foreign policy it is also has rigid and stable rules especially in territorial integrity, namely Taiwan.¹⁴⁶ Through this kind of nationalism Beijing secures stability inside, gains legitimacy in its policies and fills the ideological gap caused by decrease of Marxist- Maoist elements and increase of capitalism. On the other hand, China gains public support against outside and becomes strong against foreign interventions.

As it can be observed nationalism is a “double edged sword” which can ruin relations of China with other states and make her more aggressive state and undermine rule of CCP or it can support and make China more strong and solid against intervention of external powers. Not only state affects and directs nationalism, nationalism can also have strong influence over decisions of state. Dissatisfaction of economical or political demands of nationalists can carry China to unknown directions both inside and outside of the country. On the other hand, strong and solid domestic situation is a *sine qua non* for being influential in foreign relations. Therefore China aims to establish domestic stability and secure her territorial integrity through nationalism in order to strengthen and support her position in foreign affairs.

¹⁴⁴ Ibid.

¹⁴⁵ Some authors like Yongnian call this kind of nationalism as “patriotism”.

¹⁴⁶ Suisheeng Zhao, “China’s Pragmatic Nationalism: Is It Manageable?”, *The Washington Quarterly*, Winter (2005-06): 138-139

3.1.3 Multilateralism

Desire of China for multilateralism began in 1980s when China was opened to economical liberalization through Deng Xiaoping reforms.¹⁴⁷ China has attended number of regional and international organizations after this period, especially in economical fields. However Tiananmen incidents¹⁴⁸ which caused heavy isolation of China by Western powers opened a new page in Chinese multilateralism; China turned her face to economically developing states of Asia and began to make attempts to join regional multilateral organizations. First aim of China during these years was to break western isolation which could have catastrophic result for economical development of Beijing. Therefore, China first attended economical oriented international organizations; attendance of China to Asia Pacific Economic Cooperation forum (APEC) in 1991 is the open proof of this policy. However when China restored her relations with the West, especially after Cold War, she began to join security oriented organizations either. ASEAN Regional Forum (ARF) which is active in security issues and SCO are clear examples of this change. SCO as being the first non economy oriented organization which is founded by initiative of China, has another importance in multilateralism terms in Chinese foreign policy.

Multilateralism of Chinese foreign policy can not be interpreted separately with its desire for multi polarity. At the post-Cold War era, Beijing aimed a multi polar world on the basis of mutual cooperation and mutual benefit instead of military alliances and armed conflicts. Economical development has been set as the key point of “new diplomacy” of Beijing. Therefore, multilateralism is a practical instrument for China in this new kind of diplomacy. As a developing regional power; China can increase her position in the world politics, she can enlarge her sphere of influence,

¹⁴⁷ These reforms includes decentralization of state economy through implementation of planned economy and market forces together, reliance on foreign trade and investments, closing collective farms and state-run enterprises, establishment of “Special Economical Zones” in the coastline in order to increase foreign trade. “Deng Xiaoping’s Economical Reforms” Facts and Details, <http://factsanddetails.com/china.php?itemid=79&catid=2&subcatid=7>, (accessed in 22 September 2009)

¹⁴⁸ Student protestations demanding political reforms in 1989 in the Tiananmen Square of Beijing were suppress with harsh measures by Chinese authorities causing number of students’ death. After incidents Chinese Communist Party criticized by especially Western governments. Andrew J. Nathan, “The Tiananmen Papers”, *Foreign Affairs*, January-February 2001, <http://www.foreignaffairs.com/articles/56670/andrew-j-nathan/the-tiananmen-papers> (accessed in 22 September 2009)

increase her bargaining power against other powers and balance them through multilateralism.¹⁴⁹

There are important reasons for Beijing to set multilateralism as one of the focal points of their foreign policy; first, economical benefits, China wants to use multilateral organizations as a tool for her economical development. That is why Beijing generally chooses to join economy oriented international organizations such as World Trade Organization (WTO), World Bank and International Monetary Fund (IMF). Globalization, contrary to large portion of the world, is welcomed in China because of incoming foreign investments and huge exports. Multi polarity can increase benefits of globalization through economical expansion and multilateral bounds among states create stable, safe and peaceful atmosphere which is crucial for economical development.¹⁵⁰ Second; through multilateralism China can balance hegemonic activities of only super power United States. Beijing still is not strong enough to challenge directly to United States hegemony, that is why they follow a more pragmatic way and cooperate with other powers in order to limit power of United States and avoid being contained by Washington. On the other hand China also cooperates with United States and follows co-existence with her in East Asia. Because, as mentioned above, China is not strong enough to cut United States' influence in the East Asia region. Other states in the region have strong relations with United States and Beijing has to have good relations with United States through international organizations in order not to scare these states.¹⁵¹ Third; through multilateralism China reduces concerns about herself. Responsible and trustworthy image is crucial for China in order to sustain her economical development. Through membership to international organizations, China acts according to strict and concrete principles of these organizations. Small members of these organizations feel secure against any imperialistic or one sided maneuvers of China and have chance to make negotiations with her on equal basis which they can not achieve in bilateral

¹⁴⁹ Guoguang Wu and Helen Landsdowne, "International Multilateralism with Chinese Characteristics: Attitude Changes, Policy Imperatives and Regional Impacts", *China Turns to Multilateralism*, *Foreign Policy and Regional Security*, ed. Guoguang Wu and Helen Landsdowne, (New York: Routledge, 2008), 7.

¹⁵⁰ *Ibid.*, 8.

¹⁵¹ Michael Yahuda, "China's Multilateralism and Regional Order", *China Turns to Multilateralism*, *Foreign Policy and Regional Security*, ed. Guoguang Wu and Helen Landsdowne, (New York: Routledge, 2008), 81-82

relations. However in some cases although China plays according to the rules, she can also manage to change the rules according to her interest.

China generally prefers to attend regional organizations than international ones because she wants to play the game according to her rules instead of obeying the rules determined by others. Beijing does not want to be tied up by the international organizations and does not want to allow them to limit her activities; therefore she chooses to be active in international organizations in her area of influence and in the places where United States and other forces' influence is marginal. On the other hand characteristics of international organizations in Asia creates suitable atmosphere that China wants; Western organizations are generally legally binding and have strong rule making and rule enforcements institutions. However organizations in Asia are not legally binding, they are not above sovereignty of the states and, naturally, they do not have rule enforcement measures. This character of the international organizations gives China the chance which she can imply her flexible and pragmatist policies.

As it can be observed China follows pragmatist and complex foreign policy in terms of multilateralism. Beijing wants to gain support of other states in order to limit activities of United States, increase her influence and gain economical benefits. However on the other hand, China uses her pragmatism in this field too; she either transforms organizations or creates her own organizations according to her benefits. It can be said that China tries to create a safe zone around her territory through international regional organizations both in terms of security and economy; SCO in the Central Asia, ARF in Pacific region, ASEAN+1 in economy terms are the examples of this preference.

3.2 Goals of Chinese Foreign Policy

Beijing tries to realize some foreign policy goals through benefits of abovementioned sources. These sources are effective instruments for Beijing in order to reach her goals. These goals are sustaining domestic stability and her territorial integrity through avoiding interference of external forces to her internal affairs, modernizing her military in order to defend her interests, increase influence of China

in world politics and finally being a regional power. These goals are the keys of being a more prosperous, dominant and influential actor in world politics.

3.2.1 Maintaining Domestic Stability and Territorial Integrity

Providing domestic stability and territorial integrity have been main goal of Chinese foreign policy since imperial era. China as a country suffered from foreign interferences and domestic strives has given significant importance to being strong at home in order to prevent foreign interventions. “*Neiluan*” and “*waihuan*” meaning civil chaos and foreign aggression are heavily connected to each other in Chinese politics for hundred of years. According to Chinese traditions of governance, weak and divided nation (*neilhuan*) invites and creates suitable atmosphere for foreign aggressions (*waihuan*). Therefore; being strong inside of the country means being independent and influential at international area.¹⁵² Collapse of Ming, Qing Dynasties and Republic of China, which occurred because of central authority weakness and effects of foreign powers, are the most obvious examples of relation of domestic stability and foreign interference. Thus, first aim of Chinese foreign policy, in this context, is to prevent any potential external threats to Chinese domestic stability and protect her territorial integrity from foreign interventions. On the other hand strong domestic stability and guaranteed national borders constitutes basis for solid and self confident Chinese foreign policy.

However there are important domestic problems within China that has been effecting and likely to continue effecting policies of Beijing both in domestic and international level. First problem is inequality among Chinese people. Rapid and great economical development of China caused a change in characteristics of Chinese people which had lasted for hundreds of years; China has been transformed from agricultural society to market oriented, semi-industrial society in 1980s and 1990s. Significant amount of people who were self sufficient in their rural homelands, moved to urban areas in order to work in industry, commerce and service sectors.¹⁵³ This process caused imbalance between rural and urban areas; income gap

¹⁵² Yongnian Zheng, *Discovering Chinese Nationalism in China, Modernization, Identity and International Relations*, (Cambridge: Cambridge University Press, 1999), 15.

¹⁵³ Yoichi Funabashi, Michel Oksenberg, Heinrich Weiss, *An Emerging China in a World of Interdependence*, (United States: The Trilateral Commission Press, 1994), 14-15.

ratio between urban and rural areas reached to 3, 33 to one in 2007.¹⁵⁴ While some parts of the people benefit from economical development, some parts of the country continue to be poor and even get poorer; inequality among Chinese people, according to Gini coefficient,¹⁵⁵ has reached to 0.45.¹⁵⁶

Beijing gives importance of economical development of coastal regions in the East since Deng Xiaoping era. Deng Xiaoping stated that “Some must get rich first; different regions should eat in separate kitchens instead of putting their sources in to a common pot”.¹⁵⁷ This policy caused extreme development of eastern regions and relatively backwardness of inner regions of the country. Therefore income gap between coastal regions and inner regions have reached important levels; coastal regions such as Tianjin, Shandong, Jiangsu, Shanghai, Zhejiang, Fujian and Guangdong absorb great part of China’s industry and foreign investments. Per capita GDP in these regions are more than CNY 10000 (\$1.200) and these figure falls down to between CNY 5000 and CNY 7500 (nearly \$ 600) in the other provinces of the country.¹⁵⁸

Second important problem is decentralization of power from central government to regional administrations. Authority and power has begun to shift from central government in Beijing to local administrations in order to gain efficient economical development. However this process undermines central authority and increases powers of local authorities. Although today CCP has strong control over these regional administrations, this process may pave the way to regionalism inside of the China and decentralization of the state authority just like at the last years of the Qing Dynasty. Despite of developing technology, building of new roads and railways increased integration within China; there are still some invisible ethnic, linguistic and

¹⁵⁴ UNDP China and China Institute for Reform and Development ,*Human Development Report*, (China: China Translation and Publishing Corporation, August 2007), 21.

¹⁵⁵ Gini coefficient is a statistical measurement of inequality that ranges from 0, means complete equality and 1, means complete inequality.

¹⁵⁶ UNDP China and China Institute for Reform and Development ,*Human Development Report*, (China: China Translation and Publishing Corporation, August 2007),.22

¹⁵⁷ Mark Leonard, *What Does China Think*, (London: Fourth Estate, 2008), 26.

¹⁵⁸ China: Threats to Domestic Stability”, *Emerging Markets Monitor*, 11, Issue 17, (8 August 2005): 7.

bureaucratic barriers among provinces. This causes increase in ethnic nationalistic tendencies among minorities within China.¹⁵⁹

Ethnic nationalism constitutes third important issue in front of domestic stability of China. % 90 of Chinese population consists of Han Chinese and this portion of the population lives only % 40 of Chinese territory, mainly inner and coastal regions. On the other hand, % 10 of population lives in % 60 of Chinese territory and these minorities live generally peripheral and border regions of China such as Tibet, Xinjiang and Inner Mongolia.¹⁶⁰ Strategic location of these minorities makes Beijing to follow a flexible policy towards them in order to both cut any support from other states which these regions are geographically close and avoid any internal riots aiming independence or more sovereignty rights. In this context Beijing follows carrots and sticks policy in minority regions; central government does not allow them to separate from China however gives them some privileges such as exemption from one child policy, some social rights and increase percentage of native officials in local authorities.¹⁶¹

In case of decrease in power of Beijing these regions may demand more sovereignty and cause destabilization of the state and on the other side external forces may help these elements in order to weaken China. In order to avoid such scenario, Beijing tries to apply good diplomatic relations with her neighbors, establishes institutionalized relations with them under strict rules about not interference to foreign affairs to others and follows conciliatory relations especially in terms of border issues and territorial disputes. Main aim of Beijing is to gain their support and cut their influence of her neighbors on minority regions and create a safe zone around Chinese territory which is suitable for Beijing to maintain domestic stability. SCO is outcome of this mentality.

Sustainability of socialist regime and future of Chinese Communist Party (CCP) appears as the forth important issue in Chinese domestic stability. Economical development brings new problems for CCP although it created basis for its

¹⁵⁹ Yoichi Funabashi, Michel Oksenberg, Heinrich Weiss, *An Emerging China in a World of Interdependence*, (United States: The Trilateral Commission Press, 1994), 15.

¹⁶⁰ Taylor Fravel, "Regime Insecurity and International Cooperation", *International Security*, 30, No.2, (Fall 2005): 55-58.

¹⁶¹ Judith F. Kornberg and John R. Faust, *China in World Politics, Policies, Processes, Prospects*, (Toronto: Lynne Rienner Publishers, 2005), 37.

legitimacy. Increase in technology, transformation of society and increased economical conditions paved the way to increase in awareness of Chinese people and they have become more critical towards socialist rule and CCP. Autocratic nature and harsh measures of the party towards dissidents have begun to gather more reaction both inside of the country and in international community. Rule of law is much more important issue for Chinese officials than transformation to democracy. Therefore some different political thoughts have emanated within Chinese people such as new right and new left. Members of new right claims that state must be more liberal and they demand more privatization and decrease of role of the state in economy. On the other side, new left wants state to stop corruption and bribery and they claim that state must provide more equality among people and must be more socialist instead of implementing capitalist elements.¹⁶² However it can be said that; main problem of Chinese people with CCP and the regime is not demand for democracy however more equality and stop of corruption and bribery. People want to benefit more from economical development. They demand increase in their life standards and decrease in unemployment which has reached %4.2.¹⁶³ Democracy comes second after these demands.¹⁶⁴

On the other hand, power struggles within CCP is another important subject in terms of sustainability of the regime in China. There is no proper process of succession within party; political selections occur according to power struggles behind closed doors inside of the party and every possible successor try to place their own cadres to important posts in order to gain their support. This conflict among top cadres of the CCP causes division within the party and weakens the most powerful institution in the country. Besides these domestic problems, there are some several problems that can be crucial for future of China and effect decisions of Beijing such as increase of non-official religious institutions and revenue system and environmental problems.

Domestic stability and territorial integrity are two heavily related phenomena in Chinese foreign policy. In Chinese history whenever domestic stability decreased,

¹⁶² Mark Leonard, *What Does China Think*, (London: Fourth Estate, 2008), 38-46.

¹⁶³ "China's urban unemployment rate rises to 4.2%," China Daily, January 20, 2009, http://www2.chinadaily.com.cn/bizchina/2009-01/20/content_7412656.htm (accessed June 22, 2009)

¹⁶⁴ Mark Leonard, *What Does China Think*, (London: Fourth Estate, 2008), 38-46.

territorial integrity of China has fallen into danger as in case with Japan occupation of Manchuria during civil war. Destabilization inside of country weakens China towards external forces; therefore, first aim of China to be strong inside in order to be strong in territorial disputes with her neighbors and avoid any separatist movements.

Solution of territorial disputes of China with her neighbors in peaceful way constitutes significant importance both in economy and security terms. Beijing tries to solve her problems in terms of borders or territorial integrity through negotiations; unification of Hong Kong and Macau to mainland China is the solid proof of peaceful negotiation behavior of Beijing. Thanks to her pragmatist and flexible approach, China created “one country, two systems” method in unification of Hong Kong and Macau to mainland, which allows these former colonies to continue their capitalist economic regime and gives autonomy in domestic affairs in forms of special administrative zones under socialist administration of Beijing.¹⁶⁵

On the other hand peaceful negotiation policy of China has not worked out in case of Taiwan, yet. Taiwan issue dates back to civil war times; after defeat leader of nationalist Kuomintang, Chiang Kai Shek retreated to Taiwan island and maintained her nationalist China in there. His government recognized as legitimate representative of Chinese people by West and Taiwan participated to United Nations as representative of China. However Mao and his socialist government did not recognized by Western world. This situation changed after establishing diplomatic relations between China and United States in 1972. After visit of Nixon to Beijing and recognition of People’s Republic of China, Taiwan considered as part of China and membership of Taiwan as representative of China. However, after Cold War characteristics of Taiwan issue shifted from legitimate representation of China to independence of Taiwan. Independence attempts of Taiwan caused great unrest in Beijing. Washington gave support to Taiwan in order to balance development of China and this situation caused crisis in Taiwan straight in 1996. After election of Chen Shu Bian who is a strong pro independence politician, China increased tone of her voice and began to threat Taipei with using force incase of declaration of independence. China is happy with the *status quo* in Taiwan issue today, but she can

¹⁶⁵ Christine Loh,” Hong Kong's Relations with China: The Future of "One Country, Two Systems", *Social Research*, 73, Issue 1, (2006):295.

abandon her peaceful negotiation policy and use armed forces in case of independence declaration of Taiwan. Strategic location of this island and support of United States to the island are the main reasons for strict and solid attitude of Beijing in Taiwan issue.¹⁶⁶

Tibet is another important region which territorial integrity of China is at stake. Independence of Tibet has been a controversial issue since seizure of People's Liberation Army (PLA) the region in 1950. After annexation of the region, Mao administration gave autonomy to the region in its domestic affairs. However, this autonomy could not last long and strong effects of Beijing began to be felt in Tibet in short a time. In 1959 Tibetans rioted against Beijing and this uprising suppressed by harsh measures of Beijing. After this uprising, Tibetan government in exile was founded by Dalai Lama in India in June of 1959.¹⁶⁷ During Deng period, policy of Beijing towards Tibet loosened; some privileges were given to Tibetans in order to sustain stability. However this issue has been using by West and United States; there are strong critics against Beijing in their attitude against Tibetans and they accuse China to crush independence of Tibet. This issue has been interpreted as territorial integrity by Beijing and officials are determined not to retreat their policies. When longstanding dispute in Taiwan concerned, unrest in Tibet can cause containment of China from both east and west.

Besides Taiwan and Tibet disputes, Beijing also has territorial disputes with her neighbors in because of small islands and reefs in oil rich South China Sea and Daioyu Islands in East China Sea and with India because of Aksai Chin and Arunacha Pradesh regions.

China uses international organizations in order to protect her territorial integrity. SCO is the most beautiful example of this policy; Beijing founded this organization in order to cut any support to separatist forces in Xinjiang region from newly developed states of Central Asia which have ethnic, cultural and religious ties with Uyghurs of Xinjiang region. Besides, Beijing solved border disputes that had emanated from Soviet times, with newly independent Central Asian states through SCO and Shanghai Five. On the other hand, through observation membership of

¹⁶⁶ Nuraniye Hidayet Ekrem, *Çin Halk Cumhuriyeti Dış Politikası*, (Ankara, ASAM, 2003), 52.

¹⁶⁷ Adıbelli Barış, "The Security Strategies of China" (Master's thesis, METU, 2002), 135-144.

Mongolia to SCO, China also cut any potential influence of this country in Inner Mongolia region of China.

As it can be observed domestic stability of China and territorial integrity are one of the most important aims of Beijing in foreign policy. Chinese state authorities want to be strong inside of the country in order to prevent penetration of foreign powers to Chinese internal affairs and destabilize her. On the other hand being strong in domestic affairs means solid and concrete boundaries and unified China. The most efficient instrument of Beijing in both domestic stability and territorial integrity is; economy. Beijing uses economical development and prosperous China motto to keep Chinese people together and control nationalistic tendencies. Chinese people also support activities of Beijing for prosperity and strengthening their country in world politics although they have important problems inside of the country. State controlled nationalism arises as a beneficial instrument in terms of domestic stability and territorial integrity. On the other hand China establishes good diplomatic relations with her neighbors in the basis of economical cooperation and guarantees their non intervention to domestic affairs. Beijing solves her border disputes through negotiation in order to prevent escalation of small border disputes to wide range armed conflicts just in case with Soviet Union in 1960s. Stable domestic environment and unthreatened territorial integrity are the keys of Chinese foreign policy in their way to increasing place in world politics, thus they are the most important aims of Chinese foreign policy. If China can manage achieve success in solution of abovementioned domestic problems with sustainability of her territorial integrity and solution of border disputes, Beijing can walk more confidently on her way.

3.2.2 Military Modernization

Military doctrine during Mao era was named as “People’s War” including large army fighting in large territories and large population, aimed to counter a land invasion of Chinese territory by an external force. However Deng Xiaoping changed this doctrine and began first modernization program of Peoples Liberation Army (PLA) in 1980s to doctrine of “Active Defense” in order to suit necessities of the time. This doctrine included limited conflicts along the periphery of the country to

defend the country from outside of her borders.¹⁶⁸ Threat perception of China shifted from early, major and nuclear war to local, limited war. Collapse of the Soviet Union and disappearance of the biggest threat in Chinese perceptions has created significant chances for China both in terms of new security modifications and weapon imports. At the post Cold War era China, find the chance to focus on Taiwan and South China Sea disputes instead of Soviet threat and established good relations with Russia in order to purchase advanced Soviet weapon systems.

Gulf War and Kosovo operations have been a turning point in Chinese military modernization; Beijing has seen capabilities of western armed forces and their technological advancement and realized that PLA is far behind these forces. Therefore Beijing applied “local, limited war under high technological conditions” doctrine which is evolution of Deng Xiaoping’s doctrine with addition of necessity of developing military technologies. Modernization of PLA accelerated after 1996 Taiwan straight crisis with United States.¹⁶⁹ Chinese State Council set a plan for modernization of PLA and announced this plan in their “White Book” in 2006.¹⁷⁰ According to this plan PLA will be modernized in three phases until 2050. First phase, from 2006 to 2010, aims to establish strong basis, second phase, from 2010 to 2020, aims relative large development and third phase, from 2020 to 2050, aims construction of scientific and technological military force.¹⁷¹

In order to accord with the necessities of new doctrine, huge ground forces of PLA which set to counter invasion of external forces had to be reduced in order to increase its mobilization capability. Nearly 500 thousand soldiers reduced from nearly 3 million from 1995 to 2000 and another 200 thousand cut from 2003 to 2005.¹⁷² Today number of ground forces of PLA is 1, 6 million and China has total 2.3 million armed forces.¹⁷³ Besides reductions, 1950-1960 era weapons which are used by PLA ground forces began to be modernized by new weapons imported from Russia. Although ground forces are the largest part of the PLA, they have the lowest

¹⁶⁸ Ibid., 72-78.

¹⁶⁹ Adıbelli Barış, “The Security Strategies of China” (Master’s thesis, METU, 2002),75; Dennis J. Blasko, “Chinese Army Modernization: an Overview”, *Military Review*, September October (2005): 68.

¹⁷⁰ Celalettin Yavuz, “Avrasya’nın Ejderi: Çin Silahlı Kuvvetleri”, 2023, No.69 (2007): 29.

¹⁷¹ Celalettin Yavuz, “Avrasya’nın Ejderi: Çin Silahlı Kuvvetleri”, 2023, No.69 (2007): 29.

¹⁷² Dennis J. Blasko, “Chinese Army Modernization: an Overview”, *Military Review*, September October (2005): 70.

¹⁷³ East Asia and Australasia, *Military Balance*, 109:1, (2009): 382.

priority in modernization process because of the chancing nature of the security environment. Probability of a large scale ground invasion has declined in post Cold War era. Therefore modernization in PLA focused more on air and naval forces that gives Beijing to imply their new security concept; defense China beyond her borders.

