

## The New 'NATO of the East' Takes Shape: The SCO and China, Russia and US Maneuvers

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If optimism is a force multiplier, as former US secretary of state Colin Powell once said, it has worked well so far for the Shanghai Cooperation Organization (SCO). There were times in the past seven years when it seemed doubtful that the SCO would pull through, beating back the all-out US assault on its credibility.

It is certainly a measure of the SCO's success that the United States and Japan are knocking at its door, anxious to gain "observer" status. But for Beijing and Moscow, the two capitals that jealously guarded the SCO and nursed it through its infancy, optimism wasn't the entire story behind the success of the organization, which comprises China, Russia, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan.

Everything depended on their mutual relations, too. Over the past half-century, Sino-Russian relations have been less than fraternal. But

fortuitously, Sino-Russian relations have reached an almost unparalleled level of mutual understanding. That indeed helped the SCO gain flesh and blood. To quote from an editorial by The Financial Times, "On the face of it, SCO is everything that Richard Nixon and Henry Kissinger - who sought to keep Russia and China apart - tried to prevent."

In an overarching way, however, the massive shift in the templates of great-power politics in recent years also has provided impetus for the SCO's growing clout. Matters are moving in such a direction today that, arguably, if the SCO didn't exist, Russia and China would have reason to discover one.

Nothing brings this home more than the deliberation with which Russian President Vladimir Putin chose the press conference at the fag end of the SCO's first-ever military maneuvers, "Peace Mission 2007", to make the dramatic one-line announcement, "I have decided that Russia's strategic aviation will resume patrols on a permanent basis."

Putin said with his uncanny sense of timing, "At midnight today, August 17, 14 strategic missile carriers, support and refueling aircraft took off from seven air force bases in different parts of the Russian Federation and began a patrol involving a total of 20 aircraft. As from today, such patrols will be carried out on a regular basis. These patrols are strategic in nature."

### Shadow of new cold war

Russia has resumed a practice that it had unilaterally suspended in 1992 with the collapse of the Soviet Union. It happened to be on the day the SCO's first ever military maneuvers concluded. Conceivably, the "new cold war" was like Banquo's ghost in Shakespeare's Hamlet, the unsolicited visitor at the SCO's summit meeting in the Kyrgyz capital Bishkek on August 16-17.

Where does the SCO fit in the "new cold war?" The question can take different forms. A variant would be, "Is the SCO turning into a NATO-like military alliance?" The core issue is the extent to which Russia and China would have common concerns and shared interests in the period ahead as the chill continues to deepen in Russia's relations with the West.

Curiously, it is from the Chinese side that we get a detailed version of the two rounds of talks last week held between Chinese President Hu Jintao and Putin on the sidelines of the SCO summit.

Briefing the Chinese journalists accompanying Hu, Foreign Minister Yang Jiechi gave an upbeat account of the strategic ties that exist between China and Russia.

According to People's Daily, Yang identified "mapping out Sino-Russian ties and upgrading bilateral strategic coordination" as one concrete outcome of Hu's "major diplomatic maneuvering in the Eurasian region" this past week.

Yang said Chinese and Russian leaders held "in-depth and candid discussions about strategic security cooperation as well as major international and regional issues ... They agreed to lose no time in working out the mid- and long-term plans for Sino-Russian regional cooperation ... [they] agreed to further implement the Sino-Russian strategic security negotiations ... and to join forces to tackle other major security issues, in a concerted effort to safeguard the strategic interests of both countries.

"[They] held an in-depth exchange of views on major global and regional issues such as the development of the SCO, how to bring the United Nations into fuller better play, and have reached a broad consensus. Their consensus will ... raise the Sino-Russian strategic cooperation partnership to a still higher level."

What stands to reason from the above is that the two leaderships may have for the first time

discussed the common challenge facing the two countries, emanating out of the US plans to deploy the missile-defense systems in Central Europe and the Asia-Pacific region.

When asked about it, Russian Foreign Minister Sergei Lavrov left the topic vague. According to Russian media, he said that although Russia and China had not yet considered cooperation in missile defense, the two countries "share a vision of how to provide security". Lavrov added, "We and China are analyzing the US global missile-defense plans targeting Europe and the East."

