

**SCO**

By CK Wong 2006.09.19

<http://www.ck-wong.ca/China/sco%2020060919.pdf>

Introduction

SCO stands for Shanghai Cooperation Organization. It has the membership of Russia, China, Kazakhstan, Kyrgyzstan, Tajikistan, and Uzbekistan. They meet to discuss on opportunities for mutual benefits. Iran is an observer who pushes for full membership. Is this another non-G7 country G6?

The Beginning

Based on the success of the Shanghai Five (China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan) founded in 1996, the membership has a new member Tajikistan to form the SCO to expand the agenda from resolving the border dispute diplomatically to economic, science and environment. The scope is almost like a federation of governments. The resolution of border provides the participated countries more resources and time to other priorities.

Circle of Influence

The cooperation on social and economic aspects has important meaning. By examining the geographic coverage, these countries form a solid body of land bounded by East Europe, Arabian Peninsula and the Pacific. Since China has the strong relationship with most of the Indochina and Southeast Asia countries, it provides a very large circle of interest serving China and other 5 memberships.

Stemming from the original intention of Shanghai Five, these countries also form a military treaty loosely. They agree not to perform military exercise against each other. In another word, should situation arise, they may support other's military action.

The alliance is especially important in today's energy hunger world. China and Russia has been pursuit energy security from the Asia Minor, i.e. the Kazakhstan and its neighbours. The SCO provides a lot of help when you established the relationship before everyone bid for the oil and natural gas.

Politically, when US tries to fortify its position in the Middle East, it faces a wall that could not go beyond Iraq and Afghanistan.

Expansion through Observers

There are other observes for SCO includes Pakistan, Mongolia, India and Iran. India has signed the energy search cooperation agreement with China. Mongolia is engulfed by Russia and China. They influence dominates the direction including sharing its rich resources. Iran as the third largest oil export country considering joining the organization will definitely raise some eye brows. This could explain why Russia and China disagree SCO

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on Iran embargo. At the same time, they would not do anything the American tables. The hidden agenda could be bringing Iran into SCO would really benefit the SCO energy supply and politically.

Control

Among the six countries of SCO, China and Russia stand out as the leader. Who is the dominated one? Both countries have the world class influence. China's manufacturing export and Russia's natural resources. In fact China does has the natural resources but rather than burning it, it is securing all the external sources. Daqing is actually not the only giant oil fields in China. More would be announced. Some of them just not in production stage, e.g. the East China Sea.

The leadership competition between China and Russia will be a hidden agenda because they need each other to dominate the SCO or better the world.

China

With SCO uniting Asian continent countries, Association of South East Asian Nations (ASEAN) forming a trading circle, friendly relationship with the Latin America countries and the strong historical relationship with African countries, China is dominating the world in dark light. What China doing in stealth mode is a duplicate of the East India Company in the late Nineteen Century; business first, politic and military are just the means to business success. With all these success, joining G7 is really not matter but the dialog is needed.

Resources

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[4] *Association of South East Asian Nations*, <http://www.aseansec.org/>

[5] *Understanding Sino-Iranian Cooperation*, 2006.09.16, China Confidential, <http://chinaconfidential.blogspot.com/>