

中印对话

Igniting the  
'Shanghai Spirit' at  
the SCO Summit

# CHINA-INDIA DIALOGUE

Reconnection to  
Central Asia for India's  
Energy Security

Vol.13 | May - June 2018

## SCO in the New Era



ISSN 2096-2614



国内零售价: 10 元 / India ₹ 100

[www.chinaindiadialogue.com](http://www.chinaindiadialogue.com)

# 塞罕坝

牢记使命 艰苦创业 绿色发展

半个多世纪，三代人耕耘。

沙地变林海，荒原成绿洲。

寒来暑往，

塞罕坝机械林场的森林覆盖率

已达80%。

栽种树木按二米株距排开，

可绕地球赤道二圈。

Saihanba is a cold alpine area in northern Hebei Province bordering the Inner Mongolia Autonomous Region. It was once a barren land but is now home to 75,000 hectares of forest, thanks to the labor of generations of forestry workers in the past 55 years. Every year the forest purifies 137 million cubic meters of water and absorbs 747,000 tons of carbon dioxide. The forest produces 12 billion yuan (around US\$1.8 billion) of ecological value annually, according to the Chinese Academy of Forestry.

# CONTENTS

## CHINDIA NEWS / p.02

### OPENING ESSAY

SCO: A New Global Solution  
to International Relations  
Igniting the 'Shanghai Spirit'  
at the SCO Summit / p.10

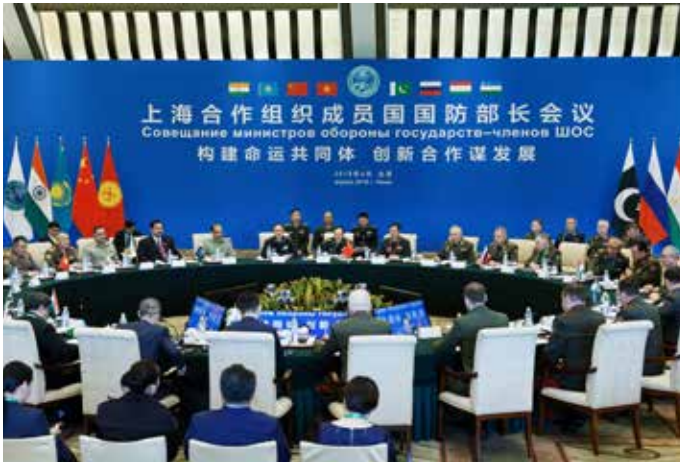
04

## COMMENT India's Expectations for the SCO / p.14

## STRATEGY

### SCO: A TIGHTER COMMUNITY

18



New Opportunities and Challenges for the SCO / p.24  
Wider Avenues for India-China Cooperation / p.30

### TREND

SCO Security Cooperation:  
Greater Challenges / p.34  
What Does the SCO Mean for  
Pakistan and India? / p.38  
Can the SCO Bring India and  
Pakistan Closer? / p.41

### CASE STUDY

Chabahar: India's Gateway to  
Eurasia / p.44

### DISCUSSION

Reconnection to Central Asia for

India's Energy Security / p.48  
A Win-Win in Central Asia / p.52

### DATA

17 Years of Cooperation:  
SCO's Profound Journey / p.56

### YOUNG VOICES

Multilateral Mechanisms:  
Boon or Bane? / p.60

### BOOKS

Indian Civilization / p.64

## CHINA-INDIA DIALOGUE

**ADMINISTRATIVE AGENCY:** 主管:  
China International Publishing Group 中国外文出版发行事业局  
(中国国际出版集团)  
**PUBLISHER:** 主办、出版:  
China Pictorial 人民画报社  
**ADDRESS:** 地址:  
33 Chegongzhuang Xilu, Haidian, 北京市海淀区  
Beijing 100048, China 车公庄西路33号

**PRESIDENT:** Yu Tao 社长: 于涛  
**EDITORIAL BOARD:** 编委会:  
Yu Tao, Li Xia, 于涛、李霞、  
He Peng, Wang Lei, Bao Linfu, 贺鹏、王磊、鲍林富、  
Yu Jia, Yan Ying 于佳、闫颖  
**EDITOR-IN-CHIEF:** Li Xia 总编辑: 李霞  
**EDITORIAL DIRECTORS:** 编辑部主任:  
Wen Zhihong, Qiao Zhenqi 温志宏、乔振琪  
**ENGLISH EDITOR:** 英文定稿:  
Xu Mingqiang 徐明强  
**EDITORIAL CONSULTANTS:** 语言顾问:  
Scott Huntsman 苏格  
**EDITORS AND TRANSLATORS:** 编辑、翻译:  
Gong Haiying, Hu Zhoumeng, 龚海莹、胡周萌、  
Liu Haile, Li Zhuoxi, 刘海乐、李卓希、  
Li Yiqi, Mithila Phadke, 李艺琦、弥萨罗、  
Wang Shuyuan, Xu Shuyuan, 王舒雅、许舒园、  
Yin Xing, Zhang Xue, 殷星、张雪、  
Zhao Yue, Zhou Xin 赵月、周昕  
**EDITOR-VISUALS & PHOTOGRAPHS:** 视觉编辑:  
Li Zhuoxi 李卓希  
**DESIGNED BY:** Alinea Productions 设计: Alinea Productions  
**WEB MAINTENANCE AND GRAPHIC** 网络维护与图表  
**DESIGN SPECIALIST:** 设计专员:  
Andrey Maleev 安德烈  
**REMITTANCE TO:** Publishing and 邮购收款人:  
Distribution Department, 人民画报社  
China Pictorial 出版发行部