In air force terms, China purchased significant amount of weapon systems from Russia in order to operate long distances from her border and gain ability of attack besides defense. Modernization in air force gives chance to Beijing to respond in a short time in case of a crisis in Taiwan or South China Sea. Purchasing of Russian made B-6 tankers gives operation range to PLA Air Force to the half of the Pacific Ocean and has increased influence of China in South China Sea. Il-76 Cargo planes have made Chinese ground forces to be deployed in a short time outside of her borders. Su-27 and Su-30 fighter planes have given air superiority to China with their strong radars.¹⁷⁴

In naval force terms, modernization gains more importance because of Taiwan dispute. Main aim of China in case of a Taiwan straight crisis is to prevent access of United States naval forces to Taiwan and blockade of the island. In this context, strong naval forces are crucial for China in order to be strong in their long standing issue of Taiwan. In naval forces terms, Russia is again the most important trade partner of China; Beijing has purchased Russian Sovrenmenny class destroyers and Kilo class submarines from Moscow in order to strengthen her deterrence in Taiwan straight and South China Sea and response any external interference. On the other side, most of the energy need of Chinese economy is met by the sources of Middle East and oil of this region is being transferred via tankers through sea routes. Therefore Chinese naval forces modernized in order to protect energy flow which is essential for Chinese economy.

Limiting and confronting United States is another important reason for China to modernize their armed forces. Beijing interprets Japan and United States as the main potential sources of instability in the region. Thus, modernization military to western standards is crucial for China to deal with technologically advanced United States armed forces. In 2004 White Paper of National Defense of China states that “military power relies more on technology and information, thus as this process continues;

¹⁷⁴ Michael Barron, “China’s Strategic Modernization: The Russian Connection”, *Parameters*, Winter (2001-02): 75

asymmetric, non-contiguous and non-linear operations” will become more focal point of security policies.¹⁷⁵ In this respect, China has realized the gap between her armed forces and Western ones in terms of technology and began to modernize her military in technology terms. Economical development has given necessary sources to Beijing in order to purchase advanced systems from states such as Russia and Israel. On the other hand China has managed to increase her technical and industrial knowledge which is necessary for national defense industry, through economical development.

Emergence of new security threats towards economy and stability of China is another important reason why Beijing wanted to modernize her military. Increase of fundamental Islamist organizations in her western border and their effect to Muslim Uygur population living in Xingjian region, energy security, territorial waters disputes in South China, narcotics flow from Southeast countries, nuclear North Korea are the new threats which makes China to have a strong armed forces in order to prevent their effects. Deterrence is the most important weapon for China to avoid effects of these issues. In this respect, modernization of nuclear capacity and transferring of them, gains significant importance. Thus purchasing of submarines capable of carrying nuclear missiles, developing space program and increasing second strike capability have significant importance for deterrence for of China.

As David Shambaugh states, China interprets United States as her biggest obstacle in front of her rise in world politics and reunification of Taiwan to the mainland.¹⁷⁶ Presence of United States in Pacific, Japan, South Korea, Southeast Asia states and after 9/11 in Central Asia constitutes great challenges for rise of China. Presence of United States in East of China is a great potential trouble for unification of Taiwan with mainland China. United States presence in Afghanistan in the West of China, constitutes problems in terms of covert operations in Xinjiang region and Tibet. United States bases in Japan and South Korea limits influence of Beijing in this region and bases in Philippines does the same in South Pacific. As it can be observed China is conspicuous of a new “containment policy” of Washington

¹⁷⁵ Paul Godwin, “China as a Major Asian Power”, *China, The United States and Southeast Asia, Contending Perspectives on Politics, Security and Economy*, ed. Evelyn Goh and Sheldon Simon, (New York: Routledge, 2008),144.

¹⁷⁶ Michael Barron, “China’s Strategic Modernization: The Russian Connection”, *Parameters*, Winter (2001-02): 80.

towards China and want to break it. In this respect the most important aim of Chinese military modernization is to confront and limit United States in Asia.

As noted above, deterrence is the biggest instrument of China in confronting security issues in her area of influence. In this respect carrots and sticks policy is the most important instrument of China in her relations of neighbors. China establishes important economical relations with them and give significant economical aids, on the other hand Beijing use her military to avoid any attempt of these states to make something harmful to interests of China. Although Chinese armed forces are not strong enough to challenge a Western power, it is the only dominant power in the region and can not be challenged by any other military forces in the next decades, except Japan.¹⁷⁷ Increasing deterrence force of PLA is another important reason for Beijing to modernize her armed forces in order to solve any security problems before it occurs.

Self sufficiency is one of the most important goals of Chinese modernization. As indicated above Beijing plans to create a scientific and technological PLA in 2050. Creation of this military with domestic sources and knowledge is crucial for China to become a regional power without lying on other foreign sources. China has begun to produce her own weapons systems however without foreign assistance the productions are at the level of Soviet armaments of 1980s.¹⁷⁸ Because of that, establishment of self sufficiency can not be achieved in the near term and equipment of PLA will continue to be foreign originated in near and mid term.

According to United States Congress Report, economical development of China aims only modernization of PLA and creates necessary sources for this modernization.¹⁷⁹ When defense budgets observed, this statement can be understood more; budget share of PLA nearly quadrupled between 1995 and 2000 from 64

¹⁷⁷ Paul Godwin, "China as a Major Asian Power", *China, The United States and Southeast Asia, Contending Perspectives on Politics, Security and Economy*, ed. Evelyn Goh and Sheldon Simon, (New York: Routledge, 2008)

¹⁷⁸ Michael Barron, "China's Strategic Modernization: The Russian Connection", *Parameters*, Winter (2001-02):82.

¹⁷⁹ "PRC Acquisition of US Technology" *US National Security and Military Commercial Concerns with the People's Republic of China (Cox Report)* Vol.1 (Washington: GPO,1999) quoted in Michael Barron, "China's Strategic Modernization: The Russian Connection", *Parameters*, Winter (2001-02): 77.

billion yuan to 248 billion Yuan.¹⁸⁰ Official defense budget for 2008 was 417.8 billion Yuan, \$ 58.8 billion with 17.6 percent increase from 2007¹⁸¹ and this figure will rise to 480.686 billion Yuan, \$ 70 billion, in 2009 with 14.9 percent increase.¹⁸² It must be added in here that in the period 1998 – 2007, defense expenditure increased average 15.9 percent while increase of GDP was 12.5 percent.¹⁸³ Increase in defense expenditures more than increase in GDP causes anxiety among western states and especially in United States. Officials in Washington are skeptic about continuing increase of military expenditures of China which continues to arm although does not have a direct security threat.

However it must not be forgotten that official defense budgets only indicates basic training, payment of troops, operations and readiness expenses. Other military expenditures which constitutes lion's part such as military search and development, nuclear weapons, major arms imports, expenses of PLA police forces and reserves and subsidies for defense industry is not included in these figures and they are hid in other parts of the budget.¹⁸⁴ Therefore actual expenditures can be much higher than official figures.

Russia is the main trade partner and supplier of China in terms of military modernization. At the period between 1995 and 1999 China purchased \$3.3 billion worth weapon systems from Russia¹⁸⁵ and 70 percent of Russian weapon exports went to China in 2000.¹⁸⁶ After collapse of the Soviet Union, Russia has seen China as a good trade partner in terms of arms sales in order to stop recession in their economy. At the Putin era this cooperation increased thanks to SCO and bilateral agreements. Statements of George Tenet, former director of CIA, are the solid proof of cooperation between Russia and China in arms sales:

¹⁸⁰ Dennis J. Blasko, "Chinese Army Modernization: an Overview", *Military Review*, September October (2005):70.

¹⁸¹ "China Plans Step Increase in Military Spending", *The New York Times*, March 5, 2008, <http://www.nytimes.com/2008/03/05/world/asia/05china.html?partner=rssnyt&emc=rss>, (accessed July 22, 2009)

¹⁸² "China's defense budget to grow 14.9% in 2009" *China Daily*, March 4, 2009, http://www.chinadaily.com.cn/china/2009-03/04/content_7535244.htm

¹⁸³ 2008 Chinese National Defense White Paper, Chapter XII. Defense Expenditure, <http://english.people.com.cn/90001/90776/90785/6578696.html> (Accessed July 22, 2009)

¹⁸⁴ Michael Barron, "China's Strategic Modernization: The Russian Connection", *Parameters*, Winter (2001-02):74.

¹⁸⁵ Celalettin Yavuz, "Avrasya'nın Ejderi: Çin Silahlı Kuvvetleri", *2023*, No.69 (2007):30.

¹⁸⁶ Michael Barron, "China's Strategic Modernization: The Russian Connection", *Parameters*, Winter (2001-02):73.

...let me turn to China, whose drive for recognition as a Great Power is one of the toughest challenges that we face. Beijing's goal of becoming a key world player and especially powerful in East Asia has come sharply into focus. It is pursuing these goals through an ambitious economical reform agenda, military modernization and a complex web of initiatives aimed at expanding China's international influence- especially relative to the United States...Russian arms a key component of this buildup. (But) arms sales are only one element of burgeoning Sino-Russian relationship.¹⁸⁷

3.2.3 Being a Regional Power

Beijing follows three phased national strategy since reform of Deng Xiaoping; first phase includes increasing economical capabilities of east and south east coastal regions of the country in short term, in second phase, Beijing plans to sustain her influence in South China Sea and Southeast Asia which has important energy sources and significant market. Besides unification of Taiwan to mainland and establishing a safe zone in the West with newly independent Central Asia states and Russia are the other important goals which are planned to be achieved in the mid term. In third phase, China plans to be a regional power in the Asia Pacific region in the long term.¹⁸⁸

It should be noted that Beijing does not plan or aim to be a global power as far as officials in Beijing stated and they do not want to involve huge problems of the world instead of focusing their own problems.¹⁸⁹ Beijing is aware of the fact that, there are important difficulties in front of the states that aim to be a global power and

¹⁸⁷ Speech of George F. Tenet, before the Senate Select Comitee on Intelligence, on the "Worldwide Threat 2001: National Security in a Changing a World, Washington D.C, 7 February 2001 quoted in Michael Barron, "China's Strategic Modernization: The Russian Connection", *Parameters*, Winter (2001-02):72

¹⁸⁸ Ou Shifu: "je Fang Rıyi Zhong Shi Tayvan Zhan-Lüe Divei" (PLA attaches importance to strategic location of Taiwan), Ta-lu Gong zuo Jian bao (Bulletin of Mainland China) , 11-11-1999, Wang Kunyi,"Zhong-gong qiu zhan lue zhuan bian yu Tayvan de Vai Jiao Kunjü" (Change of Chinese Global Strategy and quagmire of Foreign Policy of Taiwan), Guo Ce Shuang yue kan (Journal of State Politics) No:173, (16-9-1997) quoted in Nuraniye Hidayet Ekrem, *Çin Halk Cumhuriyeti Dış Politikası, 1950-2000*,(Ankara: ASAM, 2003), 49-50.

¹⁸⁹ Farid Zakaria, Interview with Chinese Prime minister Wen Jibao, *Newsweek*, (October 6, 2008): 22-23 and Stephen Sackur, Interview with Wu Jianmin, spokesman for the Chinese People's Political Consultative Conference, *Hard Talk*, breoadcasted on BBC, 25 March 2008

being a global power brings enormous responsibilities beside. Germany and Japan before World War II are the most apparent examples of that; they both wanted to increase their power to much larger territories through use of power. However they confronted with heavy resistance of the states whose interests did not match with their rise and their defeat in the World War II caused stop of increase of Japan and Germany to global dominance. On the other hand walking on the way to be a global power include responsibilities as much as benefits; in case of China, responsibilities such as being active in military terms at the different parts of the world, creating security nets which includes promises of military aid and amenability of their security, satisfaction of international community in case of crisis, have too much cost that China can afford. That is why officials in Beijing state in every occasion that China is not seeking global dominance. China aims to be a regional power in Asia Pacific region. However it must be noted that this can be a pretext used by Beijing in order to avoid obstacles in her way to being a global power without scaring and causing anxiety of other important powers. Sudden and enormous economical development of China combined with desire of global supremacy may cause Beijing to face the same fate with Japan and Germany after World War II. Thus, China pursues very patient and determined policy which moves gradually.

In their way to being a regional power, Beijing uses every single capability of her diplomacy; it uses both hard and soft power in order to create and sustain influence area. Economy is the most important instrument of China in terms of “soft power”. Neighbors of China in the Asia Pacific coast are significantly developing economies of the world.¹⁹⁰ Beijing has established strong peaceful relations with them through economy; China showed and proved them that economical development is the only thing that China wants, she does not pursue an imperialistic attitude, she aims mutual development and economy is the common point with her and neighbors. On the other hand China as a country that suffered from foreign interventions, she gives guarantee to these countries that she will not intervene to their domestic affairs. Multilateral organizations, which both China and developing

¹⁹⁰ Japan is at the third, South Korea is at the 14th, Indonesia is at the 20th, Taiwan is at the 24th, Thailand is at the 34th, Malaysia is at the 39th, Singapore is at the 45th, Philippines is at the 46th rank in the world according to their GDP in “World Economic Outlook Database “International Monetary Fund, October 2008, <http://www.imf.org/external/pubs/ft/weo/2008/02/weodata/weorept.aspx>, (Accessed June 22, 2009)

states of Asia Pacific region participate, are the most important tool of China; Beijing bounds herself with rules of the organizations in the issues such as not interfering domestic affairs of the states, mutual benefit, equality of the members. Through this approach, Beijing makes Asia Pacific countries do the things that she wants, without asking them to do. Both China and developing countries of Asia Pacific region want to develop economically and Beijing gives them what they want; they maintain economical relations on equal basis and mutual benefit. Thanks to these strong economical ties, influence of China increases and this influence cause interdependence with her neighbors. Because of this interdependence, countries of Asia Pacific region support Chinese policies which aim economical development without military conflicts. Nearly 30 million Chinese diaspora living in the South East Asia states, who has important economical power, constitutes another important element ha increases influence of China.¹⁹¹

Besides soft power, Beijing also uses hard power in order to protect her area of influence and economical interests. Taiwan is the clear example of that; this small island is a matter of honor for China besides its geopolitical and strategic importance. Any back step of Beijing in case of Taiwan can harm entire prestige of Beijing. Therefore, Beijing declares in every occasion that they will use military force in case of independence of Taiwan. On the other hand, China does not establish diplomatic relations with the states which recognizes Taiwan as an independent state and does not accept “one China” policy. Territorial waters and exclusive economical zones in South China Sea another matter which Beijing threatens to use military power. Belonging of small islands are important because of their possible energy sources and economical gains which their waters include. Therefore China claims these islands and threatening to use power in case of intervention of external force to these islands. Collusion of United States surveillance aircraft with a PLA air force fighter in 2001 during intercepting¹⁹² and blockage of Chinese naval forces of United States

¹⁹¹ Solenn Honorine, “Chinese and Proud of It; Once a repressed minority, Southeast Asia's Chinese diaspora is feeling its roots” *Newsweek*, 23 August 2008, <http://www.newsweek.com/id/154932> (Accessed July 22, 2009)

¹⁹² “U.S. surveillance plane lands in China after collision with fighter” *CNN*, April 1, 2001, <http://archives.cnn.com/2001/US/04/01/us.china.plane/> (accessed July 22, 2009)

surveillance ship on the coasts of Hainan Island in 2009¹⁹³ are the solid proofs of determination of Beijing in terms of defending her interests in any terms necessary.

As it can be noticed, aim of China to be a regional power is valid in east of the Asia continent and Pacific Ocean, but not in Central Asia. In Central Asia, China just wants to create a safe zone in her western borders in order to sustain her security but does not pursue dominance in this region. Beijing recognizes influence of Russia in this region and does not want to challenge Moscow. Activities of Beijing in Central Asia occur in cooperation with Russia. China chooses to cooperate with Russia instead of challenge her regional dominance in Central Asia. As it is stated before, Beijing wants to be powerful in the region which she can use her influence and Russian influence is still too high in Central Asia for China to challenge. That is why Beijing follows a cautious policy in Central Asia not to antagonize Russia. However increasing economical influence of China in the region and increasing energy relations are the issues that may cause some problems in bilateral relations of China and Russia in the long term. When China completed her dominance in Pacific coast, next target of Beijing can be Central Asia. Through her pragmatist characteristics, she can change her policy of cooperation with Russia in the region and begin to seek dominance in Central Asia.

It should be noted that there are important challenges in the way of China to be a regional power in Asia Pacific region; presence of United States in the region is the biggest one of them. There is important military presence in South Korea, Japan, Hawaii, and Guam, Philippines and Australia which surrounds China from the East.¹⁹⁴ In the West, United States military presence can be observed in Diego Garcia, Afghanistan, Iraq and Central Asia states.¹⁹⁵ United States presence in influence area of China may cause trouble especially in terms of Taiwan; this issue is being used as the sword of Damocles above Beijing on their way to global dominance. On the other hand Japan can be the other important problem in front of

¹⁹³“China Harassed U.S. Ship, the Pentagon Says” *The New York Times*, March 2009, <http://www.nytimes.com/2009/03/10/washington/10military.html?partner=rss&emc=rss> (accessed July 22, 2009)

¹⁹⁴ Paul Godwin, “China as a Major Asian Power”, *China, The United States and Southeast Asia, Contending Perspectives on Politics, Security and Economy*, ed. Evelyn Goh and Sheldon Simon, (New York: Routledge, 2008), 152.

¹⁹⁵ Military bases in Uzbekistan evacuated after declaration of SCO in 2005 and negotiations for closure of base in Kyrgyzstan continues.

Beijing; although there are strict rules in constitution of Japan, which bans establishment of military force, she can be the only rival of China in case of an amendment in their constitution. Such an attempt happened in 2007 with upgrading of defense agency which was responsible of just defense of homeland territories, to ministry level first time since World War II. This symbolic change allows Japanese military forces to gain more budgets and more prestige.¹⁹⁶ On the other side, India is another potential rival of China especially in economic terms; India follows China in annual growth rate with average % 7,5¹⁹⁷ Significant jump of India especially in terms of information technologies, metallurgy and nano technology which are the main branches of the future of industry, gives significant strength to India. Besides, both India and China which are nuclear powers have longstanding border disputes which cause difficulties in bilateral relations of these states. However observer membership of India to SCO has created the necessary forum for India and China to discuss and solve their problems.

Economy is again the most important instrument of Beijing in terms of limiting escalation of these potential problems in front of her on the way to regional dominance. Although, United States and Japan are considered as the biggest threats for stability in the region by Beijing¹⁹⁸ trade volumes between China and these states have reached \$333.74¹⁹⁹ billion with United States and \$207.36 with Japan.²⁰⁰ This picture is crystallized in terms of Taiwan; China is at the first rank among export partners and third rank among import partners of the island.²⁰¹ Therefore, it can be said that Beijing bounds these countries to herself through economy and avoid any potential armed conflicts. Because, deterioration in economical relations because of

¹⁹⁶ "Japan: First Defense Ministry Since World War II", *The New York Times*, January 10, 2007, <http://query.nytimes.com/gst/fullpage.html?res=940CE4DC1230F933A25752C0A9619C8B63> (accessed July 22, 2009)

¹⁹⁷ Ahmet Fazıl Özsoylu, *Nasıl Başardılar? İrlanda Çin Hindistan*, (Ankara: Destek, 2009), 111.

¹⁹⁸ Paul Godwin, "China as a Major Asian Power", *China, The United States and Southeast Asia, Contending Perspectives on Politics, Security and Economy*, ed. Evelyn Goh and Sheldon Simon, (New York: Routledge, 2008).

¹⁹⁹ "China-US bilateral trade hits seven-year low since China's entry into WTO" *People's Daily Online*, February 6, 2009, <http://english.people.com.cn/90001/90776/90884/6587568.html> (accessed July 22, 2009)

²⁰⁰ "China's trade with Japan hits 207 bln USD in 2006," *Embassy of People's Republic of China in the United States of America*, <http://www.china-embassy.org/eng/gyzg/t289451.htm> (accessed July 22, 2009)

²⁰¹ "China" CIA World fact book, <https://www.cia.gov/library/publications/the-world-factbook/geos/tw.html>, (accessed July 22, 2009)

an armed conflict not just harms Chinese economy but also harms economies of United States, Japan and other states of the world that are linked with each other because of characteristics of the globalization. Thanks to this new kind of “balance of terror” China finds relatively free atmosphere towards being a regional power.

Russia is the most important partner of China on her way to regional domination today. There are strong relations between these strategic allies since collapse of Soviet Union in terms of military, economy and energy. Desire for multi polar world and opposition to United States hegemony are the most important elements that strengthen this relationship. Russia and China complete each other in terms of influence areas in Asian continent; Russia is the dominant power in Central Asia and Caucasus for hundred of years but Moscow could not establish important power in Pacific region. On the other hand Beijing is getting influential gradually in Central Asia and other parts of the Asia however she is stronger in Pacific region. Both states support each other in the regions which other is weak. This situation creates a significant Sino-Russian joint area of influence ranging from Baltic and Black Sea to Pacific. This large secure zone gives significant advantage for China to be dominant in Pacific region without worrying about a danger in the west.

3.3 Central Asia Policy of China and Role of the SCO

Foreign policy of China towards Central Asia is a sub branch of Chinese foreign policy. Therefore policy of Beijing towards this region has every characteristics of general Chinese foreign policy. Maintaining territorial integrity through dealing with separatist elements in Xinjiang, increasing her influence in the region through economy and limiting existence of United States which constitutes an obstacle for increase of China are the main pillars of Chinese foreign policy towards Central Asia. SCO is the most important element in Chinese foreign policy on reaching her goals in the region due to “three evils” concept, cooperation on economy and energy and limiting United States presence in the region.

3.3.1 Economy and Energy

Central Asia is important for China in terms of economy since ancient times; famous Silk Road that transfers valuable commodities, new inventions and ideas to the west from China, run across the Central Asia. This region is the bridge that links China to the western countries. When significant economical development of China considered, importance of Central Asia increases more; energy which is crucial for economical development indicates importance of Central Asia for China in economical terms.

Energy is the most important aspect in foreign policy of China towards Central Asia. China was able to feed her developing economy through her own energy sources until 1993. As the third biggest coal produces of the world with 1,034.5 billion tons of coal reserves that constitutes %13 of total reserves of the world, Beijing did not have trouble to sustain her economical development.²⁰² However vast coal resources of China were not sufficient to catch up speed of economical development and Beijing began to import oil and natural gas in 1993. Hence, she has become the second largest oil importer of the world.²⁰³ This situation made China to look for foreign energy sources; the Middle East has been the major energy source of China and after this region, Africa, Latin America, Russia and Central Asia are the other important regions that China import energy.²⁰⁴ Beijing gives great importance to Africa in terms of energy and she made \$175million investment in energy field in Sudan, Chad, Nigeria, Angola, Gabon, Algeria, Congo and Equatorial Guinea.²⁰⁵ Although Africa constitutes %25 of total imports of China in energy terms it is not enough to break dependence of China to the Middle East oil.²⁰⁶

Heavy dependence of Chinese economy to the Middle East oil and gas reserves constitutes a threat not just towards economic development but also security of China. United States domination in the Middle East, instability in Iraq, potential

²⁰²“China’s Energy Conditions and Policies” Information Office of the State Council of the People’s Republic of China, 4, <http://en.ndrc.gov.cn/policyrelease/P020071227502260511798.pdf> (accessed July 22, 2009)

²⁰³ Charles Ziegler, “The Energy Factor in China’s Foreign Policy”, *Journal of Chinese Political Science*, 11, no. 1, (Spring 2006) :1.

²⁰⁴ Ibid., 8-17.

