

Development of the Historical Status of the Shanghai Cooperation Organization

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Abstract: *Shanghai Cooperation Organization was established after the Cold War. 2022 marks the 20th anniversary of the signing of the SCO Charter, during which the SCO has withstood the test of drastic changes in the international situation and achieved remarkable development results. Not only is the mechanism construction progressing smoothly, but also exchanges and cooperation in various fields have achieved remarkable results. However, the results of economic cooperation are not yet significant, the international status needs to be improved, the development model is still unclear, and the non-governmental and social exchanges and exchanges are lacking. The SCO is a system that continues to evolve incrementally as it continues to refine its development process, while continuing to work on common political and security goals, finding the best mechanisms to expand economic ties, and deepening cultural and humanitarian engagement. Eventually, with the development and improvement of cooperation forms and mechanisms within the framework of the SCO and the Eurasian Economic Union, the necessary institutional foundations will gradually mature, which will eventually help to further deepen the interaction with Southeast Asian countries.*

Keywords: *Shanghai Cooperation Organization; regional cooperation; organizational development*

1. Introduction

The Shanghai Cooperation Organization (SCO), also known as the Shanghai Treaty, is a political, economic, and security alliance in Eurasia. It is the largest regional organization in the world in geographical scope and population, covering three-fifths of Eurasia. Treaty on Deepening Military Trust in Border Regions in Shanghai between China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan, known as the Shanghai Five group, was the precursor to the Shanghai Cooperation Organization. On June 15, 2001, the leaders of these countries and Uzbekistan met in Shanghai and announced the establishment of a new organization with deeper political and economic cooperation, and SCO was born. Then the SCO Charter was signed on 7 July 2002 and entered into force on 19 September 2003, and its membership has been expanded to eight countries, and some countries participate as observers or partners. Among them, the entry of India and Pakistan into the Shanghai Cooperation Organization may represent a major shift in the global balance of the former (mainly) world bipolar organization led by the United States and the Soviet Socialist Republic (USSR).

2. Stage of status development

The SCO has been established for more than 20 years and has played an important role in cooperation among countries on food security, energy security, climate change, and maintaining the security, stability and diversification of supply chains, while its role on the world stage is constantly changing. From the beginning of its founding in response to the collapse of the Soviet Union, to its independent role in the medium term, and as an important way for China's rise and influence, to the current relatively waning influence, understanding the development of the SCO is conducive to enriching the understanding of the development of an international organization, and at the same time more conducive to understanding the way China participates in the world.

2.1. New strategy to challenge the old world pattern

The SCO's stated goal is to counter US dominance in Asia. This is also clearly related to the Kuril Islands, claimed by Japan at the end of WWII, and the Senkaku Islands dispute between China and

Japan, in which the US openly supported Japan's claim to these islands. As we have seen, the SCO is in effect to create a set of states not linked to, but opposed to, the United States. This opposition includes Japan, which is considered an ally of the United States, the presence of American bases in Japan, especially in Okinawa (there are plans to expand and restructure these bases), and the controversy over visits by members of the government to the Yasukuni Shrine, which lists the names of soldiers, including some war criminals. The birth and development of the Shanghai Cooperation Organization has always been embedded in the adjustment of the international structure in the post-Cold War period and the process of geopolitical and economic reorganization in the Eurasian region. The rapid changes in the external environment such as the disintegration of the Soviet Union have constituted a systemic impact on the predecessor of the Shanghai Cooperation Organization——The strong shaping effect of "Shanghai Five Kingdoms". To a considerable extent, the agenda setting of the Shanghai Cooperation Organization is not a top-down, pre-set plan, but a continuous "trial and error" process through repeated communication and consultation among member states, and finally based on "negotiation the public goods confirmed by the principle of consensus. For China, the SCO is an important platform and mechanism for China to establish cooperative relations with neighboring countries. Multilateral cooperation fully embodies China's neighborly foreign policy of good-neighborliness and friendship^[1].