Significantly, the government-owned China Daily featured a lengthy article on this subject four days after Hu's meeting with Putin. Authored by Fu Mengzi, vice president of the Chinese Institute of Contemporary International Relations, the article "Signs point to rekindling of Cold War mentality" noted that apart from the proposed US deployments in Poland and Czech Republic, "The US is now working with Japan to advance the development of BMD [anti-ballistic missile] systems in the Far East."

The article concluded that for the US, its global hegemony is no less important than its ongoing "war on terror", and this is because "the rise of non-Western powers is becoming a main trend in global politics and Russia happens to be one of those powers with a superpower's capability to rival the US in its strategic nuclear stockpile".

"Even though it is not the Soviet Union, Russia is still a strategic nuclear superpower next to the US. It surely will not sit idle while the US tightens the noose around its neck." The article estimates that the US is getting paranoid that the "real threat" to it comes not from terrorism but from "major power challenges".

Fu concludes, "That is why NATO is still hell-bent on growing larger ... and the US is working hard on energizing the old military alliance in addition to building an 'alliance of the willing', with an obsession in forging military relations with non-allies."

"We are watching the rekindling of the Cold War mentality in Washington's efforts to find allies and partners while beefing up its military presence in the Asia-Pacific region, East Europe and South Asia, apart from occupying Iraq indefinitely."

### **'NATO of the East'**

The SCO summit in Bishkek adopted a declaration on international security and stability, which contained thinly veiled criticism of the US global strategy. The declaration repudiated "unilateralism" and "double standards"; it emphasized "multilateralism", "strict observance of international law", and a lead role of the United Nations. Significantly, it said the SCO "always stood for strengthening

strategic stability".



Hu Jintao (left) and Putin at Bishkek Summit

Equally, the declaration underlined that the SCO would resolutely counter NATO and the West poaching on the Central Asian pond. It said, "The security and stability of Central Asia mainly depends on the strength of the states within the region, which may further be guaranteed on the basis of the existing regional organizations."

The Bishkek summit heard further denials that the SCO would develop into a political-military organization. Putin said, "As for the military component, it is not a military component as such but rather a counter-terrorism component ... I repeat that the military component is not the dominant and most important part of the SCO. Moreover, the SCO is not a closed organization. It is not a bloc organization. We hold military training exercises not only with the SCO member states but also with other countries, including with NATO member countries."

Clearly, if the SCO is developing into a "NATO of the East", that can only happen in the fullness of time, quite a long while from now. But in the meantime, security cooperation within the SCO is assuming new dimensions and has intensified. To be sure, the possibility of the organization evolving into a fully fledged security grouping cannot be ruled out.

In the short term, we may even expect an expanded framework of military cooperation, which would include different formats for forward basing and equipment propositioning. The turning point to be watched would be if and when the SCO assumed mutual security obligations among its members.

On a common security policy, SCO's summit last year agreed that in the event of a threat to regional peace, stability and security, SCO member countries would enter consultations immediately for making an effective response to the emergency. But the decision stopped short of a military assistance article as such, similar to what is spelled out in the NATO charter.

Having said that, without doubt, Peace Mission 2007 took on the trappings of a military drill rather than a counter-terrorist operation. The drill testified to the military coordination and synchronization going on within the SCO in the recent past.

The fact that the exercises coincided with the political summit, and the extraordinary joint presence of the SCO leaders at the concluding stage of the maneuverings, altogether conveyed a big political message. More important, the SCO deliberately intended to convey such a message. Putin proposed at the Bishkek gathering that the SCO military exercises could be made into a regular feature of the organization's activities.

Again, the Bishkek summit marks one more step toward the SCO's evolution into a "supra-regional" organization. It has gained observer status at the UN; it is forging links with sister organizations such as the Association of Southeast Asian Nations. That is to say, the SCO is incrementally placing itself on the same political pedestal as, say, the Organization for Security and Cooperation in Europe, and with a military profile somewhat resembling NATO's.

Indications are that China has finally concurred with the Russian proposal for establishing a partnership between the Collective Security Treaty Organization (CSTO) and the SCO. In this context, the secretary general of the CSTO, General Nikolai Bordyuzha, is on record that the two organizations are well on the way to signing a protocol formalizing their cooperation and, furthermore, that they might in future hold joint military training.

The SCO joint communique issued in Bishkek

says, "The heads of state expressed support for expanding contacts between the SCO and the CSTO with the aim of coordinating efforts to reinforce regional and international security, and to counter new challenges and threats."