²⁰⁵ Esther Pan, “China, Africa and Oil” Council on Foreign Relations, January 26, 2007, <http://www.cfr.org/publication/9557/#2> (accessed July 22, 2009)

²⁰⁶ John Mill, “China covets African oil and trade” *Jane’s Defense Business*, October 12, 2004, http://www.janes.com/business/news/jir/jir041012_1_n.shtml (accessed July 23, 2009)

crisis in Iran has made Beijing to look for new sources of energy. On the other hand, energy transfer security is a another matter of concern for China; oil of the Middle East and Africa are being transferred via tankers through Hurmuz Strait, Indian Ocean, Malacca Strait and finally Taiwan Strait. As it can be observed, route that oil follows on its way to China passes through the most vulnerable, insecure and fragile areas of the world; Hurmuz Strait can be a battle ground for United States and Iran and can be closed in case of an armed operation of United States to Iran. Malacca Strait is nearly at the center of the United States naval forces dominance in Indian Ocean. Taiwan straight may be the most fragile area on the energy transfer route of China because of the longstanding dispute with Beijing and Taipei. When these potential threats to energy flows concerned, it has become a must for Beijing to diversify her energy sources which has secure and stable transfer routes.

In this case, energy sources of Central Asia and Caspian Region constitute significant importance for China. Former Soviet states supplies %8.7 of the world's total energy sources.²⁰⁷ Leading oil rich states of the region are Kazakhstan, Turkmenistan, Uzbekistan and Azerbaijan.²⁰⁸ On the other hand transfer security of oil and natural gas can be maintained much easier than other energy rich regions of the world because of geographical proximity and relatively stable environment of the region.

However there are some obstacles in front of development of energy based relations between China and Central Asia states. First of these problems is insufficient links of transportation. Energy infrastructure of Caspian states was built in Soviet era in order to transfer oil from sources to inner parts of the Soviet Union. Therefore, today nearly all pipelines in energy rich states of Central Asia and Caspian Region go to Russia. This creates a Russian monopoly over energy sources of Central Asia and heavy dependence of these states on to Moscow in order sell their resources to the world markets. Second problem is the presence of United States in the region in terms of energy. Washington launched Baku-Tbilisi- Ceyhan pipeline project in order to be active in the energy game of the Caspian region. Projects

²⁰⁷ “Key World Energy Statistics 2008” International Energy Agency,8,
http://www.iea.org/textbase/nppdf/free/2008/key_stats_2008.pdf (accessed July 23, 2009)

²⁰⁸“Map Energy Indicators, Asia, OECD Pacific and Former USSR” International Energy Agency,
<http://www.iea.org/Textbase/country/maps/ASIA/tpes.htm> (accessed July 23, 2009)

aiming to connect Kazakh or Turkmen energy sources to this pipeline can increase influence of United States in the energy market in the region. This situation is extremely undermining position of China on her reach to Central Asia and Caspian energy sources. Presence of United States also makes China a more aggressive player in order to attract attention from United States to her. Third issue in Central Asia sources is domestic situation of Central Asia countries and separatist movements in Xinjiang Uygur Autonomous Region of China. Newly independent states in Central Asia are experiencing some troubles in terms of transforming their system from socialism to capitalism such as kinship relations, corruption and bribery, inequality in incomes, ethnic rivalries especially against Russians and Slavs and finally increase in radical Islam. On the other hand China has some troubles in her Xinjiang region because of Islamic radicalism and separatism. Under these circumstances instability in Central Asia countries or Xinjiang probably can cause delay in oil flow to China and halt economical development.

Although there are some obstacles, China has made important attempts in energy terms. First of all, Beijing managed to make arrangement with Kazakhstan in 1997 and began cooperation in terms of energy including a pipeline from city of Atrau in Caspian coast of Kazakhstan that passes through Kankiak and Atasu and goes to Xinjiang region of China from Alashanko. This pipeline connects to “East to West Pipeline” inside of China. Chinese Oil Company of CNPC and Kazakh Company KazMunayGaz are the main partners of this project. Construction of the two stages of the pipeline finished in 2006 and oil started to be pumped. In 2011, third stage of the project will be finished and this pipeline will be 3000km long and will transfer 20million tons of crude oil to China and feed 1/6 of her energy demand.²⁰⁹ Besides this project, CNPC gained development of two important oil fields in Aktuibinsk and Uzan of Kazakhstan defeating important competitors such as Texaco and Amoco. CNPC also purchased Canadian oil company “Petro Kazakhstan” which produces %9.5 of Kazakh oil in 2005 for \$4.2million.²¹⁰

²⁰⁹ Bircan Dokuzlar, Hasan Yılmaz, Cenk Pala, “Çin’in Orta Asya Enerji Politikası” *Avrasya Dosyası*, 12, No.1 (2006): 302.

²¹⁰ Ainur Nogayeva, “Çin-Kazakistan İlişkilerinde Yeni Dönem” <http://www.tusam.net/makaleler.asp?id=789&sayfa=26>, (accessed July 23, 2009)

Another important energy project launched by China in Central Asia is a pipeline project that transfers natural gas of Turkmenistan to China. Agreements signed between Hu Jintao and Gurbanguli Berdimuhamedov in 2006 while visit of Turkmen leader to China. According to agreement, CNPC will develop some fields in Bagtyarlyk region of Turkmenistan and construct a pipeline to transportation of the natural gas to China.²¹¹

Through these projects, China manages to get in touch with Caspian energy sources. On the other hand Central Asian countries break Russian dominance over their energy sources and diversify their consumers in order to gain more incomes from their natural sources through competition. Besides, decrease in Russian influence in terms of economy may spill over other aspects of Central Asia states including security and politics. Selling their oil and natural gas to China also increases trade volumes of Central Asia states with China and increase their national incomes.

China also challenges United States' policies in terms of energy and economy through SCO. Thanks to increased cooperation within SCO with Russia, two major powers of Asia showed their annoyance because of United States' presence, her hegemony and her power politics in the region. Although they could not manage to prevent Baku Tbilisi Ceyhan pipeline, cooperation of Russia and China managed to avoid increase of United States influence in Kazakhstan and Turkmenistan through energy projects. Because of increasing skepticism against Washington among Central Asia states after colored revolution in Kyrgyzstan and unrests in Andijan, Uzbekistan, weight of United States in energy terms as well as in political terms have begun to decline since 2005. Oil pipeline projects of China in Kazakhstan and Turkmenistan, gas pipeline agreements between Russia, Kazakhstan and Turkmenistan in 2007 are the proofs of shift of Central Asia states' preferences from United States to China and Russia. Shift of Central Asia states from United States to Russia and China after 2005, created significant opportunities for Beijing and carried her in front of Washington in energy race and defeated one of the obstacles in front of energy flow.

²¹¹ "China, Turkmenistan agree on gas, pipeline" *China Daily*, April 4, 2006, http://www.chinadaily.com.cn/china/2006-04/04/content_559250.htm (accessed July 23, 2009)

On the other side, shortest way to transport Caspian natural sources to world markets is carrying them through Iran or Afghanistan and Pakistan. In this case, conditions such as deterioration in United States-Iran relations, possible United States military attack in Iran, instability and ongoing war with Taliban forces in Afghanistan prohibit United States to use this route for energy transfer. However SCO gives significant advantages for both Russia and China at this matter since both Iran and Pakistan are observer members of SCO and Afghanistan is the dialogue partner of the organization. Contrary to United States, relations of SCO members with these states are in a much better condition and this can give beneficiary results in the future in energy terms. This can be another retreat for United States.

SCO also provides opportunities for energy security through aiming to maintain domestic stability of Central Asia states and fight against separatist elements in Xinjiang. SCO has set fight against three evils of terrorism, separatism and radicalism as the main goal of the organization. Therefore members guaranteed to support each other, prevent any aid to elements of three evils. In this case, any stability in Central Asia countries because of domestic conditions can be settled through support of major powers of SCO; Russia and China. Response of SCO to Andijan incidents in Uzbekistan and Tulip revolution in Kyrgyzstan in 2005 are the solid proofs of attitude of SCO to these kinds of attempts. On the other side through SCO Beijing has cut any potential support to radical Islamist and separatist elements in Xinjiang where is the final destination of the pipelines and energy transfer routes to China. SCO aims to maintain stability and secure *status quo* in Central Asia, which is extremely necessary for energy security and economical development. Therefore, China has been benefited from SCO in order to sustain stability in the region and prevent any potential terrorist, separatist or radical Islamist activities that can harm her economical development.

Another important aspect of Central Asia for China is trade. Commercial relations between China and Central Asia dates back to ancient times, these relations deteriorated after Russian occupation and Soviet administration of the region. After collapse of the Soviet Union, China reacted quickly in order to establish commercial and economical relations with newly independent Central Asia states. After independence of Central Asia states, Chinese officials made visits to establish

economical ties. Efforts of Chinese officials began to give results quickly; trade rate of China with Central states rose from \$500 million in 1992 to \$8.5 billion in 2005 growing 16 times in fourteen years.²¹² China has become the biggest trade partner of Kazakhstan with \$6.8 billion trade rate in 2005.²¹³ Number of Chinese companies active in Kazakhstan rose sharply only in two years from 37 in 1992 to 313 in 1994.²¹⁴

Characteristics of Chinese approach to Central Asia states in terms of commercial ties can be understood from statements of former premier of China Li Peng;

...to observe the principles of equality and mutual benefit, to diversify the forms of cooperation, to take realities in to account and make a full use of local sources to improve transport conditions and construct a new Silk Road, to provide a small amount of economical aid as a sign of friendship to Central Asia states, to develop multilateral cooperation and promote common development.²¹⁵

Reasons for rapid increase in commercial relations between China and Central Asia can be defined as follows; first, both China and Central Asia states are economically developing countries and they both need foreign investment and interaction with the world. Thus they need each other. Second, geopolitical factors have great importance for economical and trade relations. Third, economical structures of Central Asia and China are complementary. Forth, increase in transportation facilities has made connection easier.²¹⁶

Economies of Central Asia states are heavily depended on exporting natural sources and they have been developed at the sectors with exploration and exploitation of these sources. Therefore, in the short and medium term, it is very difficult say that other industrial branches will be able to develop. Because of this, Central Asia countries need high amount of consumer goods for daily use which

²¹² Pan Guang, "China and SCO", *China and New International Order*, ed. Wang Gungwu and Zeng Yongnian, (New York: Routledge, 2008), 238.

²¹³ Ibid.

²¹⁴ Ibid.

²¹⁵ Guangcheng Xing, "China and Central Asia" *Central Asian Security, The New International Context*, ed. Roy Allison and Lena Jonson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 155.

²¹⁶ Ibid., 156.

China can maintain.²¹⁷ On the other hand, China needs significant amount of natural sources and raw materials in order to sustain her economical development. Thus, as it can be observed, economies of China and Central Asia are highly complementary. Energy sources, raw materials, coal, textile, food processing, agricultural tools and tourism are the main elements in Central Asia –China commercial relations.

SCO accelerates these already high economical relations. Although SCO founded as a security organization in order to settle border disputes, economy has become one of the most important activity fields of SCO. As Vladimir Putin stated during Shanghai Summit of SCO in 2001 “cooperation in economy, trade and culture is far more important than military cooperation”²¹⁸ and as it is stated in SCO trade ministers’ summit in 2002, “SCO is different from Shanghai Five because regional economical cooperation is the main task”²¹⁹

First initiatives among SCO members in terms of economy began in 2001 in prime ministers summit in Shanghai. After that, real emphasizes put on economy in 2003 in Moscow head of states summit.²²⁰ After this summit trade ministers began to have annual summits and important decisions are taken within SCO in order to increase trade among members. At 2004 Tashkent Summit, five working groups founded in order to develop cooperation in areas of e- commerce, customs, quality inspection, investment production and transportation.²²¹ On the other hand, SCO development fund and Business Council founded in order to support economical development of the members. Main activities of the SCO focus on energy and transportation issues.

As it can be observed, organization highly promotes economical development of the members. It is extremely beneficial for China which is the fastest growing member of the SCO. Thanks to decisions taken in SCO, commercial ties between China, Russia and Central Asia states are expected to increase more in coming years.

²¹⁷ Ibid., 159

²¹⁸ Robert G. Sutter, *Chinese Foreign Relations, Power and Policy since Cold War*, (UK: Rowman and Littlefield Publishers, 2008), 318.

²¹⁹ Ibid.

²²⁰ Jianwei Wang, “China and SCO : towards a new type of interstate relations” *China Turns to Multilateralism*, *Foreign Policy and Regional Security*, ed. Guoguang Wu and Helen Landsdowne, Routledge, (New York: Routledge, 2008), 114.

²²¹ Ibid.

China uses SCO as the main forum to attract Central Asia countries and increase her economical influence in these states.

Transportation is another important aspect of Chinese – Central Asia economical relations. Chinese industry manages to produce different kinds of commodities however without ability to sell them, production means nothing. On the other hand China needs to import important amount of energy, raw materials and industrial elements from Western states. In this case Central Asia constitutes more importance than it did during Silk Road times.

Because of this importance, Hu Jintao demanded support of SCO members to focus on transportation infrastructure issues immediately at 2003 Moscow Summit.²²² On bilateral level China made agreements with Kazakhstan in order to make cooperation on “Eurasian land bridge.”²²³ China has modernized her railroads in Xinjiang and plans to construct a new rail link from Xinjiang to Kyrgyzstan. Another planned railroad is from Xinjiang to Kazakhstan. Besides railroads, motorways are begun to be modernized since late 1990s²²⁴ and land routes there re two new airports opened in Xinjiang.

3.3.2 Security of Xinjiang

Security of Xinjiang Uygur Autonomous Region (XUAR) constitutes great importance in Chinese foreign policy towards Central Asia. There are some internal and external reasons for that; in external terms this huge region constitutes the western gate of China to the world, on the other hand this gate is at the same time a buffer zone of China towards crisis in the Middle East and Afghanistan. XUAR is the bridge that links economically developed Eastern coasts of China to energy sources of Central Asia. This region is also important in terms of being a trade route since ancient times. In internal terms, XUAR has significant amount of domestic energy sources of China. Besides, this region is the largest province of China with its

²²² Ibid.

²²³ Robert G. Sutter, *Chinese Foreign Relations, Power and Policy since Cold War*, (UK: Rowman and Littlefield Publishers, 2008), 311.

²²⁴ Ibid.

635,830 square miles area that constitutes %16 of total territory of China.²²⁵ However, most crucial reason for importance of this large region for Chinese foreign policy is longstanding ethno-religious unrest in the region. Desire of more freedom and independence of Turkic originated Uygurs have been causing trouble in China for a long time.

According to 2000 census there are 18.46 million people living in XUAR of whom %40.6 Han Chinese and %59.4 minorities. These minorities consist of Uygur, Kazakh, Kyrgyz, Tajik, Uzbek, Mongol and Tatars.²²⁶

Although it is stated in some Chinese sources that XUAR is the part of China since Han Dynasty (206 BCE-220CE) or Tang Dynasty (657AD)²²⁷ it is hard to say that China could establish permanent control over XUAR till 18th century.²²⁸ Even after Qing Dynasty occupied the region in 1759, they could not establish direct rule over the region because of proximity of the region to the center and lack of ethnic Han Chinese in the region to support the central administration. Therefore Chinese officials had to rely on native Uygur Turks to govern the region and began assimilation policies.²²⁹

Shift of administration of the region from Turkic-Mongoloid khanates to Chinese marked the beginning of the unrest in the region and triggered desire for independence of Uygurs. On the other hand strategic location of XUAR also has significant effect on history of the region; Uygurs found themselves in the middle of the “Great Game” between Tsarist Russia and British Empire in early 19th century. Tsarist Russia annexed the “West Turkistan” which constitutes modern Central Asia. British Empire named Xinjiang as “East Turkistan” in order to balance Russian influence in the region.

²²⁵ John Z. Wang, “Eastern Turkistan Islamic Movement: A Case Study of a New Terrorist Organization in China”, *International Journal of Offender Therapy and Comparative Criminology*, 5, No:47 (2003): 571-572.

²²⁶ Stanley W. Toops, “The Demography of Xinjiang”, *Xinjiang China’s Muslim Borderland*, ed. S. Frederick Star, (New York: M. E. Sharpe, 2004), 255.

²²⁷ White Paper of Information Office of the State Council of PRC, (2003),1; “Xinjian-Uyghur Autonomous Region,” *Encyclopedia of China* (New York: Dorothy Perkins &Roundtable Pres, 1999).

²²⁸ Lillian Craig Harris, “Xinjiang, Central Asia and the Implications for China’s Policy in the Islamic World”, *The China Quarterly*, 133, (1993):112.

²²⁹ Michael Clarke, “The Problematic Progress of ‘Integration in the Chinese State’s Approach to Xinjiang, 1759 – 2005” *Asian Ethnicity*, 8, Number 3, (October 2007):265-266.

Under this political atmosphere, Yakup Bey revolted against Qing Dynasty in Xinjiang in order to gain independence and managed to found first East Turkistan state in 1863.²³⁰ The first independent state in East Turkistan became an actor in the Great Game, Russia was afraid of Yakup Bey's influence in Western Turkistan and she recognized *de facto* rule of Yakup Bey in the region. On the other hand, British Empire also supported foundation of first East Turkistan state because of their desire to establish a buffer state between Tsarist Russia and her Indian colony. On the other side, Ottoman Empire supported this state because of increasing Pan-Turkist tendencies. Sultan Abdul-Aziz sent military assistance to Yakup Bey's Turkic originated state.²³¹ However these supports could not make survive East Turkistan State long; Qing Dynasty conquered the region again in 1876. After this occupation, region began to be called as Xinjiang meaning new dominion.²³²

During nationalist republic era riots aiming independence continued; Khoja Niyazi Hacı and Salih Dorga leaded a massive uprising in the city of Qumul in 1931 and through this rebellion Turkish Islamic Republic of East Turkistan founded in 1933.²³³ However this state could last only 3 mouths. After that, another rebellion occurred in Ili, Altay and Tancheng regions in 1944 and again they managed to gain independence and founded "East Turkistan Republic" under leadership of Ali Han Tore.²³⁴ It should be noted in here that these independent states in XUAR and independence movements have gained significant Soviet support in order to weaken nationalist China in their civil war with communist forces. Entrance of communist forces to XUAR without any resistance after foundation of People's Republic of China is the solid proof of that support. Communist administration gained support from the XUAR.

Mao administration recognized self determination right of Uyghur people in XUAR and declared XUAR as an autonomous region under administration of Beijing in 1955. However "Great Leap Forward" movement caused great anxiety

²³⁰ Adıbelli Barış, "The Security Strategies of China" (Master's thesis, METU, 2002), 103.

²³¹ Michael Clarke, "The Problematic Progress of 'Integration in the Chinese State's Approach to Xinjiang, 1759 – 2005'" *Asian Ethnicity*, 8, Number 3, (October 2007), 268.

²³² Adıbelli Barış, "The Security Strategies of China" (Master's thesis, METU, 2002), 103.

²³³ Michael Clarke, "The Problematic Progress of 'Integration in the Chinese State's Approach to Xinjiang, 1759 – 2005'" *Asian Ethnicity*, 8, Number 3, (October 2007), 271.

²³⁴ Michael Clarke, "The Problematic Progress of 'Integration in the Chinese State's Approach to Xinjiang, 1759 – 2005'" *Asian Ethnicity*, 8, Number 3, (October 2007): 274.

among Uyghur people during these years. When migration of Han Chinese to XUAR launched as a state policy in order to strengthen Chinese administration, tension rose again and a riot began in Ili.²³⁵ During these years because of deterioration in Sino-Soviet relations, Moscow accepted migration of thousands of Uyghur migrants to Soviet Union.

Cultural Revolution was the turning point in characteristic of XUAR independence movement. Harsh attitude of Red Guard units against religious beliefs caused unrest among Muslim Uyghur people and they began to rely more on Islam. Number of mosques increased dramatically in the period between 1970 and 1980.²³⁶ Dislocations of Uyghur people and migration of ethnic Han Chinese to the region increased unrest towards Beijing. During Deng period, thanks to “Open Door” policy of Beijing, Uyghurs had relatively free atmosphere in terms of religion, they were allowed to go pilgrimage. This free atmosphere increased effects of Islam over Uyghur population who have gone to Mecca and turned with renewed and sharpened Islamic beliefs.²³⁷ During this era hundreds of new mosques constructed, new Qur’an courses opened in Xinjiang. Sympathy towards Afghan mujahedeen movement that fights against Soviet occupation began to increase among Uyghurs in this period and some Uyghurs joined this movement.²³⁸

In last years of 1980s and during 1990s, characteristics of Uyghur independence movement shifted from Turkish oriented movement to radical Islamic movement and independence desire began to be shadowed by desire for Jihad. Increasing influence of Beijing in public administration, Separation of state and religion, closing unregistered mosques and Qur’an courses are the elements that strengthened this process. There were rebellions in Ili on April 1995 and Yining in 1997. During 1990s Islamic radicalism transformed to terrorism; East Turkistan Islamic Movement (ETIM) founded during these years with participation of several organizations aiming independence of East Turkestan, both centered in XUAR and other states.

²³⁵ David Wang, “East Turkistan Movement in XUAR” *Journal of Chinese Political Science*, 1, No.4, (1998)

²³⁶ John Z. Wang, “Eastern Turkistan Islamic Movement: A Case Study of a New Terrorist Organization in China”, *International Journal of Offender Therapy and Comparative Criminology*, 5, No:47 (2003):575

²³⁷ Ibid.

²³⁸ John Z. Wang, “Eastern Turkistan Islamic Movement: A Case Study of a New Terrorist Organization in China”, *International Journal of Offender Therapy and Comparative Criminology*, 5, No:47 (2003):575.

ETIM aimed to found an Islamic East Turkistan state through violence. ETIM has been responsible from more than 200 terrorist attacks resulting 166 deaths and 440 injuries including police officers, businessmen and pro-Beijing Uygurs.²³⁹ This organization designated as terrorist organization by UN and United States in 2002.²⁴⁰ It is a fact that there are numbers of Uygurs was trained in Taliban camps in Afghanistan.²⁴¹

As it can be observed, this long standing issue creates trouble for Beijing for decades and transformation of it to radical Islamist terrorism raised concerns in Beijing. That is why, separatist movements in Xinjiang constituted focal point of Chinese foreign policy especially after Cold War. Collapse of Soviet Union and independence of Muslim Central Asian states caused anxiety and fear in Beijing in case their independence affects XUAR. Therefore China used “Strike Hard” policy including limiting mosque construction, banning religious education and state supervision on religious leaders.²⁴²

Independence wind in Central Asia states might influence Uygurs who have important ethnic, linguistic, religious and cultural relations with them. Beijing scares influence of Central Asia states to XUAR in terms of independence through these links. On the other hand Islamic Radical organizations in Central Asia countries may try to influence their relatives in XUAR for a jihad against Chinese. Besides, end of Cold War opened Central Asia to influence of other important powers such as Iran, Turkey and most importantly United States. Presence and influence of these powers in Central Asia cause trouble for China in terms of XUAR because of difficulty of preventing their covert activities.

United States military operation in Afghanistan can be interpreted as something beneficial for China in terms of giving a great negative effect on radical terrorist elements in Afghanistan. When training of radical elements in XUAR concerned, destruction of Taliban camps in Afghanistan has positive effect on weakening ETIM. On the other hand coalition forces arrested some Uygurs during their operation in

²³⁹ Ibid.

²⁴⁰ Ibid., 568.

²⁴¹ Guangcheng Xing, “China and Central Asia” *Central Asian Security, The New International Context*, ed. Roy Allison and Lena Jonson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 163.

²⁴² Michael Clarke, “The Problematic Progress of ‘Integration in the Chinese State’s Approach to Xinjiang, 1759 – 2005” *Asian Ethnicity*, 8, Number 3, (October 2007):283.

Afghanistan. Deterrence effect faced in Afghanistan operation of United States caused fear among all radical elements over the region.