In December 1991, the Commonwealth of Independent States (CIS) was formed primarily in response to the collapse of the Soviet Union. Apart from maintaining political ties between the new republics, the CIS was not efficient. The economic crisis after the establishment of the CIS blocked all possibilities of economic development. On 14 June 2001, shortly after the end of the Russian crisis, a number of CIS countries signed a treaty creating the Shanghai Cooperation Organization. This is an important step for the former Group of Five, formed in 1996, which was largely limited to border issues and the settlement of incidents between countries. Since its creation, the Shanghai Cooperation Organization has addressed some of the issues that have arisen in Russia-China border relations. There have been several incidents along the 2,500-mile border due to tensions between Russia and China. The tension is linked to the situation of some ethnic minorities trying to flee China, such as Uyghurs, a group of Turks, Islamists, who have conflicting relations with Beijing. Many of them (over 50,000) took refuge in the USSR. The most significant was the events along the Ussuri River in 1969, when China and Russia were at odds over the ownership of Malay Damansky Island, when some 60 Russian soldiers were killed in clashes over the island. All these tensions were resolved through bilateral discussions. Now, the SCO is also organizing a number of naval and military exercises between the two countries, an important diplomatic step towards strengthening relations between the two countries. However, Russia has a much larger ground force, which includes a good collection of tanks, while China has a much larger navy. The air forces of both countries appear to be similar. In any case, the SCO may play a very important role in creating more harmonious relations in Asia, especially as a way to reduce the risk of war between Asian countries and Western countries or to resolve minor military incidents between Asian countries.

2.2. Continuous pursuit of perfect and play an important role

Judging from the 20-year development practice of the SCO, there are many factors that affect its development. For example, the low-speed economic development of Russia and Central Asian countries; in some member states, the "China threat theory" still exists; the containment and interference of US hegemony; the membership and functional roles of the Shanghai Cooperation Organization and other international organizations There are intersections and overlaps^[2]. In July 2015, India and Pakistan were admitted as members of the Shanghai Cooperation Organization. With these new members, the SCO now represents nearly half (40%) of the world's population. Its weight in international institutions will grow: the bloc holds three of the five BRICS seats, four in the G20 and two of the five on the UN Security Council. The expanded SCO is clearly the new pole of the multipolar world. Is this the end of the bipolar system? Yes and no. If we consider both population and GNP, we can consider the real world to be ruled by the US and Europe. Beyond these two key indicators, there are many important countries that remain isolated. If Russia, India, Brazil and China combine to form a massive bloc, this could bring about the emergence of a new pole.

The overall GDP of the SCO accounts for nearly a quarter of the global GDP. In 2016, the average GDP growth within the SCO was 4.84%, almost twice the global average. The gold and foreign exchange reserves of the SCO member states have steadily increased and are now close to \$4 trillion. This provides sound economic fundamentals by guaranteeing external debt obligations and providing support for the domestic currency. In 2016, 11% of the world's foreign direct investment occurred in the "Shanghai Top Eight", with nearly 600,000 new enterprises (excluding China, no statistics).

However, these indicators seem rather modest considering that nearly half of the world's population lives on the territory of the Shanghai Cooperation Organization. The Shanghai Cooperation Organization has joined countries with excellent universities and good educational resources. This development is the result of a technological structure, a security environment with good law enforcement and a relatively high standard of living and quality of life. Equally important is the ability to use enough energy to create the conditions for economic development. The development of nuclear power plants has made energy production cheap and plentiful. For China or India, nuclear power plants free them from coal mines and their detrimental impact on the environment. The Internet revolutionized education, which led to the creation of Massive Open Online Courses, or MOOCs, making education freely available to a wider audience for the first time. Going abroad is no longer the only way to get an education and earn a college degree. There is a kind of complementarity among the members of the Shanghai Cooperation Organization. Russia's demographic problems are related to the decline in births, which is closely related to the economic situation in the 1990s, while other member states are not. Russia also has very large natural reserves (gas, gasoline, timber) that are sometimes missing in other countries, thus creating a good market for international trade, which may benefit Russia economically. With global warming, the territory of China or Russia could be used for cultivation for the first time. Russia's demographic problems are related to the decline in births, which is closely related to the economic situation in the 1990s, while other member states are not. Russia also has very large natural reserves (gas, gasoline, timber) that are sometimes missing in other countries, thus creating a good market for international trade, which may benefit Russia economically. With global warming, the territory of China or Russia could be used for cultivation for the first time. Russia's demographic problems are related to the decline in births, which is closely related to the economic situation in the 1990s, while other member states are not. Russia also has very large natural reserves (gas, gasoline, timber) that are sometimes missing in other countries, thus creating a good market for international trade, which may benefit Russia economically. With global warming, the territory of China or Russia could be used for cultivation for the first time. Timber that other countries sometimes lack), thus creating a good market for international trade, which could benefit Russia economically. With global warming, the territory of China or Russia could be used for cultivation for the first time. Timber that other countries sometimes lack), thus creating a good market for international trade, which could benefit Russia economically. With global warming, the territory of China or Russia could be used for cultivation for the first time.

