

Enlarging the Shanghai Cooperation Organization

Is Iran a Viable Member?

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Shanghai Cooperation Organization

The Shanghai Cooperation Organization (SCO) was established on June 15, 2001, by a declaration adopted by six states: China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. The SCO evolved from mechanisms of confidence building and conventional force reduction, as well as agreements on trade and border demarcation. According to its Founding Declaration, the SCO aims “to strengthen mutual trust and good neighborly friendship” among member states in a variety of fields and devote itself “to safeguarding regional peace, security, and stability; and establishing a democratic, fair and rational new international political and economic order.” The founding states also placed a special emphasis on fighting against the so-called “three evils” of terrorism, separatism, and extremism.

In the West, the SCO is often portrayed as an alternative to Western institutions and as a group that aims to protect its own nondemocratic regimes. However, the SCO was established several years before the color revolutions erupted in the post-Soviet space and was oriented primarily at neutralizing Islamic fundamentalism rather than maintaining the ruling regimes of member states. Although some provisions of the Founding Declaration could be interpreted as challenging the existing Western-dominated international order, the organization has made very few practical steps in this direction. In fact, the SCO has two other aims: it is a collective security system aimed at maintaining stability in Central Asia by countering new threats, and it provides a multilateral framework to facilitate China’s cooperative economic, political, and security engagement in Central Asia.

Debates on enlarging the SCO began soon after the organization was founded. However, member states could not agree on the principle or terms of enlargement and

so decided to impose a moratorium on enlargement until the SCO had sufficiently strengthened as an organization. Nevertheless, four regional states – Iran, Pakistan, Mongolia, and India – have become official observers of the SCO, and the first three have applied for full membership. The question of expansion presents the SCO with a number of complicated choices, perhaps chief among them whether to bring Iran into the organization – and on what terms.

SCO Observers and Attitudes Toward Expansion

Four states have “observer” status in the SCO: India, Pakistan, Iran, and Mongolia. The question of enlarging the SCO has been discussed since its establishment. China initially opposed the idea, arguing that the institution should establish itself first and only then begin to think about adopting new members. Reportedly, Beijing did not want Mongolia, in particular, on board. At the time, China may have considered the SCO as its gateway into Central Asia and did not want to see Russia use it as a means to return to Mongolia, a landlocked country not far from Beijing and historically the source of numerous invasions into China.

Indeed, enlargement of the SCO is likely to create a more balanced structure vis-à-vis China, undeniably the current dominant state in terms of population and, to a lesser extent, economy. This domination is not overwhelming. Russia’s gross domestic product is more than 40 percent that of China’s. Moscow also enjoys nuclear predominance over Beijing and owns huge energy resources desperately needed by the growing Chinese economy. Still, tremendous Chinese capabilities prevent deepening cooperation inside the SCO. Other members may not be that enthusiastic about increased integration within the organization out of concern that it would make them more economically and politically dependent on Beijing. The vagueness of SCO obligations permits smaller members to maintain more choices and freedom of action. Accession of other significant states would help alleviate the pressure of integration and could even be a necessary precondition for the SCO’s vertical development.

China later compromised on enlargement by agreeing to invite observers and guests, if not new member states. This permitted China to still focus the SCO on the stability of Central Asia and the development of various ties among regional member states. At the same time, having states like India, Pakistan, and Iran as observers promised to greatly increase the visibility of the organization and to help make the 2006 SCO summit in Shanghai a prominent international event. Still, Russia and China were unable to agree initially on whom to invite as observers to the summit. China hesitated to invite India, while Russia had misgivings about inviting Pakistan. Both powers, however, supported inviting Iran. Finally, the decision was made to approve all four applications, including Mongolia’s. The United States also applied for observer status, but its application was declined. Reportedly, the SCO wanted to invite Afghanistan as another observer, considering it a primary source of instability in the region. In response to the rejection of the United States’ application, however, Washington advised the Karzai government to refrain from attending. Subsequently, Afghanistan participated in the 2007 SCO summit in Bishkek, Kyrgyzstan, as an honored guest, if not an observer. A similar status was provided to neutral Turkmenistan.