However it must be noted that fight against radical Islamist terrorism motto has given suitable and free atmosphere to Beijing to conduct every measure against dissident elements in XUAR through labeling them as terrorists. Although it is a fact that there are some terrorist forces in XUAR independence movement, there are also some groups who only demand some restoration in their living standards, stop of corruption, bribe and inequality between Han Chinese and Uygurs through peaceful way. Beijing puts them under terrorism umbrella in order to legitimize her harsh activities on them. Although human rights groups in the West criticize Beijing in terms of human right violence in XUAR, Beijing ignores these critics under pretext of fight against terrorism.²⁴³

Separation of XUAR from Chinese administration can be disastrous for Beijing because of several reasons; first, XUAR as the largest province of China hosts significant amount of China's domestic energy and raw metal sources. There are important uranium and copper sources founded in recent years in the region. Oil production in Karamay region has reached 7 million tons of coal equivalent and natural gas between 500,000 and 700,000 tons of coal equivalents. There are significant unexplored oil sources in Tarim and Dzungaria Basins and %60 of total coal production of China are made in XUAR.²⁴⁴ On the other hand XUAR is the destination point of energy route coming from Central Asia countries both via pipelines and railways. It is obvious that XUAR is crucial for China in terms of energy for sustainability her economical development. Separation of XUAR means lost of great amount of energy sources of China and ability of transfer energy from Central Asia. Xinjiang is also trade center of China with Central Asia states. In 1995, 16 areas were given authorization to make foreign trade with Central Asia in XUAR

²⁴³ For further information; "China: Human Rights Concerns in Xinjiang", Human Rights Watch Backgrounder, (October 2001), <http://www.hrw.org/legacy/backgrounder/asia/china-bck1017.htm> and "People's Republic of China, Gross Violations of Human Rights in the Xinjiang Uygur Autonomous Region" Amnesty International, 21 April 1999 <http://www.amnesty.org/en/library/asset/ASA17/018/1999/en/75880894-e285-11dd-abce-695d390ccea/asa170181999en.pdf> (accessed July 23, 2009)

²⁴⁴ Chang, Felix K. "China's Central Asian Power and Problems" *Orbis*, 3, Vol. 41, (Summer 1997); John Z. Wang, "Eastern Turkistan Islamic Movement: A Case Study of a New Terrorist Organization in China", *International Journal of Offender Therapy and Comparative Criminology*, 5, No:47, (2003):574.

and in 1997, 9 land communication centers opened in the region in order to increase trade with Central Asia.²⁴⁵ China tries to integrate XUAR more to Chinese economy in order to increase life standards and avoid separation. However besides this policy Beijing also follows Han Chinese migration to the region in order to cut majority of Uygurs.

Second, strategic location of XUAR is crucial for China. XUAR is neighbor with India, Pakistan, Afghanistan, Tajikistan, Kyrgyzstan, Kazakhstan, Russia and Mongolia. As it can be observed, this region has linkage to all western neighbors of China. Desert and mountainous nature of the region constitutes great advantage for China to in terms of military security. This region constitutes both a link to western countries and acts as a buffer zone against instabilities of the Middle East and Afghanistan. This region prevents economically developed coastal regions of China from negative effects of disputed areas in the west of the region.

Third and the most important reason is separation of XUAR may cause domino effect in other disputed areas within China such as Taiwan, Tibet and Inner Mongolia. Independence of Uygurs in XUAR can trigger independence movements in these regions and when increasing nationalistic tendencies within Chinese people concerned it can cause catastrophic results for Beijing. In case of such scenario dissolution of another socialist state after Soviet Union is inevitable.

Because of these important reasons, Beijing has made significant efforts in order to prevent such bad scenarios. Efforts of Beijing increased in the post Cold War era because of independence of Central Asia states and changing characteristics of XUAR independence movement to radical Islamist terrorism. SCO is the biggest activity of Beijing in this case. After independence of Central Asia states, Beijing reacted quickly in order to establish peaceful relations with these states. Premier Li Peng made visits to Central Asia countries in 1994 with participation of number of businessmen in order to establish economical relations.²⁴⁶ Security agreements in terms of border issues followed these attempts. China made border agreements with Central Asia countries and Russia in the period of 1992 and 1996. After these

²⁴⁵ Guangcheng Xing, "China and Central Asia" *Central Asian Security, The New International Context*, ed. Roy Allison and Lena Jonson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 164.

²⁴⁶ Adıbelli Barış, "The Security Strategies of China" (Master's thesis, METU, 2002), 109

agreements, Beijing institutionalized her relations with Central Asia countries and Russia through SCO in 2001. As it can be observed since their independence Beijing has pursued peaceful diplomacy with Central Asia countries both in economy, energy and security terms. Through setting radicalism, separatism and terrorism in SCO as the main enemy of the organization, China gained support of Central Asia countries in XUAR issue. Beijing guaranteed prevention of support of Central Asia countries to separatists in XUAR through SCO. On the other side Central Asia countries need economical support of China and therefore they do not support separatist elements in XUAR not to lose economical gains from China. Besides, some Central Asia states such as Kyrgyzstan and Uzbekistan suffer from radical Islamic organizations like Hizb-ut Tahrir and Islamic Movements of Uzbekistan (IMU). Therefore cooperation with two great powers of the region China and Russia is beneficiary for them in order to deal with these organizations.

SCO established anti terrorism center in Tashkent in order to straighten fight against terrorism. Through this center members share intelligence on terrorist organizations and make cooperation in terms of arresting criminals inside of the members' territories. On the other side members send strong messages to separatist and terrorist elements through military exercises. 2005 and 2007 Peace Mission exercises were held in XUAR in order to make show of force against separatist elements in the region. Law enforcement bodies of SCO members also make exercises in order to increase cooperation and strengthen their ability to fight three evils.

3.3.3 Limiting United States in the Region

Beijing demands a multi polar world, equality of all the states and objects United States hegemony. This attitude can be observed in Chinese policies towards Central Asia either. After collapse of Soviet Union, United States penetrated in to Central Asia through her energy companies in order to gain control over energy sources of Central Asia. After terrorist attacks to Pentagon and World Trade Center in 9/11, 2001, Washington penetrated the region in military terms through Afghanistan operation. During "war on terror" campaign, United States gained important support from Central Asia states including military bases, free flight rights

and humanitarian aid. During this operation, both Russia and China did not resist activities of Washington in the region in order to gain advantage against terrorist and separatist forces within their own countries. Russians felt more comfortable in their struggle with Chechnya and China managed to suppress radical Islamist separatist forces in XUAR. As it can be observed, “war on terror” of United States was advantageous for major members of SCO in terms of cutting source of terrorism in Afghanistan.

However, United States’ military operation in Afghanistan is beneficiary for China only for short term and permanent presence of United States in her western border is against interests of China. Therefore China tries to limit United States influence in the Central Asia with support of other major power of the region Russia. United States military presence in Central Asia must be interpreted in context of military bases of United States on the Pacific region. As mentioned before, United States has military bases in Japan, South Korea, Philippines and has strong security relations with Taiwan. Therefore, presence of United States in Central Asia can cause containment of Chinese territory both from east and west. This causes great trouble and limits China in terms of her desire for being a regional power and constitutes great advantage for United States in case of possible tension with Beijing.

Thus SCO is the most beneficiary tool for China to resist United States’ policies in Central Asia. With support of Russia, China is much more powerful and influential against United States’ activities and policies in Central Asia. Gaining support of energy rich states of Central Asia is also crucial for China in order to limit or balance United States influence in the region.

Aim of the SCO during Shanghai Five era was just solving border disputes and determining peaceful borders with these newly independent states and Russia. China has gained important lessons from past memories in terms of border disputes with Soviet Union and thus, China wanted to solve any possible problem with these newly independent states through peaceful way. However, when these negotiations and agreements shifted to institutionalized base with foundation of SCO, aims of China towards Central Asia transformed as well. Cooperation spilled over other areas such as economy, culture and politics. Therefore SCO has become a multi purpose organization defending interests of the members in the region. Although nearly all

members of the organization have strong economical and political relations with United States, instability caused by United States in Afghanistan, uneasiness because of American military personnel in Central Asian countries, potential conflict with Iran and fear of colored revolutions caused distrust of members of the organization towards United States. Therefore SCO members began to make solid steps in order to contain United States' presence in the region. The most important example of attempts of SCO against United States activities is demand for evacuation of military bases in Uzbekistan and Kyrgyzstan and set a deadline for withdrawal of coalition forces from Afghanistan in 2005.²⁴⁷ This declaration is the solid proof of uneasiness of the members against United States presence in the region.

However it must be noted that SCO still is not neither powerful nor ambitious to challenge United States directly. Therefore, even in 2005 declaration did not aimed directly at United States and word of "coalition" was preferred instead of United States. It is an indicator that, although China wants a multi polar world and makes moves towards this goal there is a long way to achieve this target because of premature nature of the organization. However SCO is still the most important tool for that goal. Beijing is aware of the fact that domination of United States can only be broken with the help of other important powers in the Eurasia. Therefore besides Russia, SCO welcomed other important regional powers such as India, Iran, Pakistan and Mongolia to the organization as observer members. Although it is stated in declarations of SCO that organization is not aimed any other power, it is obvious that joining of Iran which has declared as being one of the "rogue states" of United States, to organization is completely against interest of Washington in the region.

Military activities within SCO are another important element for China limiting United States influence. SCO members have made number of military exercises aiming to increase fighting abilities of armed forces of the members against three evils of terrorism, separatism and radicalism. However, last two of exercises, Peace Mission 2005 and 2007, which implemented with largest participation of military personnel from members constituted a show off force to the world, especially to United States, through heavy weapons that can not be used against asymmetric war

²⁴⁷ Chien-peng Chung, "China and the Institutionalization of the Shanghai Cooperation Organization," *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 10.

on terror. These exercises were looked like aiming to increase fighting ability of the members in case of crisis in Taiwan or Korean Peninsula.

Another important issue related with United States in Central Asia is colored revolutions. Tulip Revolution in Kyrgyzstan and uprising in Andijan have caused anxiety among other states in the region. Beijing interpreted these revolutions as intervention to domestic affairs of the countries and criticized. When domestic problems within China concerned, this issue becomes more important in terms of legitimacy of CCP. Therefore, Beijing wants to use SCO in order to prevent such activities in China. Non-interference to domestic affairs and equality of states are the main focal points of the organization and members have committed to support and defense this principle. Through SCO, members have created a block against United States' intervention in to their domestic affairs through NGOs and other elements.

Sources and goals of Chinese foreign policy are compatible with each other. Thanks to pragmatism China has managed to gain more economical gains, has found opportunities to modernize her military and increased her power in her influence area. On the other hand due to state controlled nationalism, Beijing has gained significant advantages in terms of establishing domestic stability and territorial integrity. Through multilateralism, China has gained support of other states in the region both in security and economic domains and has made crucial progress on the way to be a regional power.

These main pillars of Chinese foreign policy have been materialized in her Central Asia policy as well. One of the main aims of foreign policy; maintaining domestic stability and territorial integrity comes to the fore in Xinjiang-Uygur Autonomous Region (XUAR). Pragmatist nature of Beijing decision makers and state controlled nationalism are the most important elements that China uses to deal with this issue. On the other hand, thanks to multilateralism, Beijing has gained support of other important actors in Central Asia in her way to contain United States in the Central Asia region and avoid being contained from West. Through this, Beijing tries to overcome a potential handicap in front of being a regional power in Pacific region. In terms of increasing economic gains and continuum of energy sustainability, Beijing again used her pragmatism and established strong economical

relations with newly independent Central Asia states which are in the period of transition to free market economy. Socialist characteristics of China did not constitute a handicap in front of Beijing on the way to increase beneficial relations with other states in her West.

SCO is the most important instrument of China in implementation of general foreign policy elements to Central Asia policy. SCO is product of pragmatist nature of China. Through SCO, China has modernized her military, secured XUAR, increased economical relations, secured energy flow and limited activities of United States. China has been active since foundation process of SCO and shaped the organization according to her main principles and needs. China put mutual benefit, peaceful solution of problems, and non intervention to domestic affairs in to the core of the SCO, which are main principles of new foreign policy concept of China. To sum up it can be said that; SCO has been heavily influenced by main sources and goals Chinese foreign policy and has become an effective tool for Beijing in order to implement her policies and find solutions for current problems in Central Asia.

CHAPTER FOUR

ATTITUDE OF MAJOR POWERS TOWARDS CENTRAL ASIA AND SCO

In today's Post Cold War political environment, policies of states are affecting and affected by moves of other states. Therefore multidimensional analyze is necessary in order to understand an issue completely. In this respect, Chinese foreign policy towards Central Asia is heavily affected by moves of other actors; on the other hand policies of China also have important effects towards policies of these actors. Because of this reciprocal environment, analyzing policies and attitudes of other important actors towards Central Asia are necessary in order to understand policies of China completely. United States, Russia and European Union are the most important actors in Central Asia region and they are affecting Chinese Central Asia policy and SCO from different aspects. For instance, while policies of United States create outcomes for China in terms of regional security, movements of EU have effects on democratization of Central Asia. On the other hand while Russian security policies have beneficial results for China, her energy policies may cause trouble in the future. Consequently, explaining policies of other important powers in the region is beneficial in order to examine Chinese policies towards Central Asia and movements of SCO.

4.1 Attitude of United States towards Central Asia and SCO

4.1.1 Policies of the United States

Policies of United States in the "heartland" of Mackinder's theory are crucial since she is the sole super power of the world. As it is stated before, one of the most important reasons for China to give severity to SCO is to limit policies of United States and response them in order to be in front of her rivals in this "grand chessboard".

After break up of the Soviet Union, United States was the first state that recognized independence of Central Asian states. However it must be noted that,

policies of Washington during first years of the post Cold War era were nearly same towards all newly independent post Soviet states from Baltic to Central Asia. Central Asia did not constituted great importance for Washington as a different and unique part of the post Soviet world.²⁴⁸ Central Asia included in “Comparative Threat Reduction Program” in 1991 and “Freedom Support Act” in 1992 which are both first initiatives of Washington to implement a policy toward post-Soviet world.²⁴⁹ After these initiatives, policy of United States began to take a shape in particular issues, especially in security, democratization, transition to free market economy and energy.

4.1.1.1 Security

Main security concern of Washington after collapse of the Soviet Union was preventing proliferation of Soviet nuclear material and Weapons of Mass Destruction (WMD). Some of the newly independent post Soviet states become nuclear powers in overnight after collapse of Soviet Union. Therefore, elimination of these materials and prevention of claiming these weapons by hostile elements constituted significant importance for United States. In this context, Kazakhstan was crucial because of hosting 104 SS-18 Intercontinental Ballistic Missiles (ICBM) and nearly 1400 warheads.²⁵⁰ Besides, important amount of nuclear material and WMDs, there were significant amount of nuclear bombers, launchers, missile silos, control centers that had to be destroyed or eliminated in Kazakhstan. Geographical location of this state also made situation more complex for United States; Kazakhstan is close to other disputed areas of the world such as the Middle East, South Asia or “Rogue States” identified by United States such as North Korea and Iran. Commercialization of these nuclear materials from Kazakhstan to these states would cause catastrophic results for United States’ interests in whole world politics. Thus, Washington made quick attempts to avoid such a scenario; thanks to conciliatory approach of Nazarbayev administration, United States managed to eliminate these nuclear materials and

²⁴⁸ Eugene Rumer, “The United States and Central Asia: In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 18.

²⁴⁹ Ibid., 22.

²⁵⁰ Ibid., 24

WMDs in 1995, all nuclear elements cleared and Kazakhstan became member of Non-Proliferation Treaty as non nuclear state.²⁵¹

After solution of this issue, security of Central Asian states emerged as an important issue for Washington. In order to accelerate and guarantee integration of the Central Asia to the West, Washington encouraged these states to establish relations with NATO and Organization for Security and Co-Operation in Europe (OSCE).²⁵² In this context all newly independent Central Asia states, except Tajikistan because of the civil war, became part of the “Partnership for Peace (PfP)” program of the NATO in 1995.²⁵³ Aim of this program is to increase relations with the states in the interest areas of the NATO and increase their compatibility with the organization. Therefore, through this program United States aimed to make reforms in security field, establish a new model in civil military relations, increase control of the civilians over military and support military modernization of the Central Asian states in order to increase their security capabilities to the level of the NATO states.²⁵⁴ Although NATO established “out of area” concept, Central Asia has been too out of interest area of the organization to directly involve, therefore NATO activities in this region were limited with only peace keeping, disaster relief, border security and limiting drug trafficking.²⁵⁵ It can be stated that main goal of the PfP program was preventing an armed conflict among Central Asia states, consequently securing Europe from any threats that emanated from instability in Asia such as migration flows, instead of helping Central Asia states to solve their own security problems.²⁵⁶ On the other hand through increasing roles of civilians over military, the United States aimed to avoid any potential coups against leaders of the states.

²⁵¹ Anthony Lake, “A year of decision: Arms control and non-proliferation in 1995”, *U.S. Department of State Dispatch*, 6, Issue 6, (1995) and Fact sheet: START I and NPT (Lisbon Protocol). *U.S. Department of State Dispatch*, 4, Issue 17, (1993).

²⁵² Christopher Jones, “The Axis of Non-Proliferation”, *Problems of Post-Communism*, 53, no. 2, (2006):8.

²⁵³ Thomas W. Simons Jr. “The United States, Asian Security and Central Asia, Before and After September 11”, *Islam, Oil and Geopolitics, Central Asia After September 11*, ed. Elizabeth Van Wie Davis and Rouben Azizian, (United States: Rowman and Littlefield Publishers, 2006) p.272.

²⁵⁴ Eugene Rumer, “The United States and Central Asia: In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 27.

²⁵⁵ Ibid.

²⁵⁶ Ibid.,

Other important security issue in Central Asia for United States was foundation of Central Asian Battalion (Centrazbat) under guidance of United States' 82nd airborne division with participation of Uzbekistan, Kyrgyzstan and Kazakhstan in 1995 for peacekeeping missions.²⁵⁷ Although this initiative aimed to be active in peacekeeping missions, Washington aimed to guarantee security of its economical gains in the region through its first military presence in Central Asia.²⁵⁸

Although Washington made abovementioned security moves, Central Asia did not occupy an important position in United States' foreign policy until terrorist attacks on 9th of September 2001. Before this incident, main aim of Washington was to make the region a "power free" zone, implement democracy and free market economy and maintain economical gains of the United States. Washington did not seek for dominance in the region during this time and decision makers in the United States also did not want any external actor to implement her dominance in the region, namely Russia and China. However, after collapse of the Soviet Union, Islam filled the ideological vacuum nearly all around the world as the only ideology against hegemony of the United States and capitalism. This process showed itself especially in the Middle East and Afghanistan; consequently radical Islamism began to emerge as a threat against United States.

Terrorist attacks of radical Islamist Al-Qaida in 9/11 changed policy of the United States toward Central Asia dramatically. After 9/11, Central Asia climbed up to highest ranks in priorities of State Department of United States both in security and political terms. However attacks to the embassies of the United States in Nairobi, Kenya and Dar-es-Salaam, Tanzania in 1998 caused beginning of the change in the foreign and security policy of United States; attention of the Washington began to shift to Afghanistan where Al-Qaida terrorist organization is believed to be located. After these attacks Washington began to make moves to limit Taliban administration in Afghanistan in order to cut their support to Al-Qaida. United States started to give more military and economical aid to Central Asian states in order to limit activities of Taliban without paying attention to Central Asian states' progress in reforms of

²⁵⁷ Chieng peng-Chung, "The Shanghai Cooperation Organization: China's Changing Influence in Central Asia" *The China Quarterly*, 180, (2004), 998.

²⁵⁸ Ian Rutledge, *Addicted to Oil: America's Relentless Drive for Energy Security*, (New York :I.B. Tauris & Co Ltd, 2006), 111.

democracy and human rights; in this context a secret alliance made with Uzbekistan in 1998 against Taliban.²⁵⁹ After 9/11 terrorist attacks, United States penetrated to the region in military terms through Afghanistan operation. In order to execute this operation, Washington needed bases around Afghanistan in order to conduct her military operations and maintain logistics. Central Asia states gave the bases to the United States; Uzbekistan opened Kharshi Khanabat air base, Kyrgyzstan gave Manas international airport to the use of the United States' armed forces. On the other hand Kazakhstan gave authorization for letting United States to use her air space in case of emergency landings in her three airports in Almaty, Chimkent and Jambyl.²⁶⁰ In this case, Uzbekistan has been the most important partner of the United States in terms of security. After 1998 secret alliance, Uzbekistan and the United States signed strategic partnership act in 2002 and Washington made legal commitments for the defense of Uzbekistan.²⁶¹ After this act, Washington gave annual aid of \$160 million to Uzbekistan.²⁶²

After 9/11, United States began to make great aids to Central Asian states without any consideration to their human rights records or their transformation to democracy. Foreign policy of the United States during this time heavily decided by security concerns and former aims of transformation of Central Asian states to democracy and increasing human rights standards have been forgotten. United States made support to nearly failed states in Central Asia such as Uzbekistan for short term gains, ignored their policies toward dissidents, corruption and bribe, human rights violence and supported these regimes in order to deal with radical Islam as the sole enemy of the United States.

However this solely *realpolitik* oriented policy began to leave its place to more human rights and democracy oriented policy towards Central Asia in second

²⁵⁹ Thomas E. Ricks and Susan B. Glasser, "U.S Operated Secret Alliance with Uzbekistan," *Washington Post* October 14, 2001, A01 quoted in Eugene Rumer, "The United States and Central Asia: In Search of a Strategy", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 37-38

²⁶⁰ Chieng peng-Chung, "The Shanghai Cooperation Organization: China's Changing Influence in Central Asia" *The China Quarterly*, 180, (2004): 996.

²⁶¹ Eugene Rumer, "The United States and Central Asia: In Search of a Strategy", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 41.

²⁶² Sally Buzbee, "United States expand influence likely to remain in Central Asia" Associated Press, 12 March 2002 quoted in Chieng peng-Chung, "The Shanghai Cooperation Organization: China's Changing Influence in Central Asia" *The China Quarterly*, 180, (2004): 997.

presidency term of George W. Bush. Washington began to be more critical on the issues such as attitude of Central Asian governments to dissident groups and human rights standards. This change of policy caused anxiety and skepticism over autocratic governments of Central Asian states and they have begun to turn their face to Russia and China. Incidents in Andijan, Uzbekistan and so-called “Tulip Revolution” in Kyrgyzstan caused reaction against policies of United States and Washington began to lose its influence to Russia and China after 2005.

4.1.1.2 Transition to Free Market Economy and Democratization

Besides security issues, United States focused on transformation of former Soviet states to free market economy and democracy. Washington provided important amount of economical aids and funds to Central Asian states in order to strengthen their independence and shifting to market economy. In 2005, non military aid of United States to Central Asia states reached \$ 2, 67 billion.²⁶³ Besides direct economical aids, Washington made IMF and World Bank to provide significant loans to Central Asian states. On the other hand, as a result of the “Shock Therapy” policies of IMF and World Bank, Central Asian states made crucial privatizations especially in energy sector. These privatizations created suitable atmosphere for United States and Western oil companies to penetrate energy sources of Caspian Basin and increase economical influence of United States in the region. Through this penetration, Washington gained significant control over energy sources of the region. Economical intervention of United States to the region in energy terms has aimed to diversify dependence of Washington to the Middle East sources.²⁶⁴

In terms of democratization, United States supported establishment of NGOs, independent media, political parties and free-fair elections in order to strengthen transition of Central Asia states to democracy.²⁶⁵ Aim of Washington through supporting democratization in the region has been to prevent Central Asian states

²⁶³ Thomas W. Simons Jr. “The United States, Asian Security and Central Asia, Before and After September 11”, *Islam, Oil and Geopolitics, Central Asia After September 11*, ed. Elizabeth Van Wie Davis and Rouben Azizian (United States: Rowman and Littlefield Publishers, 2006) 285.

²⁶⁴ Garry Leech, *Crude Interventions, the US, Oil and the New World (Dis)Order*, (New York: Zed Books, 2006.), 56.