Globalization has become the main trend of international relations and is constantly deepening the connection between countries and regions in the world. Rapid advances in modern technology in the fields of transportation, communication, information transfer, and transmission are facilitating the creation of a cohesive global community of states that includes shared development challenges. In addition to the obvious benefits of these processes, their negative characteristics have also become more apparent. Regionalization, the stabilizing process of establishing new forms of interaction among the countries that make up the world's macroregions, has become another fundamental trend in the development of the global order. A growing number of countries are striving to build stable systems of relations with their neighbors that enhance their own potential while also helping to resolve pressing regional problems. This regionalization takes increasingly diverse forms, including classic examples of regional integration, including the establishment of supranational regulatory systems, more flexible models of cooperation at different speeds and levels in a range of areas, and new hybrid partnerships relational schema ^[3].

In the Greater Eurasian macro-region, the Shanghai Cooperation Organization is one of the most outstanding examples of this new model of hybrid or hybrid interstate regional partnerships. Since its establishment in 2001, the Shanghai Cooperation Organization has always aimed at maintaining regional security and stability, and has continued to follow its own evolutionary path, gradually developing multilateral cooperation in various aspects. The impetus for the development of the SCO comes mainly from great necessity, multilateral agreements and the common national interests of the SCO member states. The SCO does not wish to reach a specific target level of interaction, but systematically proceeds along the path of finding common ground in addressing pressing regional issues. One thing is clear - SCO has enormous potential in each of many unique parameters, and the constant exploration of new opportunities dictates the direction of its further development. Still, the SCO is relatively young and, as the history of other international organizations shows, it exhibits the characteristics and problems of any young and growing organization. Expert circles have often expressed doubts about the level of cooperation among SCO member states, most often claiming that the SCO is little more than a club of heads of state or an annual conference that does not pursue any specific goals ^[4]. Experts also object to the SCO's consensus decision-making model, saying it is slow

and ineffective. Some skeptics believe that the countries that make up the SCO are too diverse, with too diverse political systems, economies, belief systems, and approaches to civilization. This, they argue, greatly complicates dialogue, finding common ground, and the ability to achieve mutually beneficial problem-solving based on a shared vision—and that the level of internal division will only grow and lead to an accumulation of unresolved problems. However, while continuing to work on shared political and security goals, finding the best mechanisms for expanding economic ties, and deepening cultural and humanitarian engagement, the SCO continued to develop incrementally—primarily as a partner based on similar approaches among member states development of such partnerships in organizations. Overall, the SCO experience can be said to be the first in history to establish equal partnerships between countries of different sizes, different influences, different economic and political potentials, and different cultural and civilizational characteristics.

Given the multilateral nature of equal participation in decision-making, finding mutually beneficial solutions is always difficult and requires time and effort at the negotiating table. The resilience of the SCO model depends on the ability of member states to identify converging points or areas of interest. Of course, this takes time, and often the inability to make decisions that are acceptable to all indicates that the conditions are not yet ripe. Nevertheless, there is no doubt that Eurasia has now established a regional interaction system based on the principles and methods formulated and embodied in the SCO joint documents. One of the most important outcomes of the SCO summit held in Astana in June 2017 was India and Pakistan becoming full SCO members. The two countries became unconditional signatories to all SCO documents and pledged to make constructive contributions to strengthening and developing cooperation within the SCO framework. By bringing together the four nuclear powers (India, China, Russia, and Pakistan)—half of the world's nuclear club—the SCO format has become an additional underpinning element of the system of maintaining global strategic stability.

2.3. A new international event participant

The Shanghai Cooperation Organization is not a typical example of international integration, so in terms of nature, the attribute of strategy may be greater. The classic integration scenario shows a gradual transition from the simplest form - a free trade area (FTA) - to the highest form of economic integration - a common market. Experts at the World Trade Organization point out that the modern trend is towards the increase of regional trade agreements, a number that grew by about 60 percent between 2010 and 2018, and which include both standard free trade agreement provisions and so-called "free trade agreements". "Trade agreement plus" format—that is, supplementary economic integration agreements. The number of such FTA+ agreements increased five-fold in the first decade of the 21st century^[5]. A free trade area is a form of economic integration in which countries agree to remove mutual trade restrictions. These countries freely exchange goods and services, but independently set tariffs for trade with third countries. Establishing a network of free trade agreements with third countries is an important trade policy priority of the Eurasian Economic Union. Such agreements are an effective tool for obtaining favorable conditions for entering foreign markets, expanding exports and attracting investments – necessary to integrate enterprises of EEU countries into global production chains and increase their competitiveness. In addition, this network of preferential agreements reduces international trade risks associated with political factors. China is also actively pursuing a policy of liberalizing trade relations with countries in the region. The Central Asia Regional Economic Cooperation program (CAREC) is being implemented and, in addition to China and the Central Asian countries, also involves Mongolia, Afghanistan, Pakistan and Azerbaijan (all belonging to the "SCO family"). The plan calls for accelerating the implementation of the CAREC strategy in cooperation areas such as trade policy, energy, and the construction of the Central Asian "economic corridor" based on the China-Kyrgyzstan-Uzbekistan Railway Project. All of these are part of the SREB format. Ultimately, these interregional initiatives laid the prerequisites for the formation of international regions as new ties in the global trading system, based not only on competition but also on cooperation with other centers of international economic relations.