With the exception of India, the original observer states have expressed interest in becoming full members of the SCO, but for different reasons. Mongolia is looking for ways to diversify its new dependence on China. Pakistan remains in the shadow of

mightier India within South Asian institutions. Moreover, Islamabad would like to develop economic ties with the Central Asian states. During the SCO summit in Bishkek, the Pakistani foreign minister was the most active among representatives of observer states in appealing to the organization to enlarge.

Iran's motivations are similar to those of Pakistan. Iran wants to cement relations with Russia and China to alleviate pressure from the United States. Tehran might believe that an alliance with Moscow and Beijing will help end the escalating sanctions imposed against it by the United Nations Security Council as a result of Iran's refusal to suspend its nuclear program. In addition, Russia and China, with their huge investment capabilities, are very attractive as investors in the Iranian economy, especially at a time when many Western companies and banks have been retreating due to U.S. and European Union sanctions. Undoubtedly, Iran also hopes that as a member of the SCO it would receive a strong political and security umbrella to counter the risk of U.S. and Israeli air strikes and could convince Russia to sell it more advanced weapons. Finally, accession to the SCO likely appeals to Iran as an opportunity to reclaim traditional influence in Central Asia. Thus far, the Iranians have established limited influence in ethnically-similar Tajikistan; their attempts to develop economic and political cooperation with regional Turkic-speaking states have been largely unsuccessful.

Iranian Accession: Pros and Cons

Although some SCO member states reportedly support Iranian accession as a full member, the organization maintains its self-imposed ban on enlargement. This moratorium is expected to last until at least 2009.

It is not difficult to guess that one of the supporters of Iranian membership is Tajikistan, the only Central Asian member state ethnically and linguistically close to Iran and possessing relatively advanced economic and political ties to it. The other Central Asian members, Kazakhstan, Kyrgyzstan, and Uzbekistan, are Turkic-speaking states culturally much closer to Turkey, Iran's long-time geopolitical rival. However, in terms of recent political interests, only Uzbekistan might have reasons to oppose Iranian membership. Uzbekistan has a complicated relationship with Tajikistan, and it could be concerned that Iran's accession would strengthen Tajikistan's position in various disputes. For similar reasons, Tashkent could not permit the 2008 SCO summit in Dushanbe to be marked by a large political success for Tajikistan, like granting membership to Iran. For their part, the Iranians were interested in being invited to Dushanbe but surely realized that membership would be difficult to obtain.

The next SCO summit will take place in Yekaterinburg, Russia, in 2009, with Russia holding the rotating presidency for the organization in 2008-09. The location of the summit and possession of the presidency play an important role in decisionmaking processes on enlargement. As a diarchy, the SCO is dominated by China and Russia. Only during the presidency of one of the two can a decision be made regarding removal of the ban on enlargement, since the other members are not strong enough to promote such a decision in the face of Chinese opposition. If Russia decides to promote enlargement during its presidency and is able to convince the other members, China above all, then hypothetically Iran could be invited to the SCO as soon as the 2009 summit. If Moscow decides not to challenge the ban, which is more likely, then the ban will survive until at least 2011, the first year of the Chinese presidency. In that case, Tehran could be invited no earlier than the 2012 summit, which will be held in China.

The third possibility is that during its presidency Russia will be able to reach an agreement in principle on the necessity of enlargement, but no decision would be made in Yekaterinburg on particular candidates. In this case, invitations to observers could be issued later, beginning in 2010. In this scenario, Iran could be invited during summits in Kazakhstan, Uzbekistan, or China. Host countries would be rewarded for their support of Iranian accession by greater visibility for their summit.

The key issue for Iranian accession to the SCO is the Russian decision whether to promote it. The decision should be made very soon as Russia's presidency began in late summer 2008, but Moscow has conflicting interests. On the one hand, Russia has a generally positive approach to enlarging organizations where it plays an important role. Furthermore, for Russian President Dmitry Medvedev, the SCO summit in Yekaterinburg will be the first, and possibly only, high-level international gathering on Russian territory during his term; this could promote his personal commitment to the summit's success and visibility. Iranian membership in the SCO would also project Russian (and Chinese) power toward the Gulf and the Indian Ocean more generally. It would enable the SCO to occupy a stronger position in the stabilization of Afghanistan and Iraq. It would integrate Tehran into a better framework to discuss potentially lucrative plans for economic, energy, and security cooperation. Finally, Iran can offer Russia full membership in the Organization of the Islamic Conference (OIC) in exchange for its accession to the SCO. This is important for Russia's domestic relations with Muslim ethnic groups and communities.