²⁶⁵ Eugene Rumer, “The United States and Central Asia: In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 25-26.

from having armed conflicts with each other and maintain stable and secure atmosphere for energy flow. However it should be noted in here that, Washington implement same democracy and human rights policies towards every single Central Asia state without paying attention to their peculiarities. In this context, moves of United States in terms of democracy and human rights could not give the same results in every Central Asia state. Kazakhstan and Kyrgyzstan have become more successful in implementing the reforms towards capitalism and democracy than Turkmenistan and Uzbekistan. On the other hand Tajikistan experienced a civil war during this time and could not achieve success in these reforms.²⁶⁶ Policies of Washington in terms of democratization and different outcomes of the reforms in Central Asia caused anxiety in China and Russia which are both ruled by authoritarian or semi authoritarian regimes. Thus Russia and China began to criticize Washington with intervening to domestic affairs of these states.

When tone of criticism towards Central Asian states in terms of democracy increased, local elites and decision makers began to question policies of United States, too. Then they turned their faces to China and Russia.

4.1.1.3 Energy

Energy sources of the region can be interpreted as the one of the most important elements that affects policies of the United States toward Central Asia. State Department of the United States stated in its report to Congress that, there are 200 billion barrels of oil capacity in Caspian basin which can place this region to second rank after the Middle East.²⁶⁷ However this information is said to be exaggerated; current estimations about the reserves of the Caspian region are approximately 15 billion barrels.²⁶⁸ After collapse of the Soviet Union, oil companies of the United States penetrated to the Caspian region in order to explore and exploit oil and natural gas resources. However the most important problem during this era for Western

²⁶⁶ Ibid.

²⁶⁷ Garry Leech, *Crude Interventions, the US, Oil and the New World (Dis)Order*, (New York: Zed Boks, 2006.),55; Eugene Rumer, “The United States and Central Asia:In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 33.

²⁶⁸ Eugene Rumer, “The United States and Central Asia:In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 33.

energy companies was the lack of transportation routes of the energy from landlocked Caspian region. Therefore United States made diplomatic maneuvers in the region in order to construct pipelines from Caspian basin to World markets. Iran, South Caucasus and Turkey, Novorossiysk and Afghanistan-Pakistan were potential shipment routes for Caspian energy. Iran has been the shortest way to transfer Caspian energy sources; however political disputes between Washington and Tehran have made such a project impossible. Afghanistan-Pakistan route was the other short way to transfer oil and natural gas from the region to Indian Ocean, besides an American energy company Unocal made attempts to construct a pipeline in Afghanistan.²⁶⁹ However political developments in Afghanistan have made this project impossible. After that, United States decided on Baku Tbilisi Ceyhan pipeline from Caspian to Mediterranean.

Finishing Russian monopoly over transportation of Caspian energy sources has both economic and political outcomes. In economical terms, construction of new pipelines which bypasses Russia, prevents Moscow to gain transportation fees and to make interventions to price of the energy sources. In political terms, monopoly of Russia over these sources makes energy rich Central Asian states entirely depended on Russia especially in economical terms. When United States created a new way for their energy to world markets, Washington has become a competitor of Moscow in influence race over Central Asia states. When United States established her military power in Central Asia and Afghanistan, this influence strengthened and put under protection of American military power. Central Asia states have found chance to balance Russia with United States through new pipelines.

However dominance of United States in energy field halted after 2005 with the changing attitude of Central Asian states to Washington. China and Russia began to be more influential in energy field after political field.

4.1.2 Effects of Policies of United States in Central Asia to China

Penetration of the United States to Central Asia has some affects on the Central Asia policy of China both in positive and negative manner. When positive affects of United States' policies analyzed, there are two important positive outcomes for

²⁶⁹ Parvizi Amineh, "Globalization, Geopolitics and Energy Security in Central Asia and Caspian" (The Hague: Clingendael International Energy Program, 2003)

China; first, preventing support to separatist and terrorist forces in Xinjiang and second, increase in trade volumes with Central Asian states due to their shift to free market economy and privatization.

During Afghanistan operation the United States aimed to destroy terrorist camps and training facilities of Al-Qaida and cut support of Taliban to this organization. On the other hand “War on Terror” concept of Washington labeled every state that gives support to terrorist organizations as hostile; this caused a deterrence effect on the states in the region. This operation limited effectiveness of Taliban in the region and they had to break their support to other terrorist organizations in the region such as East Turkistan Islamic Movement (ETIM) in Xinjiang and Islamic Movements of Uzbekistan (IMU) in Uzbekistan. According to Chinese sources there were over 1000 Uyghur terrorists in Afghanistan before operation of the United States.²⁷⁰ After support from Afghanistan was cut, separatist movements in Xinjiang region lost much of their effectiveness.²⁷¹ Because of deterrence effect of “War on Terror” concept, any state in the region does not even dare to support these terrorist elements. China has been trying to prevent Central Asian states to support separatist elements in the region since their independence through increasing economical relations and SCO. Military presence of the United States in the region and its deterrence strengthened this policy and Central Asia states have not even dare to support separatist elements not to antagonize with both of the major powers in the region.²⁷² To sum up military penetration of United States to Central Asia was in favor of Beijing in terms of cutting support to separatist elements from Afghanistan and Central Asian states.

On the other hand, “War on Terror” concept of the United States created suitable atmosphere for Beijing to implement her policies, especially in Xinjiang, under pretext of this concept without having much criticism from Washington. China has labeled every dissident movement in Xinjiang region as radical Islamist terrorists

²⁷⁰Xinhua News Agency, (9 November 2001) quoted in Niklas Swanström, “China and Central Asia: a new Great Game or traditional vassal relations?”, *Journal of Contemporary China*, 14, 45, (2005):572.

²⁷¹ Niklas Swanström, “China and Central Asia: a new Great Game or traditional vassal relations?”, *Journal of Contemporary China*, 14, 45, (2005): 572.

²⁷² Ibid.

although they make activities in peaceful way.²⁷³ Although Western human rights organizations highly criticize China for using over violence on dissidents, Washington does not make solid steps against Beijing because of claims of China on fighting against terrorists. It can be said that, both China and United States does not intervene policies of each other and both of them let other to deal with terrorists in her country with her own methods.

Second positive effect of policies of the United States is increasing trade volumes between China and Central Asia states. United States worked hard to get Central Asian states integrated to capitalist system. Through loans from World Bank and IMF, underdeveloped economies of Central Asia states managed to recover and have been relatively integrated to free market. Their opening up to the world markets has created chance for Chinese companies especially in energy and construction sector to make investments in these states. China has made attempts to increase her trade with her western neighbors since they gained their independence; policies of the United States strengthened and accelerated this process. On the other hand through privatizations in Central Asia states, China managed to make investments in these countries. Chinese companies have gained rights over energy and construction sectors in Central Asian states through privatization processes. Increasing competition between Chinese and Western companies in their countries has increased interests of the Central Asian states.

However, negative effects of policies of the United States are more important than their positive effects for China. First of all, military presence of the United States in Central Asia causes negative effects for national security of China. Beijing has been contained from the East by military presence of the United States in Japan, South Korea and Pacific Ocean. Besides, United States have important security relations with Taiwan. In the South, United States have close relations with India which is strategic competitor of China. Pakistan that is close ally of Beijing, have given strong support to the United States during Afghanistan operation and increased her relations with Washington. Northern neighbor of China, Mongolia has longstanding good relations with United States. As it can be observed, United States contains China from the all directions except West and policies of United States in

²⁷³ Ibid., 573.

Central Asia provide very strategic position against China to Washington in case of a crisis with Beijing. This containment also limits activities of China in Central Asia and causes decrease of influence of Beijing in the Central Asia through creating a power competition. Beijing thinks that through Afghanistan operation and military presence in Central Asia Washington aims to increase her influence in the region and limit influence of Russia, Iran and China.²⁷⁴ Central Asia states demand less from China thanks to presence of the sole superpower of the world in the region and NATO partner Russia on the other hand; this reduces influence of Beijing in the region.²⁷⁵ Thanks to presence of the United States in the region, Central Asian states managed to balance three biggest powers of the world in order to maximize their interests.

Second important negative affect of policies of the United States for China is destabilization of the Central Asia. Stable, secure and safe environment is crucial for China to continue her economical development and trade relations with Central Asian states. However, democratization and human rights policies of the United States, colored revolutions and ongoing instability in Afghanistan causes harm for economical interests of China. Although United States managed to overthrow terrorist supporter Taliban in Afghanistan, current situation in Afghanistan causes much more instability in the region, which is totally against interest of China. Because of lack of strict state authority in Afghanistan, new issues such as drug and arms trafficking causing troubles in the region. These new kinds of problems make state authorities to deal with these problems instead of focusing on mutual development in the region.

Third important negative affect of policies of United States toward China in Central Asia is observed in Sino Russian bilateral relations. Russia has been partner of NATO under “NATO Russia Council (NRC)” since 2002 and has relations with this organization since 1997 NATO-Russia Founding Act.²⁷⁶ Although Russia has some concerns about enlargement of NATO to her former influence areas, United States assured Moscow about these enlargements and her operations in Central Asia.

²⁷⁴ Chieng peng-Chung, “The Shanghai Cooperation Organization: China’s Changing Influence in Central Asia” *The China Quarterly*, 180, (2004): 997.

²⁷⁵ Ibid., 998

²⁷⁶ “NATO’s Relations with Russia”, NATO Website, <http://www.nato.int/issues/nato-russia/topic.html> (accessed July 23, 2009)

Washington compromised with Moscow and caused a crack in Sino-Russian strategic partnership.²⁷⁷ However Russia and China managed to fix this crack before it gets larger; relatively decline of influence of Washington in the region especially after 2005 eradicated possibility of decline in Sino-Russian relations.

4.1.3 Place of SCO in Policies of the United States towards Central Asia

When Washington wanted to make Central Asia a power free zone in the first years of the post Cold War era, this situation interpreted as a power vacuum by China and Russia, consequently they make attempts to penetrate to the region through economic relations, border demarcations, Shanghai Five and SCO. During 1990s, all of the major powers of the world tried to establish an advantageous position in the region through supporting newly independent states in Central Asia. However Afghanistan operation of the United States has shook the power balances in the region; armed forces of the United States penetrated to Afghanistan, overthrow Taliban administration which was accused of supporting terrorism and established military bases in the region. Before this operation, United States made bilateral negotiations with Central Asia states instead of making negotiations with SCO and did not threat these states as a part of an organization in order to show that she does not take SCO seriously.²⁷⁸ During and after Afghanistan operation, Washington supported Central Asia states without paying attention to domestic situation in these countries. Authoritarian regimes of Central Asia enjoyed having good relations with the United States, Russia and China.

However after operation in Afghanistan, United States began to be more critical about corruption, bribery, human rights violence and lack of reform in democratization process and intervened state building process in the region in order to shift them to democracy. This change in the policies of the United States caused anxiety and skepticism toward Washington.²⁷⁹ Uzbekistan which is the most important partner of Washington in “War on Terror” is the clearest example of changing policies of Washington in terms of human rights and democracy.

²⁷⁷ Pang Zhongying, “The U.S. role in Sino-Russian relations”, *Beijing Review*, 45, Issue 21, (2002).

²⁷⁸ Chien-peng Chung, “China and the Institutionalization of the Shanghai Cooperation Organization” *Problems of Post-Communism*, 53, No. 5 (September-October 2006): 12.

²⁷⁹ Evgeny Troitskiy, “US Policy in Central Asia and Regional Security”, *Global Society*, Vol. 21, No. 3, (2007):426.

Washington gave crucial support, both in economic and military terms to Islam Karimov who has been blamed to be implying harsh measures and over violence to Islamic dissidents, because of need for Karshi Khanabat airbase.²⁸⁰ Uprisings in Andijan in 2005 changed this process; Washington joined European Union in criticizing of harsh measures used by Tashkent. Therefore Karimov began to blame West and United States for uprisings in Andijan and Uzbekistan turned her face to SCO.²⁸¹

Year of 2005 was the turning point for power balances in the Central Asia; United States had been in more advantageous position according to SCO in her relations with Central Asia states. However after attitude of Washington began to change from solely strategic and military view to more democracy and human rights oriented view, balance of power began to shift towards SCO. Central Asia states began to interpret Washington as an interventionist to their domestic affairs after Andijan uprisings and colored revolutions in post Soviet states. After Andijan incidents and Tulip Revolution in Kyrgyzstan, elites in Central Asia states began to question support of United States and administrative cadres of their states.²⁸² After this change in Central Asia states, SCO did not miss this chance and made strong maneuvers against United States presence in the region; SCO as the organization which puts non intervention to domestic affairs to the core of the cooperation, gained more interest from Central Asia states and made its first solid moves against United States.²⁸³ In Astana summit of SCO in 2005, SCO members wanted United States to evacuate military bases in Uzbekistan and Kyrgyzstan and withdraw her forces from Afghanistan. This first symbolic step against hegemony of United States meant a lot for SCO members. Besides this move; Iran which is one of the “axis of evil” states determined by Washington, accepted as observer member to the organization. India as one of the strong partners of Washington in Asia also joined organization as

²⁸⁰ Ibid., 427.

²⁸¹ Garry Leech, *Crude Interventions, the US, Oil and the New World (Dis)Order*, (New York: Zed Books, 2006), 84-85; Thomas W. Simons Jr. “The United States, Asian Security and Central Asia, Before and After September 11”, *Islam, Oil and Geopolitics, Central Asia After September 11*, ed. Elizabeth Van Wie Davis and Rouben Azizian (United States: Rowman and Littlefield Publishers, 2006), 278.

²⁸² Eugene Rumer, “The United States and Central Asia: In Search of a Strategy”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (London: M.E. Sharpe, 2007), 49.

²⁸³ Robert Parsons, “Central Asia: China-Russia Bloc Challenges U.S. In Region” Radio Free Europe-Radio Liberty, <http://www.rferl.org/content/article/1062378.html>, (accessed July 23, 2009)

observer member. On the other hand Russia and China made their first joint military exercise in this year under observation of other members of the SCO. As it can be observed, 2005 was also a turning point for SCO because of increasing its tone of criticism toward policies of United States. After 2005 influence of United States began to decline as affect of SCO started to increase.

As a response of these moves United States made an application to join SCO in 2005 and this application was rejected by the organization.²⁸⁴ This application can be interpreted as attempt of United States to show that SCO is a club of dictators and a democratic state can not join this organization.

4.2. Attitude of Russia towards Central Asia and SCO

4.2.1 Policies of Russia

Policies of Russia as former ruler of the Central Asia, still has great importance over the region. However it should be noted that, after collapse of the Soviet Union, policies of Moscow toward Central Asia have passed through some different phases. As Trenin indicates²⁸⁵; Russian policy towards Central Asia have experienced four different stages in the post Cold War era; first stage began with collapse of Soviet Union and lasted until 1992. During this era, Moscow evacuated Central Asia voluntarily as a result of Western oriented policies. Former Soviet republics, especially ones in Central Asia, considered as unnecessary burdens on the shoulder of Kremlin.

Second phase of Russian policies began in 1992 and lasted until 1999. Important developments in Central Asia, namely Tajik civil war, made Moscow to put its attention on to the region again. During this era Russia tried to place some outposts in the region in order to prepare basis for implementing her policies in the region in the future; Russian troops intervened the Tajik civil war as peacekeeping forces and the Collective Security Treaty signed. However relatively slow decline of Russian influence continued during this era and this decline made other important

²⁸⁴Fredrick W. Stakelbeck Jr. "A New Bloc emerges?" quoted in Ariel Cohen, "After G-8 Summit: China and the Shanghai Cooperation Organization" *The China and Eurasia Forum Quarterly*, 4, No. 3, (2006): 63

²⁸⁵Dmitri Trenin, "Russia and Central Asia, Interests, Policies and Prospects", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 118-124.

actors to penetrate to the region, namely United States, China, Iran and Turkey. Western energy companies began to make investments in Caspian region, China made trade agreements with newly independent states in Central Asia and Russian monopoly over energy and trade began to have severe decline. As these developments occurred, Moscow was heavily involved with Chechen dispute in northern Caucasus which caused decrease in Russian prestige.

Third phase of Russian policies began in 2000; Moscow rediscovered importance of Central Asia and began to make some initiatives to turn back to the region. During this era, Putin has come to power in Kremlin and established more active and solid relations with his Central Asian counterparts. However 9/11 incidents in the United States in 2001 put its mark on to the third phase of Russian policies; American policies toward Central Asia and Afghanistan were interpreted as a new chance for cooperation with Washington in Kremlin. Russia expected to be a strategic partner of the United States in her “war on terror” as a response to recognition of Russian influence over the region. American presence in the region considered temporary and Russia welcomed this presence because American troops cut influence of radical Islamists which Russia set as one of the most important threats to herself. However American policies toward Central Asia and Afghanistan caused a great disappointment; Washington chose to create alliances with individual Central Asian states and conducted operations in Afghanistan with her NATO partners. Washington ignored Collective Security Treaty Organization (CSTO) and SCO.

After this disappointment, Moscow started the fourth and last phase of its policies in 2003. During this era, Russia determined to regain her former influence areas from the United States. Colored Revolutions in Ukraine, Georgia caused fear among one man governances in Central Asia and these revolutions interpreted as policy of Washington in order to reshape post Soviet countries according to its interests. Uprisings in Andijan Uzbekistan and so called Tulip Revolution in Kyrgyzstan strengthened these fears. In addition, heavy Western and American criticism toward state authorities’ approach to rioters, especially in Uzbekistan, caused anxiety and skepticism towards American presence in the region. These developments gave chance to Moscow to increase her relations with Central Asian

states bring them back to her area of influence. Withdrawal of Uzbekistan from organization of GUUAM (Georgia-Ukraine-Uzbekistan-Azerbaijan-Moldova) and demand of evacuation of American forces from military bases in Uzbekistan and Kyrgyzstan in SCO summit in 2005 marked the return of Russia to the region again. After that, Russia strengthened her relations with her former influence area; Uzbekistan joined Moscow supported Euro Asian Economic Community (EAEC) and signed a treaty with Moscow in 2005, Moscow began to be more active in energy field, made joint military exercises under SCO and CSTO umbrellas.

Russian has multiple interests toward Central Asia in economical, security and geopolitical terms. Therefore explaining these different fields are important to understand policies of Moscow towards the region.

4.2.1.1 Security

Central Asia is crucial for Moscow in terms of security because of its strategic geographical location. Central Asia constitutes southern border of Russia and acts as a buffer zone against conflicted countries in her south such as Afghanistan, Pakistan and the Middle East. On the other hand this region also acts as a bridge for Moscow to be influential in these regions. Therefore Russia interprets Central Asia as her “near abroad” and wants to continue her influence in the region. Solid Russian influence in her former territory gives significant advantage to Moscow in international arena and prevents spill over of religious and ethnic conflicts of these regions to inside of Russia.

Radical Islamism is the most urgent threat for Russia since the end of Cold War. Radical Islamists want to recapture Muslim Central Asia region where Christian Russians conquered at 19th century and then atheist Soviet Union ruled for decades.²⁸⁶ Moscow has been afraid of increased radicalism which may also influence Muslims inside Russia and cause an internal strife. In the first years of post Cold War era, Islam and nationalism interpreted as the main sources of conflict in Central Asia as it is stated in 1992 in the draft of first military doctrine of Russia. In 1994, Foreign Intelligence Service Report indicated that; radical Islamism is rising as

²⁸⁶ Ibid, 83.

a threat and Russia must be ready to contain it.²⁸⁷ As it can be observed, radical Islamism has been in the highest ranks of threat perceptions of Moscow for a long time. Therefore Kremlin has made attempts to cut increase of radical Islamism in Central Asia. In 1998, a coalition established with participation for Uzbekistan and Tajikistan which are the most sensitive states in the region against radical Islamism threat.²⁸⁸ After terrorist attacks in Dagestan and Chechnya, Moscow included radical Islam to the 2000 National Security Concept under the context of international terrorism.²⁸⁹

On the other hand, increasing Western influence in the Central Asia is another important threat for Moscow. Increasing American presence in the region first recognized as something beneficiary for Moscow because of Washington's fight against terrorism. Russia could not have necessary measures against increasing radical Islamism in the region supported by Taliban administration in Afghanistan. Thus, operation of the United States in Afghanistan gained support from Kremlin; because both Moscow and Washington were aiming to stop increase of radical Islamism. Besides, Kremlin planned to increase its own relations with the United States through fighting against this common enemy. However incidents did not evolved in the way that Russia predicted; Washington gave more weight to cooperate with Central Asian states than Russia during Afghanistan operation and Moscow had to allow Washington to get military bases, in the region.²⁹⁰ This attempt of Washington created a great discomfort in Moscow, because uncontrolled penetration of United States would undermine Russian interests in the region in economical, political and security terms.²⁹¹

Therefore Moscow began to support *status quo* in the region in order to prevent penetration of foreign forces to Central Asia, namely radical Islamism and United States. When results of both radical Islamism and increasing American influence concerned, they are nearly the same; both of them destabilizes the region, diminishes

²⁸⁷ Lena Johnson, "Russia and Central Asia", *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 100.

²⁸⁸ Ibid.

²⁸⁹ Ibid.

²⁹⁰ Dimitri Trenin, "A Ferewell to Great Game? Prospects for Russian American Security Cooperation in Central Asia", *European Security*, 12, (2004): 23.

²⁹¹ Dimitri Trenin, "Southern Watch: Russia's Policy in Central Asia", *Journal of International Affairs*, 56, no.2, (2003):123.

role of Russia. The more radical Islamism in Central Asia increases, the more possibility of its spill over to Muslims inside of Russia increases.²⁹² On the other hand, destabilization of the region and shift of Central Asia governments to the democracy could pave the way to radical Islamism in these states. Therefore Kremlin supports current leading cadres of Central Asian states.²⁹³ Increasing democratization of Central Asia states can strengthen dissidents inside Russia who wants more rights and democracy.

Main security tool of Russia against both of these threats is Collective Security Agreement Organization (CSTO) which established on the basis of “Collective Security Agreement” that was signed in 1992 in Tashkent. This treaty was transformed to a permanent organization in 2003.²⁹⁴ Through this agreement, Russia aimed to guarantee peaceful solution of problems among Central Asia states and create a basis for continuum of her military power in the region. Anti terrorism rapid reaction force established in Bishkek with 4000 military personnel.²⁹⁵ However it should be noted in here that, this treaty and organization could not give the desired results for Moscow; Central Asian states lost their interests in participating security structures with Russia in the second half of the 1990s, because of their fears of return of Russia back to region and increasing possibility of making cooperation with the United States and China. Uzbekistan did not renew the agreement when it expired in 1999 and she joined rival United States supported GUAM organization, on the other hand Turkmenistan has never signed Tashkent treaty.²⁹⁶ Therefore Russia wanted to increase bilateral security relations with Central Asia states on the basis of radical

²⁹² Lena Johnson, “Russia and Central Asia”, *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 100.

²⁹³ Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 91-92

²⁹⁴ Lena Johnson, “Russia and Central Asia”, *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 104; Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 98.

²⁹⁵ Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 99.

²⁹⁶ Lena Johnson, “Russia and Central Asia”, *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001), 104

Islamism, drug and arms trafficking. Clearest indicator of this policy can be observed in relations with Uzbekistan and Tajikistan. Moscow made agreements with these states on October 1998. Then, Russia and Uzbekistan signed bilateral security agreements in 1999 and 2000 and after these agreements Uzbekistan joined “Commonwealth Southern Shield 2000” military exercises of CSTO that was aimed to prevent terrorist penetrations to the region from Afghanistan.²⁹⁷ Relations between Russia and Uzbekistan began to increase during these years.

Tajikistan is the longest and the most solid security partner of Russia among Central Asia states. Russian troops led CIS peacekeeping forces in this country and Russia established a military base in the country in 2004 with 7000 troops of 201st Division.²⁹⁸ Tajikistan has great importance for Russia in order to block radical Islamists terrorist penetrations to the region. Tajikistan is northern neighbor of Afghanistan, therefore this state is the first stronghold against radical Islamists, drug and arms traffickers. As it can be observed importance of Tajikistan is crucial for Russia in order to fight against her biggest threat radical Islamism. On the other hand Russia established an air force base in Kant in 2003 according to agreement signed between Russia and Kyrgyzstan.²⁹⁹ When US base in Manas considered, this attempt of Russia is a clear indicator of her determined policies in terms of balancing and limiting influence of United States in the region.