Of course, there is a lot of overlap in the membership of the two organizations. Five of the seven CSTO member states are in the SCO, while five of the six SCO member states are in the CSTO. Similarly, there are overlaps in the spheres of responsibility of the two organizations. What may well happen in the short run is that a kind of division of labor may be decided upon.

The SCO may focus on the range of so-called "new threats" rather than on the conventional form of military threats, while the CSTO (which is, incidentally, developing a rapid-reaction force similar to NATO's), would maintain a common air-defense system, training of military personnel, arms procurement, etc.

### **US meets SCO challenge**

Russia's interest in stepping up the security cooperation within the SCO is undoubtedly increasing. Tajik President Imomali Rakhmon made an intriguing suggestion in his speech at the Bishkek summit that since the CSTO and SCO duplicate each other on several issues, they could be merged into a single organization.

How does the West tackle the SCO's "challenge"? Arguably, the West doesn't necessarily have to see the SCO as an antagonist. The stability and security of Central Asia, which is the core mission of the SCO, is as much in the West's interests as Russia's or China's. The modern-day "foreign devils on the Silk Road" - drug traffickers, Islamic warriors or plain terrorists - are of as much concern to the West's security as to the SCO member countries'.

On the face of it, there is much merit in what The Financial Times counseled: "The SCO should be a stepping stone to Central Asia's engagement with the rest of the world, not just a jointly owned subsidiary of Moscow and Beijing."

But we live in a real world. In the same week that the SCO leaders met in Bishkek, Moscow publicized the deployment of its most modern S-400 air-defense system around Moscow. And two Bear-H strategic bombers set off from Russia on a patrol mission overflying Guam in the Pacific, home to a US strategic bomber base.

The US efforts to weaken the SCO will continue. The efforts may even be stepped up. By current indications, Washington is moving on the basis of the assessment that the SCO is still some way from becoming a strategic alliance and there is still time to weaken it before an opposition bloc actually takes shape.

The US is focusing on Russia, while there is no immediate fear of a rising China. Whereas the strategic "threat" that Russia poses is a current one, the potential threat from China will be a matter at least 15-20 years away. Besides, the US estimates that it has sufficient leverage vis-a-vis China. On the other hand, Russian-US relations have touched a new low, especially as Russia's recovery is accelerating and, correspondingly, Russia's strategic might is reviving.

Moscow has announced that it is embarking on an ambitious upgrade of its strategic nuclear capabilities that is designed to negate the effectiveness of the United States' anti-ballistic-missile systems. The plan features Tu-160 strategic bombers of the air force; the strategic rocket force's land-based Topol-M intercontinental ballistic missile (ICBM); and Project 941 (Typhoon) strategic nuclear submarines of the navy. Meanwhile, Russia is developing its own fifth-generation missile-defense system, while at the same time expanding its missile-defense network in its "near abroad" in Belarus, Armenia and Kazakhstan.



Topol-M ICBM

Also, Moscow is speeding up the development of new ICBMs and realigning its strategic warheads. On July 14, the Kremlin announced that it was suspending the implementation of the Conventional Armed Forces in Europe Treaty. Simply put, Russia is determined to keep up its Soviet-era strategic parity with the US.

By the end of 2006, the Russian economy had recovered to its 1991 level (before the collapse of the Soviet Union). Surplus resources are once again available to keep the military machine running. Fu wrote in China Daily, Russia's economy "has been undeniably recovering after it hit rock-bottom as a result of the 'shock therapy' following the end of the Cold War. The country has been profiting from high oil prices on the world market in recent years. The influx of oil and gas dollars has pumped up the country's confidence."

Russia's post-Soviet transformation hasn't gone

the way that Washington scripted. Again, to quote Fu, "Moscow no longer feels it has to behave in deference to the US ... Russians are now ready to say whatever they want, like what Putin did at the European security summit in Munich." Thanks to Putin's massive popularity - rating above 80% - Washington's hue and cry about "authoritarianism" isn't frightening the Kremlin. Russia is bent on rebuilding its traditional empirical power.

Therefore, the fundamental objective of the US regional strategy in Central Asia is to weaken Russian influence in a region, which constitutes Russia's "soft underbelly", no matter Russia's legitimate interests there. The strategy works on different planes vis-a-vis different protagonists.

Thus Washington follows a differentiated approach toward China, aimed at creating tensions within the SCO. Washington has been probing a limited arrangement with Beijing on the basis of their perceived "common interest" as energy-consuming countries interested in opening Central Asian energy to alternative export routes outside Moscow's influence.