The SCO member states can transcend their great geopolitical and cultural differences and unite closely to meet the test of international and regional changes. They are: First, to work towards the development of good-neighbourly relations among member States. Second, it is committed to developing cooperation among member states in specific economic, cultural and educational fields, taking into account the interests of member states. Third, it is committed to combating terrorism, separatism and extremism and maintaining regional peace and stability. Fourth, we should work to promote the establishment of a just, peaceful and civilized new political and economic order. These four aspects are fully in line with the realistic and long-term interests of Member States.

All SCO countries—that is, member states, observer states and SCO dialogue partners—are involved in these projects at different levels and in different forms. At the same time, concerns about establishing a free trade agreement are justified, given the different levels of production development in the SCO countries. Some countries are openly concerned that the emergence of a free trade agreement could lead to an uncontrolled influx of cheap Chinese goods that would damage their national economies. For example, the entire combined market of the Eurasian Economic Union contains about 180 million people—less than the average of a province or administrative region in China and roughly the same as that of Pakistan. In addition, the Shanghai Cooperation Organization and the Eurasian Economic Union have not yet reached a consensus on when to start cooperation negotiations, and countries such as Uzbekistan and Tajikistan have not participated in the integration process so far. On the other hand, seven of the eight SCO member states are members of the Eurasian Economic Union and have free trade agreements with EEU countries or are negotiating such agreements. It can be seen that the steady process of establishing new trade relations in the region has taken shape. Clearly, as this process progresses, the system of trade agreements will link all SCO countries in some way, and these arrangements will need to be coordinated and inevitably force the organization to establish some form of integrated structure. This condition can develop in any of a number of different ways. In the short term, as joint negotiations with China under the auspices of the Eurasian Economic Commission (EEC) move to a supranational level, EEU member states have the opportunity to develop a unified position on participation in the Silk Road and a common framework for trade relations with China. This will make the Eurasian Economic Union attractive to other Central Asian countries such as Tajikistan and Uzbekistan, which are clearly in a weak position in bilateral dialogue with China.

In addition, mutual support within the SCO is important for the balance of Chinese and Russian interests in the Pacific. Besides increasing overall foreign trade, China needs to diversify its energy imports through the SCO to reduce its dependence on the Pacific. At the same time, China must use the BRICS to increase its exports to emerging markets and reduce its economic dependence on the United States and Japan. In addition to supporting China's rivals in the Pacific and increasing its military presence, the United States is also trying to force China to join US-led economic alliances (such as ASEAN) in order to increase China's economic dependence, strengthen its alliance with the United States and reduce China's influence abroad. China and Russia are therefore more resolutely defending their respective interests in the Pacific, where the SCO plays a very important role.

3. Conclusions

In conclusion, the development of the Shanghai Cooperation Organization may be one of the main factors leading to the comprehensive transformation of international relations in the 21st century. First, it marks a complete shift in Russia's external politics. It marked the end of the ambitions of the famous Tsar Peter the Great (1682-1725) to transform Russia into a European state. The SCO has also changed China's role in the region as it seeks to lead the world. China should continue to maintain the smooth development of this organization. However, due to the special geographical location of the organization and the sensitivity of its members, it is not very easy to do it specifically.

The "Shanghai Spirit" advocated by the Shanghai Cooperation Organization is a transcendence of the Cold War mentality and an important role in promoting the establishment of a fair and rational new international political and economic order. Today, although the SCO has a smaller voice than in previous years, it still has a lot of potential to continue to participate in cooperation with other actors in the future, and it is also a medium for China to increase its voice and influence as a rising power. The initiative of Tongwei is China's "Chinese solution" and "Chinese wisdom" to contribute to the future development of the SCO, pointing out the way forward for the SCO after the expansion of its membership, and helping the SCO to move forward towards a more noble mission in the future.

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