US military intervention to Afghanistan changed the balances in the region in a negative way for Moscow. When, plans of Kremlin in order to increase relations with Washington on the basis of fight against radical Islamists and its expectations of recognition of Russia as the dominant state in the region failed. Russia changed her position and began her policies to gain her former influence areas back. Policies of the United States were the most important element that helped Russia to gain Central Asian states back. Change of United States’ policy to more democracy oriented approach and criticizing of Central Asian states, created suitable atmosphere for Moscow. When influence of United States began to decline after 2005, Russia penetrated to the region and increased her power. Uzbekistan closed American base

²⁹⁷ Ibid.,108.

²⁹⁸ “Russia wins permanent military base in Tajikistan”, *China Daily*, 17-10-2004, http://www.chinadaily.com.cn/english/doc/2004-10/17/content_383040.htm (accessed July 24, 2009)

²⁹⁹ “Russia opens Kyrgyzstan base”, *BBC News*, 23-10-2003, <http://news.bbc.co.uk/2/hi/asia-pacific/3206385.stm> (Accessed July 23, 2009)

in Kharshi Kahanbat and Kyrgyzstan started negotiations to close American base in her country in 2009.³⁰⁰

As it can be observed radical Islamism and increasing American influence in the region are the main security threats for Russia. Moscow in one hand tries to eliminate these threats and on the other hand tries to establish her former influence in the region and prevent penetration of other actors. CSTO is still the most important tool for Russia in her security relations with Central Asia. However there are some problems about CSTO; energy rich Turkmenistan has never participate this organization, Kazakhstan and Kyrgyzstan are members of the organization but they are following a low profile policy inside of the organization. Uzbekistan returned to the organization as a full member in 2008. Tajikistan, one of the smallest and weakest states in the region, left as the main security partner of Russia in the region. CSTO can still be interpreted as a political organization rather than a security organization because; military intervention of this organization to a problem in its influence area is unlikely in the short term.³⁰¹ American lead CENTRAZBAT is a major rival for CSTO and leaders of Central Asia states are still suspicious to join military alliances with Russia.³⁰²

4.2.1.2 Economy and Energy

Russia has founded Commonwealth of Independent States (CIS) Customs Union and Euro Asian Economic Community (EAEC) in order to increase her trade volumes and keep Central Asia states depended on herself in economy terms. However it should be noted that as new actors penetrate to Central Asia, role of Russia especially in trade relations reduces. Increased relations of Central Asian states with China and the United States makes trade volume of Russia reduce.³⁰³

However main interest area of Russia in terms of economy is energy. Russia has the monopoly over transportation routes of Central Asia energy sources; pipelines

³⁰⁰ “Kyrgyz closure of US base 'final' ”, BBC News, 6 February 2009, <http://news.bbc.co.uk/2/hi/asia-pacific/7873866.stm>, (accessed July 23, 2009)

³⁰¹ Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 100

³⁰² Ibid.

³⁰³ Lena Johnson, “Russia and Central Asia”, *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001),98.

which constructed during Soviet times were aimed to transport oil and gas to inner regions of the Soviet Union. Therefore after their independence, Central Asia states remained depended on Russia in order to sell their oil and gas to world markets. During first years of Central Asia states' independence Russia implemented high transportation fees and put quotas on transferred resources; this situation caused trouble with Central Asia states and thus these states began to look for new ways to transfer their oil and gas.³⁰⁴ At the last years of 1990s western energy companies began to be active in Central Asia and Russia could not respond to their projects in Caucasus and Central Asia. Western companies created projects for shipment of Caspian oil and gas resources to the world markets bypassing Russia. Fail of Baku-Novorossiysk project because of ongoing war in Chechnya where is located in the crossroad of the pipeline and signing of Turkmenistan memorandum of understanding in order to join BTC pipeline was the clear defeats for Russians during these years.³⁰⁵

After these fallbacks in energy fields, Russia began to make her own projects in the last years of 1990s and beginning of the 2000s. Moscow launched Caspian Pipeline Consortium (CPC) pipeline which by passes Chechnya from Tengiz field in Northern Caspian in Kazakhstan to port of Russia in Novorossiysk in Black Sea in 2001.³⁰⁶ Through this project Russia wanted to avoid joining of Kazakhstan to BTC pipeline with construction of a pipeline under Caspian Sea.

Besides oil, Russia is very active in natural gas area; Moscow puts great pressure on Turkmenistan not to join BTC pipeline through "Trans-Caspian Pipeline"; Moscow uses tax reductions and reduction in transportation fees in order to deter Turkmenistan to join BTC. Russia is the only way for Turkmenistan to sell her natural gas to world markets and Moscow does not want to lose this privilege. In addition to Turkmenistan, Russian gas company Gasprom is active in Uzbekistan, too; Russia wants to feed Kyrgyzstan and Tajikistan with the gas that is produced in Uzbekistan by Gasprom. Through this project Moscow wants to control power of

³⁰⁴ Ibid.,101

³⁰⁵ Ibid.

³⁰⁶ Dmitri Trenin, "Russia and Central Asia, Interests, Policies and Prospects", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 106; Lena Johnson, "Russia and Central Asia", *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001),102.

Uzbekistan over these states and make Kyrgyzstan and Tajikistan more depended on Russia instead of Uzbekistan.³⁰⁷

There are three main aims of Moscow in energy field in the Central Asia; first, gaining determining role over oil and gas exploration and transportation routes; second, gain her former dominant role over region's energy market and third controlling hydroelectric power production in the region.³⁰⁸ Russia uses her own energy sources as a foreign policy tool especially against Europe, therefore Moscow does not want Central Asia states to be a rival in energy sector. In this context control of Central Asia energy sources is extremely important for Russia not only in economy terms but also political terms. Moscow wants to keep Central Asia states in her periphery and making this through energy is the most suitable and easy way in today's economy oriented world. Dependence of Central Asia states to Russia in terms of energy will make them depended in other fields, therefore penetration of other actors to the region such as China and the United States causes declines in interests of Moscow.

4.2.1.3 Geopolitics

During first years of the post Cold War era, Moscow foreseen that, the vacuum occurred in the Central Asia could be filled by United States, Turkey and Iran.³⁰⁹ According to Russian Foreign Intelligence Service report in 1994, United States was working to disintegrate CIS and separate Russia from former Soviet territories, on the other side Turkey and Iran were trying to penetrate to the region.³¹⁰

However, another important element acted much faster to fill the power vacuum in the region; radical Islam. Decision makers in newly independent Central Asia states used Islam as a nation building element and supported Islam as transition ideology from socialism to capitalism especially in Uzbekistan. This policy created a suitable atmosphere for radical Islamist elements to gain support. On the other hand

³⁰⁷ Dmitri Trenin, "Russia and Central Asia, Interests, Policies and Prospects", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007),108

³⁰⁸ Ibid, 106.

³⁰⁹ Lena Johnson, "Russia and Central Asia", *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001),98.

³¹⁰ Ibid., 115.

radical elements welcomed collapse of the Soviet Union and interpreted this as a chance to establish a caliphate in Central Asia. These radical elements gained support especially in Fergana Valley.

Western influence, especially in terms of economy, increased in the region during first years of post Cold War era. However radical Islamism also began to gain supporters in the region. Therefore Moscow did not object American military intervention to the region after 9/11; American military forces would cut influence of radical Islamism which Russia always wanted to do but did not have enough power to realize. On the other hand, Moscow interpreted American presence in the region as temporary, however if China would start a fight against radical Islamism, she would be permanent and cause much more decrease in influence of Russia.³¹¹ It can be stated that, Russia preferred United States to China because Moscow thought that her presence would be temporary. In this context, Moscow supported United States in her fight with radical Islam. However this policy changed in the first years of 21st century; Russia realized dangers of American presence in the region and Kremlin realized American presence is not temporary in the region. Therefore Russia strengthened her cooperation with China in order to limit United States.

Today main strategic policy of Russia towards Central Asia is to prevent status quo, keep Central Asia states in the periphery of CIS and prevent uncontrolled penetration of foreign forces to the region. Because any change in the region without control of Moscow can pave the way to fall of entire region to hands of radical Islam or can cause shift of Central Asia to periphery of United States and make Russia lose her soft underbelly to her rivals. Democratization of Central Asia states will result in increase of radical Islam in political life according to Russia and this can spill over to inside of Russia. Therefore Russia interprets colored revolutions as change in the status quo in the region and heavily objects them. Stable and secure atmosphere in Central Asia is crucial for Moscow not only for domestic stability of Russia but also for continuum of Russian influence in the region. It can be stated that; radical Islamism threat which emanates from Afghanistan, left its place to American threat in the same country.

³¹¹ Dmitri Trenin, "Russia and Central Asia, Interests, Policies and Prospects", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 106

Besides United States, Russia is uncomfortable with penetration of Turkey and Iran to the region. According to Johnson, a Persian speaking Islamic belt can be established in the South of the Central Asia by Iran, Tajikistan and Afghanistan ranging from Persian Gulf to Chinese border.³¹² Although after military operation of United States to Afghanistan this opportunity decreases, there are still important linguistic and religious ties among people of this region. On the other hand, influence of Turkey is another matter of concern for Russia; ethnic, religious and cultural ties of Turkey with Central Asia states caused anxiety especially in 1990 in Kremlin. Like Persian speaking Islamic belt in the South, a Turkish speaking belt in the north of the Central Asia could be established.³¹³ Both of these opportunities can cause increase of influence Turkey and Iran and decrease of Russian influence. Therefore Russia uses these both belts to balance one another.

When geopolitical importance of Central Asia states concerned it can be observed that, every single state is important for Russia because of different reasons. Uzbekistan is one of the strongest states in the region and her geographical position acts a blockage against spillover of radical Islamist elements in Afghanistan to the north. Therefore Moscow supports a strong regime in Uzbekistan in order to avoid Islamism to affect her borders.³¹⁴ Although Karimov administration did not want Russian military bases in his country and turned face of his country to United States after 9/11 incidents, Russia did not cut her relations with Uzbekistan and tried to keep Tashkent in her periphery. When relations with Uzbekistan and United States deteriorated, Moscow did not waste this chance and strengthened her relations with Uzbekistan. There are important Uzbek population in Kyrgyz and Tajik sides of Fergana Valley and Northern Afghanistan; this situation makes Uzbekistan one of the most influential states among Central Asia states. Control of this important power is crucial for Russia.

Kazakhstan is crucial for Russia because this state is the southern gate to Central Asia. Large territories of Kazakhstan act as a buffer against threats from

³¹² Lena Johnson, "Russia and Central Asia", *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001),124

³¹³ Ibid.

³¹⁴ Dmitri Trenin, "Russia and Central Asia, Interests, Policies and Prospects", *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007),87.

south such as radical Islamism, drug and arms trafficking. Kazakhstan sits on the crossroads of China, Central Asia, Europe and Russian Siberia, therefore her geographical location makes this country crucial for Moscow both in terms of economy and security. On the other hand, Kazakhstan still has 4, 5 million ethnic Russians in her territories which constitutes %30 of her total population.³¹⁵ Because of this large ethnic Russian population, Kazakhstan is open for Russian influence.

Tajikistan is the closest security partner of Russia. This small country is a strategic dam against radical Islamists in Afghanistan. Besides, Dushanbe has serious problems in terms of radical Islamists especially located in Fergana Valley. Fall of Tajikistan to the hands of radicals may open the way towards north for radicals and may affect both Kyrgyzstan and Uzbekistan which both have radical Islamism problem because of Fergana Valley.

Kyrgyzstan experienced a colored revolution; however Russia and China managed to keep this state in their periphery thanks to their experiences from other colored revolutions in Ukraine and Georgia. Kyrgyzstan sits in the hearth of the Central Asia in geographical terms; therefore both Russia and United States have military bases in this state. Closing of military base of United State in Manas airport is a gain for Russia in the influence game.

Turkmenistan is important for Russia especially because of her vast natural gas sources. Russia is still the only way for transportation of Turkmen gas to world market. Russia does not want to lose this economical privilege and on the other hand, as a natural gas producer herself, does not want Turkmenistan be a competitor in world natural gas market. Therefore Moscow tried hard to avoid signing of agreement when Ukraine made attempts to sign a gas deal with Turkmenistan which by passes Russia and managed to block agreement. On the other hand Russia managed to prevent Ashgabat to join BTC pipeline through construction of a pipeline under Caspian Sea.

³¹⁵ Ibid, 112.

4.2.2 Effects of Policies of Russia in Central Asia to China

During Cold War, both Russia and China interpreted each other as hostiles, however after collapse of Cold War, relations between Moscow and Beijing increased in a short time. At the post Cold War era, Russia and China solved their border disputes through Shanghai Five process. They signed Strategic Partnership Act in 1996 and Kosovo operation of NATO made these states come closer.³¹⁶ After Kosovo operation, China realized importance of modern defense technology of United States and started her military modernization through cooperation with Russia. Moscow and Beijing signed “Treaty on Good Neighborly Relationship and Cooperation between Russian Federation and People’s Republic of China” in 2001 which included resolution of border issues, arms trade and technology transfer, cooperation on energy and raw materials, preventing increase of radical Islam in Central Asia.³¹⁷ Then arms trade has been the most important element of the relations between two states. Eurasianist movements in Moscow that came to power with Putin, have supported increasing relations with China in order to balance NATO enlargement and increasing American presence in the post soviet States. Russia “leaned to the East to raise its stakes in the west”.³¹⁸ This strategic relationship between two regional powers in Eurasia includes very advantageous outcomes and positive effects for Beijing. However policies of Russia in Central Asia also have some negative effects for China. Even they can be ignored in the near future; these negative elements may cause some trouble for Beijing in the long term.

First positive effect of Russian policies in Central Asia for China is sharing burden and increasing her power of fighting against the same rivals; radical Islamism and increasing Western influence. As it is mentioned before, Moscow puts radical Islamism in to the first ranks of its threat perceptions. On the other hand Beijing gives great importance to radical Islamism because of radical Islamist separatist forces in XUAR. Besides, military presence and increasing economical influence of

³¹⁶ Lena Johnson, “Russia and Central Asia”, *Central Asia Security, The New International Context*, ed. Roy Allison and Lena Johnson, (London: Royal Institute of International Affairs, Washington D.C: Brooking Institution Press, 2001),117.

³¹⁷ Burcu Değirmen, “Çin-Rus Ekseni ABD’ye Meydan Okuyor”, *Stratejik Analiz*, No.64, (August 2005):14.

³¹⁸ Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007),83.

United States in Central Asia and Afghanistan are against interests of both states. Therefore, main targets of Beijing and Moscow are the same and this makes these states come closer. Establishment of SCO is the solid proof of that. Cooperation against these two elements makes both Beijing and Moscow much stronger and makes them achieve goals that they are not able to achieve alone. On the other hand cooperation, especially in security issues, reduces burdens and costs on the shoulders of these states. However both Russia and China are not willing to declare direct opposition of policies of United States because these two states have important economical relations with Washington more than they have with each other.

Second positive affect of policies of Russia for China is increasing cooperation on the basis of arms sales. Russia has been the main partner of China. China has decided to modernize her military force in the post Cold War era in order to reach technological development of military forces of the West. In this context China and Russia have made number of agreements including technology transfer and production rights. Apart from only purchase of military elements; technology transfer and import of production rights gives chance of developing her own military technologies to China.³¹⁹ Due to these transfers China can cut her dependence to foreign sources in military technology terms. In this context sale of production rights and technology transfer may cause negative results for Russia in terms of losing one of the most important arms trade customers in the future.

Third positive outcome of Russian policies in Central Asia for China is establishing stability in the region, which is crucial for China to increase her economical relations with the Central Asia states. Both China and Russia want stable and secure Central Asia without interference of foreign forces. Stability in Central Asia is crucial for China in the contexts of security of XUAR and establishing solid trade and economical relations. On the other hand stable and secure atmosphere is necessary for energy flow from Central Asia to China. Therefore maintaining security and stability in the region is one of the common goals of Moscow and Beijing which makes them come closer and increase their cooperation.

Besides these positive affects of policies of Russia in Central Asia, there is an important element that can threaten Sino-Russian relations and can cause conflict of

³¹⁹ Donaldson, Robert, "The Arms Trade in Russian- Chinese Relations: Identity, Domestic Politics and Geopolitical Positioning" *International Studies Quarterly*, 47, Issue 4 (December 2003): 712.

interests of these states in the long term; Central Asia is the common influence area of both of these regional powers. Russia still interprets the region as her back yard and tries to maintain her influence in the region though “near abroad” concept. On the other hand after collapse of Soviet Union newly independent Central Asia states provided great opportunities for China both in terms of economy, energy and security. Influence of China in the region increases day by day especially in energy terms. As it can be observed, influence areas of these states overlap. Russia has allowed or could not prevent penetration of China to her backyard after collapse of the Soviet Union and has made cooperation on the basis of balancing United States. On the other side, China has respected Russian influence in the region and did not antagonize her. However it should not be forgotten that, increase of Chinese influence in Central Asia may cause decrease of influence of Russia in the long term. China has established important relations with Kazakhstan, Kyrgyzstan and Uzbekistan both in energy and security means. Beijing tries to make agreements with Turkmenistan which Russia tries to prevent her to sell energy to world markets without control of Moscow, in order to transport Turkmen gas to XUAR through Uzbekistan.³²⁰ A pipeline from Kazakhstan to XUAR has been constructed and began to pump oil to China from Northern Caspian. China rises as the main competitor of Russia in energy and trade fields in Central Asia. As a response to energy movements of China in Central Asia, Russia has began to get close to Japan, by passing China in energy. Therefore this collision of interests may cause conflict between Russia and China. Moscow has calculated that, China will focus on her economical development and domestic issues in the near and mid term and this will provide time to Russia to gain her former power and increase it to the level of protecting her interests.³²¹ Therefore cooperation between Russia and China is likely to continue until China completes her development or Russia gains her former power. When these goals are achieved future of Sino-Russian relations will be hard to foreseen.

³²⁰ Dmitri Trenin, “Russia and Central Asia, Interests, Policies and Prospects”, *Central Asia, Views from Washington, Moscow and Beijing*, Eugene Rumer, Dmitri Trenin, Huasheng Zhao, (United States: M.E. Sharpe, 2007), 110.

³²¹ Ibid., 83.

Seeking stability and opposition to policies of the United States is the most important element that bounds China and Russia together in Central Asia. In other fields of the international arena, Russia and China supports each other against West, attitude of Russia and China in Iran's nuclear program is a good example for that. However neither Russia nor China is willing to declare open competition to United States because of important economical relations with Washington. Economical development is much more important than cooperation and when Sino Russian relations began to harm one of the sides it is likely to collapse. Opposition to United States is the glue that bound China and Russia together; however there is a covert influence race between these two powers. It can be said that future of Sino-Russian relations is at the hands of Washington.

4.2.3 Place of SCO in Policies of the Russia towards Central Asia

Main focus of Moscow in its relations with Central Asia is still CIS and CSTO, therefore it can be stated that SCO is in the second place for Russia. Kremlin wants to keep up her relations with the region through organizations that is founded by initiative of Russia and under control of Russia. However, China has great weight in SCO; negotiations that paved the way to SCO started with attempt of China, secretariat of the organization locates in Shanghai and even name of the organization indicates weight of China in the organization. That is why Russia prefers to continue her relations on the basis of CSTO and CIS.

On the other hand, SCO gives chance to Moscow to control penetration of China to Central Asia and develop relations with other important powers of the region on the institutionalized basis. Through SCO, Russia finds a forum to affect policies of China towards her back yard and keeps Beijing under control especially in security issues. Russia objects China's military attempts in Central Asia and wants to limit influence of China in economy field. Moscow resisted attempts of Beijing to have a military base in Kyrgyzstan and started negotiations with India which is strategic rival of China, to joint use of Aini air base in Tajikistan in order to balance demands of China.³²²

³²² Ibid., 95.

Russia also gains support of China which is other important regional power in Eurasia, in her fight against Islamism, radicalism and separatism through SCO. These “three evils” are common problems of both Russia and other members of SCO. Therefore Russia gains support of China, which can not be achieved through CSTO because of non membership of China to this organization. Thanks to SCO, Moscow guarantees that China will never support radical separatist elements in the region that can be threat to Russia. On the other hand, as it is mentioned above, Russia shares responsibility and burden of resisting American policies in Central Asia through SCO. Moscow could resist these policies through CSTO, too, however it should be noted in here that in this case all the responsibility of this attempt would be in the shoulders of Russia as the main impetus force of CSTO. However, when objection to policies of United States have been made with participation of China, Russia shares the burden and dangers of such an attempt with Beijing. SCO maintains this opportunity. Through the organization both Russia and China manage to find possibility of limiting influence of United States in the region.

4.3 Attitude of European Union toward Central Asia and SCO

4.3.1 Policies of European Union (EU)

Although EU is not an active player in Central Asia as much as Russia and United States, there some important fields that EU tries to be active. Central Asia is important for EU in terms of politics, security, economy and the most important energy. Policy of EU toward Central Asia began to emerge in 1990s and main tool of EU was the “Partnership and Cooperation Agreements” which signed in December 1991 with all of the former Soviet States except Tajikistan.³²³ European Commission established an embassy in Almaty, which is responsible of Kazakhstan, Kyrgyzstan and Tajikistan.³²⁴ After that, EU institutionalized its foreign policy through foundation of “High Representative of Common Foreign and Security Policy” and “European Neighborhood Policy” towards states which are not in the influence area

³²³ Parvizi Amineh, “Globalization, Geopolitics and Energy Security in Central Asia and Caspian”, (The Hague: Clingendael International Energy Program, 2003), 135.

³²⁴ “Central Asia: What Role for the European Union?”, *International Crisis Group, Asia Report* No:113, (April 10, 2006), 17.

of the union. In 2005, EU appointed a special representative to Central Asia.³²⁵ Main aim of EU in political means during 1990s was to prevent Central Asia to be a power struggle area instead of implementing its own influence; Simon Duke names this process as “reverse realism”.³²⁶ It is obvious that, policy of EU toward Central Asia has significant similarities with policies of United States during same period. After that, establishment of democracy, smooth transition to free market economy and increase in human rights standards have been other important political aims of EU toward the region. Main objectives of EU to the region stated in “European Community Regional Strategy Paper for Assistance to Central Asia” as follows; establishing security and stability, helping to deal with poverty and increasing living standards, establish closer ties with the region in the fields of energy, transport, environment and higher education.³²⁷

Security is an important aspect that affects policies of EU towards Central Asia. Stability and security in the region is crucial for security in Europe. Afghanistan is the first important point in security policies of EU towards the region. Stability in Afghanistan can not be established without stability in Central Asia, therefore EU member countries made important movements in Central Asia under NATO umbrella during Afghanistan operation. France has been using some part of the Dushanbe airport for military purposes since 2001 and Germany has a base in Termez with 300 troops.³²⁸ On the other hand Afghanistan is important for EU in terms of drug trafficking; % 90 of drug consumption in EU countries emanates from Afghanistan and reaches to Europe through Central Asian states.³²⁹ Therefore stability and security in Central Asian states, provides great advantage for EU in preventing drug trafficking. EU has been making cooperation with Afghan government in terms of drug trafficking through “Bonn Process” and “Afghan Compact”; European Commission have given €1 billion aid in anti narcotics field to

³²⁵ Emilian Kavalski, “Whom to Follow? Central Asia Between the EU and China”, *China Report*, 43, No.1, (2007): 46.

³²⁶ Ibid., 46.