Second, US diplomacy projects the Russian objective within the SCO as aimed at tying China down within a formal alliance structure. Admittedly, Russian interest in increased security cooperation within the SCO easily lends itself to such US projection. On the whole, the US

strategy is predicated on the assumption that there are fundamental contradictions in Russo-Chinese relations that can be exploited.

### US wooing India

On the other hand, in New Delhi, for instance, which Washington increasingly sees as its junior partner in the pursuit of its Central Asia policy, US diplomacy harps on China's growing influence in Central Asia and the thickening strategic cooperation between Russia and China. This projection principally aims at playing on India's latent sense of rivalry with China.

The Indian strategic community, which is already worked up to a frenzy by gnawing anxieties over China's phenomenal rise, is only too willing to lap up the US doomsday scenario, and to work with the US in countering China's regional influence anywhere in Asia.

The mood in Delhi works splendidly well for the US interests insofar as a watchful India, which resents the thickening strategic ties between Russia and China, also makes it a point incrementally to distance itself from Russia. Of course, the collateral damage to the traditional bonds of friendship and cooperation between India and Russia meets the core objective of US diplomacy.

Ironically, not too long ago, Russia used to

regard India as a reliable partner in Central Asia. Russian diplomacy constantly urged India to play a proactive role in Central Asia's difficult post-Soviet transition. Russian diplomats even showed frustration that New Delhi was not as active in Central Asia as it could be and ought to be. Moscow's comfort level with Delhi was such that in the Soviet era, India was one of only four fraternal countries that were permitted to maintain consulates in the Central Asian region.

However, despite the pro-American tilt in India's foreign policy in recent years, it is doubtful whether Delhi sincerely believes in the viability of the United States' "Great Central Asia" strategy. Delhi would know that thanks to a variety of factors, especially the perceived US defeat in Iraq and Afghanistan, US stock is very low in the Central Asian steppes. US diplomacy doesn't have any credibility with the Central Asian ruling elites.

Delhi's real mind remains inscrutable; it hardly articulates on developments concerning Central Asia; its political exchanges with Central Asia have become few and far between. Conceivably, India is keeping its counsel to itself. But by the same token, the US can draw satisfaction that it has succeeded to a great extent in cooling India's initial fervor toward the SCO.

India was the only country that was not represented at the level of head of



government/state at the SCO's gala fifth-anniversary summit in Shanghai. India has also begun dragging its feet over the Russia-China-India trilateral format. Moscow is taking note of the shift in the Indian stance.

Russia has come out openly against the United States' so-called "Great Central Asia" strategy aimed at drawing the Central Asian states away from the SCO toward a cooperation arrangement with the South Asian region.

Russian First Deputy Foreign Minister Andrei Denisov said in an interview with the *Vremya Novostey* newspaper recently that Moscow would vehemently oppose the US strategy: "There should be no secret attempts aimed at 'pushing' some countries out of the existing system of regional relations."

He added meaningfully, "Nobody opposes the strengthening of ties between states from different subregions in Asia, but if it is done in order to 'detach' Central Asian countries under the pretext that a geopolitical reorientation of these countries toward the south is allegedly a 'good thing', we will not agree with that." Denisov's statement, though implicitly, contains a rare rebuke of India.

### **SCO eyes Hindu Kush**

The SCO has begun hitting back at the United

States' Great Central Asia strategy. It is hitting back in Afghanistan, which Washington regards as the "hub" of its strategy to link Central Asia with South Asia. The SCO put the US on notice that it is quite capable of contesting the Anglo-American monopoly of conflict resolution in Afghanistan. The Bishkek declaration said, "The member countries are willing to participate in the efforts to normalize Afghanistan's political situation ... as well as improve the work of the SCO-Afghanistan Contact Group."

The joint communique issued after the Bishkek summit went a step further, saying, "The [SCO] leaders also discussed the possibility of the SCO taking bigger part in the Afghanistan affairs, to contribute more to regional security and stability." Warning bells must be ringing in Washington and London.

Putin in his speech at the SCO summit all but implied that the US and NATO have dismally failed to prevent Afghanistan from becoming an open wound infecting Central Asia. He called for reinforcing "anti-drug security belts" around Afghanistan supervised by SCO monitors. The summit decided to organize an international conference on Afghanistan next year.