On the other hand, unconditionally inviting Iran into the SCO might create the uncomfortable feeling that Moscow and Beijing have decided to provide substantial political support for the controversial Iranian regime despite its challenges to UN Security Council resolutions and its unacceptable policy toward Israel. This could lead to cracks in the great powers' coordinated policy on the Iranian nuclear problem and might be interpreted in Tehran as a green light for its nuclear ambitions. Moreover, Iranian membership could be considered a liability if it obligates Russia and China to provide Iran with political, economic, and security cover to counter Western and Israeli pressure. At the same time, although the SCO is not a military alliance, the organization's role and legitimacy would be greatly undermined if its member states did not receive adequate support in the event of the threat of military attack.

There is also the question of whether Moscow is prepared to accept for Iran the same status as regional partner it has already granted to China. Though Iranian behavior toward Tajikistan (and, for that matter, Armenia) has been cooperative, a more self-confident Tehran could pursue more ambitious policies in the post-Soviet space. Furthermore, Iranian accession would inevitably raise the question of whether to invite other applicants, namely Pakistan and Mongolia. Although Moscow is unlikely to see any major problem in inviting Mongolia, once one of its closest allies, the level of Russian-Pakistani relations is not mature enough for Russia to accept Pakistan as an SCO member. It also might be damaging for Russian-Indian relations to have Pakistan in the organization without India, despite the fact that New Delhi has not officially expressed an interest in full membership. At the same time, it would be difficult to explain to China why Iran could be invited, and Pakistan, its long-term quasi-ally, could not.

What To Do?

When the Kremlin decides its priorities for the SCO presidency, it will not be doing so in a vacuum. Relations with the United States and major European states could considerably influence any decisions. Besides competition in the post-Soviet states, the implementation of proposals to exclude Russia from the G8 and establish a League of Democracies without Russia and China to take the place of the UN would create a motivation in Moscow and Beijing to build up bilateral cooperation and alternative institutions like the SCO. In that case, the SCO could end up as a vehicle to consolidate major Eurasian and Asian states while countering attempts to exclude these states from international decisionmaking processes. Building up the SCO as the organization to resist such an unprecedented challenge would likely dominate other concerns and disagreements and would require the quick and unconditional incorporation of Iran, as well as Pakistan.

If a calmer international environment prevails, a decision on enlargement will be less straightforward, though Russia still has arguments to try and persuade China that the ban on enlargement should be removed. First, the deteriorating situation in Afghanistan might compel the SCO to become more actively engaged; this will be much easier with Iran and Pakistan on board. Second, as mentioned above, enlargement could be a prerequisite for SCO vertical growth, something Russia and China both say they desire. Third, unpredictable and often unfriendly policies of some extra-regional powers on the Eurasian landmass and the Asian continent in general require keeping all options open, including enhancing the SCO through enlargement. Finally, such a removal would in itself send a powerful message to applicants, allies, and competitors.

At the same time, the organization could elaborate on accession conditions for applicant states on an individual basis. Instead of granting entrance for free, such an approach would establish a price for accession in terms of practical benefits for existing members. The conditions for Iran, for example, might include requirements to align its policy with the interests of other members in order to avoid awkward situations, like the SCO being forced to express solidarity when Iran acts in contradiction to the position of other members. In particular, Tehran might want to take practical steps on the nuclear issue and correct its attitude and tone toward Israel with the goal of alleviating existing concerns.

Such a strategy would provide synergy for the current international efforts to solve the Iranian nuclear issue by political means, as well as for achieving settlement in the Arab-Israeli conflict. To correct its policies, Tehran would have as motivation the promise of accession to one of the largest international groupings. At the same time, Iran would have to realize that it cannot consider SCO membership as an indulgence for continuing its recent self-damaging policy, and that pursuing a more responsible policy is both a Western and an "Eastern" requirement.

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