³²⁷ “European Community Regional Strategy Paper for Assistance to Central Asia fro the period 2007-2013”, Official Website of European Commission, 7, http://ec.europa.eu/external_relations/central_asia/rsp/07_13_en.pdf, (accessed July 24, 2009)

³²⁸ “Central Asia: What Role for the European Union?”, *International Crisis Group, Asia Report* No:113, (April 10, 2006), 10

³²⁹ Ibid., .8-9

Afghanistan government.³³⁰ On the other hand EU has been making cooperation with Central Asia states in drug trafficking means through “Central Asia Drug Action Program (CADAP)” which adopted in January 2001 and “Border Management in Central Asia (BOMCA)” which adopted in 2003, these two programs merged in February 2004 with €38,5 million budget.³³¹ Secure and demarcated borders are the most important element in preventing transit use of Central Asia countries in drug trafficking. Therefore these two programs are heavily supports each other. EU provided technical assistance to Central Asia states especially in airports and border gates through these programs. Drug trafficking is one of the most important source of income for radical Islamist terrorist organizations which located both in Afghanistan and Central Asia. Therefore radical Islamist terrorism in Central Asia states is another important matter of concern for EU. According to EU Central Asian states try to suppress radical terrorism through use of power; however they do less in preventing joining of new members to these organizations. Continuum of these organizations causes instability in the region especially in Fergana Valley and that causes security threats for Europe. Therefore EU supports increase of economical conditions, decrease poverty in the region in order to prevent joining of new members to these organizations.³³² Europe is the first destination in case of a migration flow from the region in case of instability of armed conflict and current economical and social circumstances of European countries are not able to absorb these migrations. Therefore EU supports security and stability of Central Asia both in security, human rights and democracy means.

Economy and energy are the most important elements that shape policy of EU towards the region. First initiative of EU toward the region in economical terms is “Technical Assistance to Commonwealth of Independent States Program (TACIS)” which launched in 1991.³³³ Aim of EU through this project has been to strengthen transition to free market economy and democracy through technical and financial assistance to CIS states. This process planned to pave the way to political and

³³⁰ Ibid., 9

³³¹ Ibid., 13

³³² “European Community Regional Strategy Paper for Assistance to Central Asia fro the period 2007-2013”, Official Website of European Commission, 16, http://ec.europa.eu/external_relations/central_asia/rsp/07_13_en.pdf, (accessed July 21, 2009)

³³³ “Central Asia: What Role fort he European Union?”, *International Crisis Group, Asia Report* No:113, (April 10, 2006),11.

economical stability in CIS states. Total aid of EU through TACIS program has reached € 482 million from 1991 to 2006.³³⁴ On the other hand EU launched “Transport corridor Europe-Caucasus-Asia (TRACECA) in 1993 with €110 million budget and established a secretariat in Baku in order to construct transportation lines between East and the West.³³⁵ Europe is heavily depended on Russia’s energy sources. This situation is especially important in terms of natural gas; EU countries import %46 of their natural gas from Russia according to European commission Green Paper.³³⁶ Gas crisis between Russia and Ukraine in 2006 showed importance of diversifying energy sources of EU. Therefore EU has begun to look for new energy supply lines bypassing Russia in order to break dominance of Moscow over European energy market. First initiatives for this policy began in 1995 with establishment of “Interstate Oil and Gas Transportation to Europe Program (INOGATE)” which aimed to constructing pipelines directly to Europe from Caspian region.³³⁷ Second attempt of EU in energy field was “Baku Initiative” in 2004 with participation of Black Sea littoral states and European Commission. In this meeting TRACECA and INOGATE merged and EU has tried to integrate Caspian energy markets to EU. Brussels have been creating pipeline projects for direct shipment of Caspian energy sources bypassing Russia; most important of them is “Nabucco Project”.³³⁸ Agreement of this project signed on July 13, 2009 in Ankara and this pipeline planned to transfer 31 billion cubic meters of Caspian and Middle East gas to Europe through Turkey, Bulgaria, Romania, Hungary and Austria.³³⁹ Azerbaijan will be the main source of the pipeline when it begins pumping gas in 2014. Other important project which is planned to ship energy to Europe is Baku Supsa pipeline. Energy sources of Baku would be transported to Georgian port Supsa in Black Sea coast and then they would be shipped to Odessa in Ukraine in order to be pumped to

³³⁴ Ibid., 11

³³⁵ Ibid., 14

³³⁶ See the Annex to the European Commission Green Paper, “A European Strategy for Sustainable, Competitive and Secure Energy”, at http://europa.eu.int/comm/energy/greenpaperenergy/doc/2006_03_08_gp_working_document_en.pdf quoted in Central Asia: What Role for the European Union?”, *International Crisis Group, Asia Report* No:113, (April 10, 2006),3.

³³⁷ Paul Belkin, “The European Union’s Energy Security Challenges”, *CRS Report for Congress*, (30 January 2008), 14.

³³⁸ Ibid.16

³³⁹ “Europe gas pipeline deal agreed “ BBC, July 13, 2009, <http://news.bbc.co.uk/2/hi/business/8147053.stm>, (accessed July 23, 2009)

Brody in Poland through a pipeline. This pipeline has been planned to link with Mazeika refinery in Lithuania in order to supply energy demands of Northern European states.³⁴⁰ “Trans Caspian” pipeline project which is planned to connect Kazakh or Turkmen gas to Baku Tiflis Erzurum natural gas pipeline and then shipment to Europe through Turkey is another energy project of Europe.³⁴¹ 2007 energy policy paper of the European Commission stresses increasing role of Central Asia in term of energy and strengthening role of the region within European Neighborhood Policy.³⁴²

However it should be noted that, EU has not established a common policy towards the region yet; there are serious debates within the Union about treating Central Asia as a region or establishing relations with individual states. Proximity of the region to Europe, internal discussions within the Union, corruption and bribery in Central Asia, causes concerns and different perceptions for EU states in establishing a common policy towards the region. However this issue has been tried to be resolved in strategy paper which conducts policies of EU between 2007 and 2013; according to this paper, regional cooperation will rely on “enhanced regional cooperation initiatives” and European Neighborhood Policy.³⁴³

4.3.2 Effects of Policies of EU in Central Asia to China

Policies of EU in Central Asia have some effects for Chinese policies towards the region although it is not as important as Russia’s and United State’s policies. Most important of them are human rights and democracy issues. Beijing interprets human rights and democracy disclosure of EU towards Central Asia as intervention to domestic affairs to states of the region and scares of spill over of this intervention to China. Political perception of EU takes its basis on devotion of some sovereignty rights to the supra national union and democratic structure of European states allows this. However according to autocratic governments in Central Asia leaving some of

³⁴⁰ Paul Belkin, “The European Union’s Energy Security Challenges”, *CRS Report for Congress*, (30 January 2008),16.

³⁴¹ Central Asia: What Role for the European Union?”, *International Crisis Group, Asia Report* No:113, (April 10, 2006),4

³⁴² Paul Belkin, “The European Union’s Energy Security Challenges”, *CRS Report for Congress*, (30 January 2008), 14

³⁴³ “European Community Regional Strategy Paper for Assistance to Central Asia from the period 2007-2013”, Official Website of European Commission, 22, http://ec.europa.eu/external_relations/central_asia/rsp/07_13_en.pdf, (accessed July 21, 2009)

their sovereignty rights is equal to losing their power and penetration of foreign powers to domestic affairs. Therefore democratic movements in the region could not achieve much, although they are supported by EU and United States. On the other hand China is a perfect role model for Central Asia states in terms of achieving economical development without democracy. Beijing puts non intervention to domestic affairs in to the core of her policies and establishes relations on the basis of economy and trade. This makes China more preferable partner for Central Asia states than EU.

Besides, energy and transportation projects of EU are against policies of China in the region because of being a rival for Beijing. Energy and energy transportation projects causes decline possibility of realization of Chinese projects towards the region. However China seems to be a better partner in term of energy, too; oil demand in Europe expected to increase little more than 1 million bl/d in the next 10-15 years on the other side, demand of Asian market is expected to increase 10 million bl/d at the same time period.³⁴⁴ Thus China is more profitable for Central Asia states. Both China and EU wants stability in the region for continuum of energy flow and prevention of spill over any problems to their influence areas, however their approach to the region is different from each other. EU is relatively small actor in the area and seems like bandwagoning the policies of United States.

4.3.3 Place of SCO in Policies of the EU towards Central Asia

Non existence of a common policy towards Central Asia within EU shows itself in relations with SCO. EU has not established a policy towards SCO; only initiative of towards SCO is meeting of high representative for Foreign Policy EU, Javier Solana and secretary general of SCO Zhang Deguang in 2004.³⁴⁵ A little emphasize has been put in to SCO at external policy chapter of regional strategy paper of European Community in 2007; SCO is only emphasized as an important organization under relative influence of China, important stability factor in Central Asia and

³⁴⁴ Paul Belkin, "The European Union's Energy Security Challenges", *CRS Report for Congress*, (30 January 2008), 17

³⁴⁵ Oksana Antonenko, "The EU Should Not Ignore The Shanghai Cooperation Organization", *Policy Brief, Centre for European Reform*, (May 2007), 6.

potential important actor especially in energy field.³⁴⁶ However there have been no new approaches towards SCO adopted in this strategy paper.

To sum up, it can be stated that year of 2005 was a breaking point for power balances in Central Asia. Because of lack of confidence of Central Asia states to United States after colored revolutions weight of power balance began to shift to China and Russia. Heavy criticism of Washington to Central Asia States in terms of human rights and democracy, made these states to come close to China and Russia both in political and energy terms. On the other hand, Russia and China have same enemies of radicalism, terrorism, separatism and western influence. These common enemies make them come closer and establish concrete relations. However, there are some problems between China and Russia; Central Asia is common influence area of both of these states. When their common threats disappear, Central Asia may transform in to a problem zone rather than cooperation field and this can effect Sino Russian relations and future of SCO. EU is also another important actor although it is not active in the region as much as Russia and United States. Democracy and energy are the most important aspects for EU. Brussels tries to diversify its energy sources after gas crises with Russia. Therefore EU creates energy transfer projects from Central Asia such as Nabucco. Democracy issue is especially important for autocratic regimes of Central Asia and China. Pressure of EU to Central Asia governments in terms of human rights makes them to increase their relations with China, Russia and SCO which are not involve to domestic affairs.

³⁴⁶ “European Community Regional Strategy Paper for Assistance to Central Asia”, Official Website of European Commission, http://ec.europa.eu/external_relations/central_asia/rsp/07_13_en.pdf, 10.

CHAPTER FIVE

CONCLUSION

Role of SCO in Chinese foreign policy towards Central Asia and its effects on world politics has been tried to be explained in this study. SCO is a regional organization in Central Asia. As a regional, security originated organization; SCO is the one of the clearest example of “new regionalism” which is based on interests of the members, mutual benefit and openness to participation of other actors. SCO is not based on common identity, common history or ideology which are main pillars of old regionalism. SCO does not demand any sovereignty sacrifices; on the contrary, it puts non intervention to domestic affairs and protection of sovereignty in to the core. EU was founded on the pooling of sovereignties; however these kinds of attempts are understood as loss of power and authority within the state. On the other hand SCO put great emphasizes to confronting hegemony and power politics, respect to differences among states and mutual economical development. Consequently it is not against any actor in world politics. These characteristics materialize in “Shanghai Spirit” which is the fundamental basis of SCO.

Under guidance of the theoretical background which has been explained at the introduction part, comprehensive definition of SCO has been made in chapter 2. SCO transformed from Shanghai Five process which just aimed border demarcations to an institutionalized organization which put multi polarity, regional stability and economical development in to the core. However, “Shanghai Spirit” and fight against “three evils” concepts have never changed during transformation process. SCO gradually moved on the way to finish institutionalization process and began to make important moves; through accepting observer members enlarged its field of influence, made moves to realize her target of multi polar world through demanding deadlines for coalition forces from Afghanistan and Central Asia states, increased cooperation on trade and energy fields and showed her military power to the world due to military exercises.

SCO has become active in three main fields in Eurasia region; political, economic and security. SCO members want *status quo* in the region to be protected. Therefore, they interpret every move aiming to change current situation as against their interests and try to prevent them through using “non intervention to domestic affairs” disclosure. Democratization and increase of human rights standards can cause instability in the region because of lack of democratic culture in the region. On the other hand autocratic administrative cadres of SCO member states do not want to lose their seats through democratization movements. Therefore SCO objects Western understanding of human rights and democratization processes in the region and it interprets them as intervention to domestic affairs of the states.

In economic terms energy constitutes the main basis of cooperation. China needs energy to feed her giant economy, on the other hand energy rich members of the SCO such as Russia, Kazakhstan and to some extent Uzbekistan needs to sell her energy. Consequently SCO creates the forum for energy rich and energy demanding states. On the other hand thanks to increasing dialogue within SCO, trade volume between members is increasing gradually although there are still some problems.

Security, as being the main reason for establishment of the organization, still at the core of the organization. Main target of the organization since “Bishkek Declaration” in 1999 has been fighting against three evils of terrorism, separatism and radicalism. All the members of SCO suffer from one of these elements. Therefore through setting three evils as the main target of the organization, members try to protect territorial integrity, security and stability of their countries and the region. It should be noted that SCO does not founded against any actor in the world politics. Therefore discussions about SCO as being the second Warsaw Pact is in meaningless in the short and the mid term. SCO aims a multi polar world and both Russia and China want to be one of the great powers of this multi polar world. Although SCO is not directly against United States, it objects her policies in Eurasia region because of causing instability in the region. In other words, SCO just tries to protect stability in the region. Therefore it resists policies of United States because her policies harm power balances and cause instability in the region. On the other hand all of the members of SCO have important economical and political relations with United States. They do not want these relations to be deteriorated and therefore

they do not want to antagonize Washington, however they want United States to respect their peculiarities. In this respect they try to balance United States through SCO.

Although members of the SCO have some common targets, every state within the organization also expects some different gains from the organization. As one of the biggest members of the organization Russia, wants to limit and control presence of China in backyard through SCO. Strengthening its role in energy field in Central Asia, balancing NATO and the West and guaranteeing her place in arms trade with SCO states are other important points that Russia gains through SCO. Kazakhstan wants to balance economical and political weight of Russia in the country especially in energy field with China through the organization. In Uzbekistan case, Tashkent wants to eliminate radical Islamist elements in the country through SCO. After 2005 Andijan incidents, Uzbekistan wants to balance Western criticisms in terms of human rights, with SCO. As one of the smallest members of the organization, Tajikistan tries to develop her economy and solve her problems in Fergana Valley because of radical elements. Kyrgyzstan wants to prevent any other “Tulip Revolutions” in the country and wants to increase her relations with two “big brothers” of the region, China and Russia.

Because of internal discussions about enlargement of SCO, members created observer membership in order to keep important states in the influence area of the organization. Mongolia, Iran, Pakistan and India accepted as observer members to the organization with their advantages and disadvantages for the organization.

Main sources and goals of foreign policy of China and policy of Beijing towards Central Asia explained in Chapter 3. Main characteristics of Chinese foreign policy constitute efficient basis for decision makers in Beijing to walk on the way to materializing the main goals of Chinese foreign policy. Pragmatism which is one of these characteristics has been one of the most important reasons for economical development of China, allows Beijing to establish mutual interest based relations with other states. Other important characteristic of Chinese foreign policy; nationalism has been used as the main factor in order to maintain internal stability and public support for foreign policies. Multilateralism as the last important characteristic of Chinese foreign policy provides opportunity for Beijing to cooperate

with other powers in order to increase her power in economical, security and political means.

With the help of these important elements, China wants to reach some targets in foreign policy; first target of Beijing in this context is maintaining domestic stability and territorial integrity. Beijing wants to be strong inside in order to be influential in international area; thus domestic stability is *sine qua non* for that. On the other hand, being strong inside means, being influential against threats which want to separate China. However there are some problems in front of Beijing in realizing this goal such as economical inequality among Chinese people, transferring of power to local authorities and increase in ethnic nationalism. Beijing tries to solve these problems through abovementioned characteristics of her foreign policy; she uses economical power, pragmatist policies, state controlled nationalism and making cooperation with her neighbors in order to prevent threats to her territorial integrity. Domestic stability and non threatened territorial integrity is a must for China in order to be a more influential both in the region and in the world.

Second aim of Chinese foreign policy is to creating a modern and strong military. Hard power still is the most important aspect of political power in current neo-realist international environment. Consequently Beijing needs a strong and modern military in order to increase her influence area, defend her territorial integrity and deal with new security threats. Balancing influence of United States in both Pacific and Central Asia, being strong in Taiwan dispute, having deterrence effect on territorial disputes are the concrete aims of military modernization of Beijing. In terms of military modernization, Russia is the main partner of China. However, China wants to develop her own military technologies in order to cut her dependence to foreign sources.

Third aim of Chinese foreign policy is to be a regional power in Asia-Pacific region. Beijing is aware of the responsibilities and burdens of following a policy toward global dominance. Therefore officials in Beijing emphasizes in every opportunity that China does not want to be a super power. Although it is not clear that whether Beijing wants to be a global power, it is obvious that China wants to be influential in her region. However it should be noted in here that China wants to imply her dominance in Asia-Pacific region instead of Central Asia, for now. China

respects influence of Russia in Central Asia and she is not likely to challenge Moscow in near future. Multilateralism is the most important instrument of China as she is the key member of the important international organizations in the Asia Pacific region.

As sub branch of Chinese foreign policy, Central Asia policy of China is heavily affected by abovementioned aims and characteristics. Energy is the most important element of Chinese foreign policy towards Central Asia. China is still heavily depended on energy sources of the Middle East. Reasons such as dominance of United States in Middle East, security problem in the transportation routes have made Beijing to diversify her energy sources. Thus, Caspian region constitutes great opportunity for China thanks to its geographical proximity and security of shipment routes. Consequently, Beijing has been active in Central Asia in terms of energy; pipeline from Kazakhstan to China, pipeline projects in Turkmenistan and investments of Chinese energy companies in Kazakhstan are the recent important moves of Beijing in the region. On the other hand increasing trade volume with Central Asia is another important aspect of policies of China towards this region.

Security of XUAR is another important element in Chinese policy towards Central Asia. This region has been longstanding problem of Beijing because of separatist and radical Islamist elements. After independence of Central Asian states which have important ethnic and religious ties with Uyghur people living in XUAR, officials in Beijing began to be afraid of spill over of this independence wind to China. Therefore China put fighting with separatist and radical terrorist elements in to the core of her policies towards Central Asia and made cooperation with Central Asia states in order to cut support to separatist elements from Central Asia and prevent separation of this region.

Final aspect of Chinese policies towards Central Asia is balancing United States in the region. United States has important military presence in Pacific region. After Afghanistan operation, Washington established military bases in Central Asia and Afghanistan. This makes China to be contained from both East and West. On the other hand Western supported colored revolutions caused anxiety among Chinese decision makers in terms of being the next target of this kind of regime changes. These elements put China to very disadvantageous position against United States and

causes security threat. Therefore Beijing wants to limit influence of United States in Central Asia in order to avoid potential security problems emanate from United States.

As it can be observed, SCO is the most suitable instrument for Beijing in its policies towards Central Asia. Establishing stability in the region through SCO creates suitable atmosphere for secure energy flow and increase trade volumes of China. Besides, creation of “energy club” within SCO, China can be more influential in energy field. Increasing economical aspect of SCO provides opportunities for Beijing to strengthen her trade relations with Central Asia states and Russia. On the other hand thanks to setting three evils of separatism, terrorism and Islamic radicalism as the main enemies of the organization, Beijing managed to cut any potential supports of Central Asia states to separatist elements in XUAR and gained their support against these elements.

SCO is also an important tool for China in terms of balancing and limiting United States in Central Asia. SCO has put non interference domestic affairs of the states to the core of the organization and colored revolutions are interpreted as violence of this principle. Therefore, China gets support of SCO members in any kinds of colored revolution. On the other hand, military exercises within SCO are clear indicators of the organization’s increasing weight in the region. Lastly, joining of Iran which has very bad relations with United States, as observer member to the organization is another important initiative of China in order to challenge policies of United States in her area of influence.

In chapter 4 policies of other major powers towards Central Asia and their effects on Chinese policies and SCO explained. Understanding moves of other important actors in the region creates better opportunity to understand some maneuvers of China and SCO. In this context, policies of Washington are crucial because she is the sole superpower in current world politics. Washington has three dimensional policy toward Central Asia; security, transition to democracy-free market economy and lastly energy. Security relations of Washington with Central Asian states began with elimination of nuclear materials of the Soviet Union, after then she began to penetrate to the region in military terms through NATO PfP program and CENRAZBAT. However security moves of United States in the region was in low level until 9/11 incidents. After this incident, importance of Central Asia

for Washington reached its peak; United States made alignments with Central Asian states in order to gain their support in Afghanistan operation without paying attention to their democratization process. This situation began to change with the second presidency of George W. Bush; Washington took more critical approach to Central Asia states in terms of democratization and human rights issues. This change caused anxiety and skepticism among Central Asian states; Andijan incidents and Tulip revolution changed the situation against United States. Central Asia states began to turn their backs to Washington and strengthened their relations with SCO.

Democratization and shift to free market economy supported American policies in other fields. In terms of democratization, United States supported free media, NGOs and implementation of free and fair elections. Through transition to free market economy, American companies found chance to penetrate Caspian energy sources and increased economical weight of United States that paves the way to political influence. On the other hand military presence of United States in the region guaranteed security of economical interests of Washington. Aim of Washington was to prevent Central Asia states to have conflicts with each other and sustain secure flow of energy.

Energy is one of the most important aspects of policies of United States toward the region. American energy companies penetrated to the region through privatization processes. On the other hand shipment of energy sources from this landlocked region to world markets was an important problem because of lack of sufficient pipelines. Therefore Washington made attempts to construct a pipeline from the region and Baku Tbilisi Ceyhan pipeline constructed. Through this pipeline, Washington aimed to cut monopoly of Russia over Caspian energy sources and increase her role in Caspian energy game.

These policies of Washington have some positive and negative effects on China. Although Afghanistan operation and “War on Terror” concept of United States cut separatist, terrorist attacks in XUAR and created suitable atmosphere for Beijing to deal with this problem in her way, negative effects of this process are more important. Military presence of United States in Central Asia resulted containment of China from the West, American policies caused instability in the region and had some negative effects on Sino Russian relations. American policies

also have some effects to SCO. Before Afghanistan operation Washington did not consult SCO and maintained her relations on bilateral basis. Through this approach, Washington might want to show that she does not take SCO serious. However, when relations of Washington with Central Asia states began to deteriorate because of Andijan incidents and Tulip revolution, SCO filled the vacuum and strengthened its position against United States.

Policies of Russia as an important regional power in Central Asia are also important for China and SCO. Although Russia had to retreat from Central Asia, her heavy influence over the region still continues. Central Asia is important for Russia because of security, energy and geopolitical reasons. For security reasons; Central Asia is a buffer zone for Russia against her two important security threats; radical Islamism and Western influence. Radical Islamism may affect Muslims inside of Russia and cause another important problem similar to Chechnya. On the other hand increasing Western influence may cause a color revolution in Russia which means overthrow of autocratic Moscow administration. Therefore, Moscow supports status quo in Central Asia and prevent penetration of uncontrolled powers to the region. Main instrument of Russia in terms of security is CSTO. In terms of energy, Moscow wants to keep her dominance over energy sources of the region. Russia uses energy as a foreign policy tool and she does not want to lose this instrument. On the other hand, making Central Asia states depended on Russia in terms of economy means continuum of political influence of Russia over them. In geopolitical terms, Russia was suspicious of increasing influence of Turkey and Iran in the region through their religious and ethnic ties. However, radical Islamism and penetration of United States constituted a greater problem for Moscow.

Russia and China are strategic partners although they had serious problems during Cold War. Arms sales are one of the most important aspects of Sino Russian relations. Cooperation of Moscow and Beijing especially in Central Asia has great opportunities for both of these powers. First of all they share the burden and the responsibility of fighting against same rivals; radical Islamism, instability in Central Asia and increasing Western influence. Cooperation on these issues makes both China and Russia stronger and gives them ability to deal with issues they can not alone. Besides these positive outcomes, there is an important point that can cause

conflict between Russia and China; Central Asia is influence area of both of these powers. Russia let China to penetrate to her back yard and China is respectful in her moves in the region towards Russia. However this overlap may cause problem in the future when interests of these powers collides. Protecting status quo in Central Asia and limiting United States in the region are the glue that bounds Russia and China together. When these common points lost, it is hard to foresee future of Sino Russian relations.