The US counter-strategy toward any SCO role in Afghanistan will be by way of binding Pakistan even closer to NATO. Pakistan's "loyalty" becomes crucial because most of the supplies for

the NATO forces go through Pakistani territory. But, in turn, this makes the United States' Afghan strategy even more heavily dependent on Pakistan's cooperation. One offshoot is that Washington shudders at the thought of any "regime change" to take place in Islamabad, no matter President General Pervez Musharraf's standing in Pakistan.

On the other hand, Washington is under compulsion to accommodate Pakistan's legitimate interests in Afghanistan. The recent peace jirga in Kabul is a step toward reaching some sort of political accommodation with the Taliban as well as for strengthening the Durand Line, the Afghan-Pakistani border. According to latest reports, US officials have begun holding face-to-face meetings with the Taliban representatives in secret locations inside Pakistan. Of course, any such talks would have to be under the watchful eyes of Pakistani intelligence.

Central Asian states will view the appeasement of the Taliban with great concern. Uzbek President Islam Karimov, in his speech at the Bishkek summit, called for the West to "demilitarize" Afghanistan.

### **Energy war intensifies**

Meanwhile, a new factor in the US regional policy has appeared in the nature of the likely

membership of Iran and Turkmenistan in the SCO. For different reasons, Washington would like to see that such an eventuality is averted for the foreseeable future. As regards Iran, Washington would see its SCO membership as a setback to its robust diplomatic campaign to isolate that country. As regards Turkmenistan, Washington figures that a potential SCO "energy club" (mooted by Moscow) will remain incomplete as long as Turkmenistan doesn't become part of it.

In both respects, Washington can derive satisfaction from the outcome of the Bishkek summit. The SCO seems unprepared for the present to grant Iran full membership. Not surprisingly, the SCO doesn't want to get sucked into the Iran-US standoff with its potential ramifications for Russian-US and Sino-US relations if a military confrontation takes place, which cannot be ruled out. On the contrary, the SCO is overtly keen to grant membership to Turkmenistan, but President Gurbanguly Berdymukhammedov is playing hard to get.

Just ahead of the SCO summit, Daniel Sullivan, the US assistant secretary of state for economic, energy and business affairs, arrived in Ashgabat urging Berdymukhammedov to diversify Turkmenistan's energy export routes and promising deeper cooperation with US companies.

"We believe that increased diversification of energy routes, buyers and suppliers are in Turkmenistan's long-term energy-security interest ... Nations should never be left with only one option, one market, one trading partner and one vital infrastructure link ... We are encouraging American companies to invest in Turkmenistan to help your country grow," Sullivan exhorted.

At any rate, contrary to earlier indications, the Bishkek summit put off Turkmenistan's admission, even though Berdymukhammedov attended as a special invitee. The day after the SCO summit concluded, coincidence or not, Washington announced that it was granting funds for undertaking a feasibility study for a trans-Caspian gas pipeline from Turkmenistan.

Moscow and Beijing should have reason to worry. It was only last Saturday that Chinese President Hu Jintao and Kazakh President Nursultan Nazarbayev agreed to build an oil pipeline from Turkmenistan's Caspian shore to China across Kazakhstan, which will be the second leg of the Atasu-Alashankou oil pipeline with a throughput capacity of 10 million tonnes annually and which is expected to come on stream in 2009.

Only three days before the Hu-Nazarbayev meeting, Kyrgyz and Tajik leaders had separately canvassed with Hu in Bishkek that a section of

yet another planned Turkmenistan-China gas pipeline should be built on their territories. Both Russia and China would feel uneasy that Turkmenistan is coming under US influence.

Moscow would count on the forthcoming summit of the Caspian littoral states to be held in Tehran on October 18 as an occasion for clarifying equations. Russia, Kazakhstan and Turkmenistan will take part in the summit. The Iranian hosts can be expected to lend a hand in dissuading the Turkmen leader from trading with the Great Satan in the overall interests of regional stability.

If Iran succeeds, the SCO's energy club will take a big step forward by getting Turkmenistan on board. In the process, Iran will have enhanced its case further as regards full membership in the SCO.

Amid all the variables of the volatile regional and international setting, the SCO needn't lack optimism. If Powell is right, the SCO seems all set to go from strength to strength.

*M K Bhadrakumar served as a career diplomat in the Indian Foreign Service for more than 29 years, with postings including India's ambassador to Uzbekistan (1995-98) and to Turkey (1998-2001).*

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