Importance of SCO in policies of Russia toward Central Asia can be interpreted in this context; through SCO, Moscow has found chance to control penetration of China to the region. On the other hand Russia gains more power through SCO in radical Islamism issue thanks to “three evils” concept of SCO. Russia shares burden of fighting with these elements and objecting policies of United States. Russia also has important gains in terms of energy, through “SCO energy club” and she had crucial economical benefits thanks to increasing economical cooperation within SCO.

There are some other actors which are active in Central Asia although they are not as influential as Russia and United States. European Union (EU) is one of the most important one of them. Policies of EU towards Central Asia are affected by political, security and energy reasons. During 1990s EU wanted to prevent Central Asia to become a battle field for rivalries of major powers of the world, and it supported democratization process and human rights. More recently EU policies evolved to maintaining stability and security in the region. Today, main concern of EU for Central Asia is Afghanistan in terms of security. Stability of Afghanistan can not be established without stability in Central Asia and EU members are aware of this situation. Therefore they support stability of Central Asia. Besides, Central Asia is transit route for drug trafficking from Afghanistan to Europe. Therefore EU give important technical and economical aid to Central Asia states in order to deal with drug trafficking. Radical Islamist terrorism in Central Asia is another security concern of EU. Terrorism causes instability of the region and causes migration flows which are generally targeted to Europe.

Economy and energy are the other important aspects of policies of EU toward the region. EU gave important technical and economical aid to Central Asia states

during their transition to free market economy. Energy may be the most important aspect of policies of EU; European states want to cut their dependence to Russia in terms of energy and the want to reach energy through by passing Russia. Thus EU develops pipeline projects which directly bounds Europe to Caspian such as Nabucco. However it can be said that EU does not have a solid common policy towards Central Asia. Although this situation tried to be changed during presidency of Germany, it is hard to say much has been achieved.

Policies of EU toward Central Asia have some outcomes for China; attempts of EU to implement democracy and human rights in the region are interpreted as interference to domestic affairs and they are believed to bring instability to the region. However policies which do not seek to change status quo in Central Asian states and economy oriented ones are more welcomed by Central Asia governments just like policies of China. On the other hand China is a better client for Central Asia states than EU states because of her rapid economical development. EU does not have a policy toward SCO. Although there have been some summits between administrative cadres of both organizations, EU has not adopted a solid approach to SCO.

To sum up, Central Asia is important for China because of both internal and external reasons. Security of XUAR, important economical contribution of Central Asia to Chinese economy can be interpreted as domestic reasons. On the other hand vast energy sources of the region, containing presence of Western military and political influence, importance of stability and protection of status quo in Central Asia are the external reasons of importance of Central Asia to China. Because of these reasons China must be active in Central Asia in order to exploit advantages and avoid dangers of Central Asia.

Continuum of economical development is the most important issue for Beijing both in domestic and international politics. First condition for that is avoiding armed conflicts. Because, an armed conflict may cause a change in the shares of military expenditures and industrial investments in the budget. Consequently this causes a slow down in economical development of China. On the other hand, Chinese military is not ready to protect Chinese interests worldwide. Consequently China does not want to engage in an unprepared armed conflict before she completes her military

modernization. Economical development of China must be thought in co ordinance with strengthening Chinese military. Therefore Beijing wants to implement its policies without causing military conflicts. In this context, peaceful diplomacy and negotiation constitute the basis of Chinese foreign policy.

International organizations are the most suitable forum for China to implement her peaceful diplomacy. Beijing finds opportunity to solve her problems and/or implement her policies through negotiation within the organizations. When above mentioned importance of Central Asia concerned, it is obvious that SCO is a beneficial instrument for Beijing in her policies towards Central Asia. During first years of post Cold War era, border demarcations and preventing border clashes was highly important for China. “Shanghai Five” was founded by initiative of China in order to address this issue. Later, separatist movements, increase of radical Islam and growing threat of terrorism have become important problems for Beijing in the Western front of China. Therefore, these elements have been set as the focal points of the SCO. Following years SCO made important attempts on limiting Western influence in Central Asia, namely United States, which is one of the aims of China foreign policy in the region. SCO also made moves on economy field including SCO Energy Club, increasing transportation facilities, business council and Interbank Association of SCO. These are also extremely beneficial for Beijing in order to increase its trade with SCO members and guarantee energy flow. It is natural that other SCO members are also have crucial benefits from the organization, however it can be said that; China is the most advantageous member of the organization.

When it is looked from different angle to role of SCO in policies of China in Central Asia this picture comes to the fore; other important powers in the region, namely Russia and United States, have institutionalized their relations with Central Asia states under organizations leaded by them. Russia implements her policies to the region through CSTO and CIS, United States have important relations with Central Asia states thanks to NATO PfP program. China has left as the only regional power which could not implemented multilateral, institutionalized relations with Central Asia states until 2001. Thanks to SCO, China has penetrated to “new Great Game” and has become an active player.

SCO is the main instrument of China in her policies towards Central Asia. Thanks to this organization Beijing managed to gain support of Russia and Central Asia states in her problems, such as separatist elements in XUAR and gained important advantages such as energy and trade. However it can be said that role of SCO is limited. It is unlikely that SCO will commit an important role in problems in the region. Furthermore, even future of SCO is not clear. Most important reason for that is lack of identity of the organization. Members want to develop SCO every field of world politics; security, economy, social and cultural fields. However it is too difficult to be active in all of these fields and members have to give weight to one of these fields.

On the other hand expectations of members differ from each other; China wants to gain energy, eliminate support to separatists in XUAR and increase her trade, on the other hand Russia tries to maintain her dominance over energy sources, prevent radical Islamic movements and limit United States, Central Asia states want to exploit power balances among major powers in the region in order to maximize their benefits. Fight against three evils, economical development and limiting and balancing United States are the only common points of members and different goals of the members looks like complimentary. However relations between Russia and China will be the main determinant of the future of the organization. When cooperation between Russia and China transform to rivalry, end of SCO will begin. Central Asia is influence area of both of these regional powers and when China completes her economical evolution and become ready for taking responsibilities in world politics, this region can be area of competition in the long term. This causes great damage on SCO.

Potential members of the organization another important issue which has great impact on future of the organization. Even enlargement issue has not been resolved within the organization and therefore observer membership position created. Joining of observer members to the organization will cause change in the nature of the organization and balances within the organization. Observers have advantages and disadvantages for the organization at the same time. Joining of Iran will increase anti American sentiments within the organization; however create new opportunities for the organization in terms of energy. Joining of India and Pakistan will bring enmities

between them to SCO. On the other hand, these states may cause change in the balances within the organization; China interprets India as a strategic rival and has important military and economical relations with Pakistan, however Russia supports membership of India and has some suspicions about Pakistan emanates from Soviet times. However developing economy of India constitutes great chances for especially Central Asia states to increase their economical situation through energy and trade. On the other hand Pakistan acts as both a buffer and bridge to Middle East which has advantages for SCO in terms of energy and dangers in terms of radical Islamist terror. Therefore joining of these states may cause some arguments within the organization and may weaken it. Mongolia is the most suitable candidate for full membership to the organization because of her geographical position and non controversial political situation. On the other hand this state is the only observer member of SCO which does not have serious problems which can affect the organization.

To conclude, SCO has been affected by needs and policies of China and it has acted as a very beneficial instrument for Beijing in its policies towards Central Asia. It can be said that China is the most beneficiary member of the organization in comparison with other members. Even name of the organization and location of secretariat are the indicators of importance of the organization for China. Beijing has gained important benefits through organization both in political, security and economical fields. SCO is the main instrument of China in her West which gives suitable atmosphere to China in order to realize her targets.

However SCO is a beneficial instrument for China today, it is a question mark if it can continue its importance in the future. SCO can not be a powerful and solid instrument for China if Beijing puts new goals to her foreign policy. It can be foreseen that Beijing will look for a greater influence in world politics in global level when she complete her economical a military evolution. In this case, SCO can not play global role and answer demands of China, because of internal problems of the organization. Attitude of Russia in case China becomes a global power is unknown. Therefore SCO is a beneficiary tool for existing foreign policy goals and have made great contributions, however it is not suitable for further moves.

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APPENDIX A

CHARTER OF THE SHANGHAI COOPERATION ORGANIZATION

(Source: SCO Official Website, <http://www.sectsko.org/EN/show.asp?id=69>)

The People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan being the founding states of the Shanghai Cooperation Organization (hereinafter SCO or the Organization),

Based on historically established ties between their peoples;

Striving for further enhancement of comprehensive cooperation;

Desiring to jointly contribute to the strengthening of peace and ensuring of security and stability in the region in the environment of developing political multipolarity and economic and information globalization;

Being convinced that the establishment of SCO will facilitate more efficient common use of opening possibilities and counteracting new challenges and threats;

Considering that interaction within SCO will promote the realization of a huge potential of good neighborliness, unity and cooperation between States and their peoples;

Proceeding from the spirit of mutual trust, mutual advantage, equality, mutual consultations, respect for cultural variety and aspiration for joint development that was clearly established at the meeting of heads of six States in 2001 in Shanghai;

Noting that the compliance with the principles set out in the Agreement between the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan on Strengthening Confidence in the Military Field in the Border Area of 26 April, 1996, and in the Agreement between the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation and the Republic of Tajikistan on Mutual Reductions of Armed Forces in the Border Area of 24 April, 1997, as well as in the documents signed at summits of heads of the People's Republic of China, the Republic of Kazakhstan, the Kyrgyz Republic, the Russian Federation, the Republic

of Tajikistan and the Republic of Uzbekistan in the period from 1998 to 2001, has made an important contribution to the maintenance of peace, security and stability in the region and in the world;

Reaffirming our adherence to the goals and principles of the Charter of the United Nations, other commonly acknowledged principles and rules of international law related to the maintenance of international peace, security and the development of goodneighborly and friendly relations, as well as the cooperation between States;

Guided by the provisions of the Declaration on the Creation of the Shanghai Cooperation Organization of 15 June, 2001,

Have agreed as follows:

Article 1

Goals and Tasks

The main goals and tasks of SCO are:

to strengthen mutual trust, friendship and goodneighborliness between the member States;

to consolidate multidisciplinary cooperation in the maintenance and strengthening of peace, security and stability in the region and promotion of a new democratic, fair and rational political and economic international order;

to jointly counteract terrorism, separatism and extremism in all their manifestations, to fight against illicit narcotics and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration;

to encourage the efficient regional cooperation in such spheres as politics, trade and economy, defense, law enforcement, environment protection, culture, science and technology, education, energy, transport, credit and finance, and also other spheres of common interest;

to facilitate comprehensive and balanced economic growth, social and cultural development in the region through joint action on the basis of equal partnership for the purpose of a steady increase of living standards and improvement of living conditions of the peoples of the member States;

to coordinate approaches to integration into the global economy;

to promote human rights and fundamental freedoms in accordance with the international obligations of the member States and their national legislation;

to maintain and develop relations with other States and international organizations;

to cooperate in the prevention of international conflicts and in their peaceful settlement;

to jointly search for solutions to the problems that would arise in the 21st century.

Article 2

Principles

The member States of SCO shall adhere to the following principles:

mutual respect of sovereignty, independence, territorial integrity of States and inviolability of State borders, non-aggression, non-interference in internal affairs, non-use of force or threat of its use in international relations, seeking no unilateral military superiority in adjacent areas;

equality of all member States, search of common positions on the basis of mutual understanding and respect for opinions of each of them;

gradual implementation of joint activities in the spheres of mutual interest;

peaceful settlement of disputes between the member States;

SCO being not directed against other States and international organizations;

prevention of any illegitimate acts directed against the SCO interests;

implementation of obligations arising out of the present Charter and other documents adopted within the framework of SCO, in good faith.

Article 3

Areas of Cooperation

The main areas of cooperation within SCO shall be the following:

maintenance of peace and enhancing security and confidence in the region;

search of common positions on foreign policy issues of mutual interest, including issues arising within international organizations and international fora;

development and implementation of measures aimed at jointly counteracting terrorism, separatism and extremism, illicit narcotics and arms trafficking and other types of criminal activity of a transnational character, and also illegal migration;

coordination of efforts in the field of disarmament and arms control;

support for, and promotion of regional economic cooperation in various forms, fostering favorable environment for trade and investments with a view to gradually achieving free flow of goods, capitals, services and technologies;

effective use of available transportation and communication infrastructure, improvement of transit capabilities of member States and development of energy systems;

sound environmental management, including water resources management in the region, and implementation of particular joint environmental programs and projects;

mutual assistance in preventing natural and man-made disasters and elimination of their implications;

exchange of legal information in the interests of development of cooperation within SCO;

development of interaction in such spheres as science and technology, education, health care, culture, sports and tourism.

The SCO member States may expand the spheres of cooperation by mutual agreement.

Article 4

Bodies

1. For the implementation of goals and objectives of the present Charter the following bodies shall operate within the Organization:

The Council of Heads of State;

The Council of Heads of Government (Prime Ministers);

The Council of Ministers of Foreign Affairs;

Meetings of Heads of Ministries and/or Agencies;

The Council of National Coordinators;

The Regional Counter-terrorist Structure;

Secretariat.

2. The functions and working procedures for the SCO bodies, other than the Regional Counter-terrorist Structure, shall be governed by appropriate provisions adopted by the Council of Heads of State.

3. The Council of Heads of State may decide to establish other SCO bodies. New bodies shall be established by the adoption of additional protocols to the present Charter which enter into force in the procedure, set forth in Article 21 of this Charter.

Article 5

The Council of Heads of State

The Council of Heads of State shall be the supreme SCO body. It shall determine priorities and define major areas of activities of the Organization, decide upon the fundamental issues of its internal arrangement and functioning and its interaction with other States and international organizations, as well as consider the most topical international issues.

The Council shall hold its regular meetings once a year. A meeting of the Council of Heads of State shall be chaired by the head of State organizing this regular meeting. The venue of a regular meeting of the Council shall generally be determined in the Russian alphabetic order of names of the SCO member States.

Article 6

The Council of Heads of Government (Prime Ministers)

The Council of Heads of Government (Prime Ministers) shall approve the budget of the Organization, consider and decide upon major issues related to particular, especially economic, spheres of interaction within the Organization.

The Council shall hold its regular meetings once a year. A meeting of the Council shall be chaired by the head of Government (Prime Minister) of the State on whose territory the meeting takes place.

The venue of a regular meeting of the Council shall be determined by prior agreement among heads of Government (Prime Ministers) of the member States.

Article 7

The Council of Ministers of Foreign Affairs

The Council of Ministers of Foreign Affairs shall consider issues related to day-to-day activities of the Organization, preparation of meetings of the Council of Heads of State and holding of consultations on international problems within the Organization. The Council may, as appropriate, make statements on behalf of SCO.

The Council shall generally meet one month prior to a meeting of the Council of Heads of State. Extraordinary meetings of the Council of Ministers of Foreign Affairs shall be convened on the initiative of at least two member States and upon consent of ministers of foreign affairs of all other member States. The venue of a regular or extraordinary meeting of the Council shall be determined by mutual agreement.

The Council shall be chaired by the minister of foreign affairs of the member State on whose territory the regular meeting of the Council of Heads of State takes place, during the period starting from the date of the last ordinary meeting of the Council of Heads of State to the date of the next ordinary meeting of the Council of Heads of State.

The Chairman of the Council of Ministers of Foreign Affairs shall represent the Organization in its external contacts, in accordance with the Rules of Procedure of the Council.

Article 8

Meetings of Heads of Ministries and/or Agencies

According to decisions of the Council of Heads of State and the Council of Heads of Government (Prime Ministers) heads of branch ministries and/or agencies of the member States shall hold, on a regular basis, meetings for consideration of particular issues of interaction in respective fields within SCO.

A meeting shall be chaired by the head of a respective ministry and/or agency of the State organizing the meeting. The venue and date of a meeting shall be agreed upon in advance.

For the preparation and holding meetings the member States may, upon prior agreement, establish permanent or ad hoc working groups of experts which carry out their activities in accordance with the regulations adopted by the meetings of heads

of ministries and/or agencies. These groups shall consist of representatives of ministries and/or agencies of the member States.

Article 9

The Council of National Coordinators

The Council of National Coordinators shall be a SCO body that coordinates and directs day-to-day activities of the Organization. It shall make the necessary preparation for the meetings of the Council of Heads of State, the Council of Heads of Government (Prime Ministers) and the Council of Ministers of Foreign Affairs. National coordinators shall be appointed by each member State in accordance with its internal rules and procedures.

The Council shall hold its meetings at least three times a year. A meeting of the Council shall be chaired by the national coordinator of the member State on whose territory the regular meeting of the Council of Heads of State takes place, from the date of the last ordinary meeting of the Council of Heads of State to the date of the next ordinary meeting of the Council of Heads of State.

The Chairman of the Council of National Coordinators may on the instruction of the Chairman of the Council of Ministers of Foreign Affairs represent the Organization in its external contacts, in accordance with the Rules of Procedure of the Council of National Coordinators.

Article 10

Regional Counter-Terrorist Structure

The Regional Counter-terrorist Structure established by the member States of the Shanghai Convention to combat terrorism, separatism and extremism of 15 June, 2001, located in Bishkek, the Kyrgyz Republic, shall be a standing SCO body.

Its main objectives and functions, principles of its constitution and financing, as well as its rules of procedure shall be governed by a separate international treaty concluded by the member States, and other necessary instruments adopted by them.

Article 11

Secretariat

Secretariat shall be a standing SCO administrative body. It shall provide organizational and technical support to the activities carried out in the framework of SCO and prepare proposals on the annual budget of the Organization.

The Secretariat shall be headed by the Executive Secretary to be appointed by the Council of Heads of State on nomination by the Council of Ministers of Foreign Affairs.

The Executive Secretary shall be appointed from among the nationals of member States on a rotational basis in the Russian alphabetic order of the member States' names for a period of three years without a right to be reappointed for another period.

The Executive Secretary deputies shall be appointed by the Council of Ministers of Foreign Affairs on nomination by the Council of National Coordinators. They cannot be representatives of the State from which the Executive Secretary has been appointed.

The Secretariat officials shall be recruited from among nationals of the member States on a quota basis.

The Executive Secretary, his deputies and other Secretariat officials in fulfilling their official duties should not request or receive instructions from any member State and/or government, organization or physical persons. They should refrain from any actions that might affect their status as international officials reporting to SCO only.

The member States shall undertake to respect the international character of the duties of the Executive Secretary, his deputies and Secretariat staff and not to exert any influence upon them as they perform their official functions.

The SCO Secretariat shall be located at Beijing (the People's Republic of China).

Article 12

Financing

SCO shall have its own budget drawn up and executed in accordance with a special agreement between member States. This agreement shall also determine the amount of contributions paid annually by member States to the budget of the Organization on the basis of a cost-sharing principle.

Budgetary resources shall be used to finance standing SCO bodies in accordance with the above agreement. The member States shall cover themselves the expenses related to the participation of their representatives and experts in the activities of the Organization.

Article 13

Membership

The SCO membership shall be open for other States in the region that undertake to respect the objectives and principles of this Charter and to comply with the provisions of other international treaties and instruments adopted in the framework of SCO.

The admission of new members to SCO shall be decided upon by the Council of Heads of State on the basis of a representation made by the Council of Ministers of Foreign Affairs in response to an official request from the State concerned addressed to the acting Chairman of the Council of Ministers of Foreign Affairs.

SCO membership of a member State violating the provisions of this Charter and/or systematically failing to meet its obligations under international treaties and instruments, concluded in the framework of SCO, may be suspended by a decision of the Council of Heads of State adopted on the basis of a representation made by the Council of Ministers of Foreign Affairs. If this State goes on violating its obligations, the Council of Heads of State may take a decision to expel it from SCO as of the date fixed by the Council itself.

Any member State shall be entitled to withdraw from SCO by transmitting to the Depositary an official notification of its withdrawal from this Charter no later than twelve months before the date of withdrawal. The obligations arising from

participation in this Charter and other instruments adopted within the framework of SCO shall be binding for the corresponding States until they are completely fulfilled.

Article 14

Relationship with Other States and International Organizations

SCO may interact and maintain dialogue, in particular in certain areas of cooperation, with other States and international organizations.

SCO may grant to the State or international organization concerned the status of a dialogue partner or observer. The rules and procedures for granting such a status shall be established by a special agreement of member States.

This Charter shall not affect the rights and obligations of the member States under other international treaties in which they participate.

Article 15

Legal Capacity

As a subject of international law, SCO shall have international legal capacity. It shall have such a legal capacity in the territory of each member State, which is required to achieve its goals and objectives.

SCO shall enjoy the rights of a legal person and may in particular:

- conclude treaties;
- acquire movable and immovable property and dispose of it;
- appear in court as litigant;
- open accounts and have monetary transactions made.

Article 16

Decisions-Taking Procedure

The SCO bodies shall take decisions by agreement without vote and their decisions shall be considered adopted if no member State has raised objections during the vote (consensus), except for the decisions on suspension of membership or expulsion from the Organization that shall be taken by "consensus minus one vote of the member State concerned".

Any member State may expose its opinion on particular aspects and/or concrete issues of the decisions taken which shall not be an obstacle to taking the decision as a whole. This opinion shall be placed on record.

Should one or several member States be not interested in implementing particular cooperation projects of interest to other member States, non participation of the above said member States in these projects shall not prevent the implementation of such cooperation projects by the member States concerned and, at the same time, shall not prevent the said member States from joining such projects at a later stage.

Article 17

Implementation of Decisions

The decisions taken by the SCO bodies shall be implemented by the member States in accordance with the procedures set out in their national legislation.

Control of the compliance with obligations of the member States to implement this Charter, other agreements and decisions adopted within SCO shall be exercised by the SCO bodies within their competence.

Article 18

Permanent Representatives

In accordance with their domestic rules and procedures, the member States shall appoint their permanent representatives to the SCO Secretariat, which will be members of the diplomatic staff of the embassies of the member States in Beijing.

Article 19

Privileges and Immunities

SCO and its officials shall enjoy in the territories of all member States the privileges and immunities which are necessary for fulfilling functions and achieving goals of the Organization.

The volume of privileges and immunities of SCO and its officials shall be determined by a separate international treaty.

Article 20

Languages

The official and working languages of SCO shall be Russian and Chinese.

Article 21

Duration and Entry into Force

This Charter shall be of indefinite duration.

This Charter shall be subject to ratification by signatory States and shall enter into force on the thirtieth day following the date of the deposit of the fourth instrument of ratification.

For a State which signed this Charter and ratified it thereafter it shall enter into force on the date of the deposit of its instrument of ratification with the Depositary.

Upon its entering into force this Charter shall be open for accession by any State.

For each acceding State this Charter shall enter into force on the thirtieth day following the date of receiving by the Depositary of appropriate instruments of accession.

Article 22

Settlement of Disputes

In case of disputes or controversies arising out of interpretation or application of this Charter member States shall settle them through consultations and negotiations.

Article 23

Amendments and Additions

By mutual agreement of member States this Charter can be amended and supplemented. Decisions by the Council of Heads of State concerning amendments and additions shall be formalized by separate protocols which shall be its integral part and enter into force in accordance with the procedure provided for by Article 21 of this Charter.

Article 24

Reservations

No reservations can be made to this Charter which contradict the principles, goals and objectives of the Organization and could prevent any SCO body from performing its functions. If at least two thirds of member States have objections the reservations must be considered as contradicting the principles, goals and objectives of the Organization or preventing any body from performing its functions and being null and void.

Article 25

Depositary

The People's Republic of China shall be the Depositary of this Charter.

Article 26

Registration

Pursuant to Article 102 of the Charter of the United Nations, this Charter is subject to registration with the Secretariat of the United Nations.

Done at Saint-Petersburg the seventh day of June 2002 in a single original in the Chinese and Russian languages, both texts being equally authoritative.

The original copy of this Charter shall be deposited with the Depositary who will circulate its certified copies to all signatory States.