**TELEPHONE 电话:**  
+86-10-68413849, +86-10-68412166

**POSTAL CODE 邮编:**  
100048

**LEGAL ADVISER:** Yue Cheng 法律顾问: 岳成  
**PRINTING:** 印刷:  
Toppa Leefung Changcheng 北京利丰雅高长城  
Printing (Beijing) Co., Ltd. 印刷有限公司

**OVERSEAS DISTRIBUTION:**  
China International Book Trading Corporation (Guojiao Shudian),  
35 Chegongzhuang Xilu, P.O. Box 399, Beijing 100048, China

In China, subscriptions are available at any post office.  
Subscription and distribution agency in Hong Kong, Macao,  
and Taiwan:  
Hong Kong Peace Book Company, Ltd.  
17/F., Paramount Building, 12 Ka Yip Street,  
Chai Wan, Hong Kong

**CHINA STANDARD PERIODICAL NUMBER:**  
ISSN 2096-2592  
CN10-1433/D

**ADVERTISING BUSINESS LICENSE:**  
J.H.G.S. Advertising Business Registration No.20170199

**PRICING:**  
¥10 / India ₹ 100

## CHINA-INDIA DIALOGUE

VOL.13 | MAY - JUNE 2018

Visit *China-India Dialogue* on the Internet:  
[www.chinaindiadialogue.com](http://www.chinaindiadialogue.com)  
Follow us on:



## CONSULTANTS OF THE CHINA-INDIA DIALOGUE ADVISORY BOARD

**Alka Acharya** Professor and director of the Institute of Chinese Studies, Delhi

**Hu Shisheng** Director of the Institute of South and Southeast Asian and Oceanian Studies under China Institutes of Contemporary International Relations

**Li Daoxui** Economics professor and director of the Center for China in the World Economy at Tsinghua University

**Lin Minwang** Research fellow and Deputy Chief of the Center of South Asian Studies, the Institute of International Studies at Fudan University, and a research fellow with the Collaborative Innovation Center of South China Sea Studies at

Nanjing University

**Ma Jiali** Deputy Director of the Center for International Strategic Studies of China Reform Forum

**Ma Weigong** Consultant of the National Institute of Strategic Communication at Peking University and former deputy editor-in-chief of China Radio International

**Sun Shihai** Former director of the Chinese Association for South Asian Studies and former deputy director of the National Institute of International Strategy under the Chinese Academy of Social Sciences

**Sun Yuxi** Former Special Envoy of the Chinese

Foreign Ministry on Afghan Affairs and former Chinese ambassador to India

**Tarun Vijay** Former member of Parliament and president of Parliamentary Group on India China Friendship

**T. C. A. Rangachari** Former Indian Ambassador to France and Germany, dealt with India's relations with China for over 15 years in the Ministry of External Affairs

**Yang Yifeng** Director of India Broadcast of South Asia Center, China Radio International

**Zhang Wenmu** Professor of the Center for Strategic Studies at Beihang University



## 2018 China Higher Education Expo in Kolkata

China's Higher Education Achievement and Enrollment Expo 2018 was held on May 10.

The expo, co-hosted by the Chinese Consulate General and the Kolkata Chinese School, was held at the Biswa Bangla Convention Centre in Kolkata. Members of Indian Parliament, heads of governments and members of parliament from West Bengal, heads of local colleges and universities, the Chamber of Commerce and thousands of teachers and students from Indian universities and high schools participated in the event.

According to Chinese Consul General Ma Zhanwu, over 60 Chinese universities joined representatives of government departments from Shandong, Henan and Guizhou provinces. India also considered the exhibition very important and endorsed the site selection, the early publicity and the layout of the expo. It has now become the biggest education festival sponsored by China in East India. "Many Indian students are looking forward to studying in China," declared Ma. "What makes China the favorite destination for India's students today is the quality education and low costs of Chinese universities. Furthermore, China is also geographically closer to India, which is appealing to them."

## 7th China-India Forum in Langfang

The 7th China-India Forum was held on May 17 in Langfang, Hebei Province.

Themed "mutual learning, mutual appreciation, mutual appreciation and sharing," the forum further promoted Sino-Indian friendship and sought to expand economic and trade cooperation through speeches, thematic introductions and contract signing. Large domestic state-owned enterprises, financial investment institutions, and Development Zone operators gathered to consolidate advantages in industries such as solar power, energy, communication and intelligent manufacturing. Attendees focused on the prospects of China-India economic and trade development, future investment, and cooperation and development of production capacity and industry.

## Chinese Sinologists and Indian Counterparts

On May 18, representatives from the Chinese Ministry of Culture and Tourism and the Publicity Department of the Communist Party of China (CPC) Central Committee, and Sinologists and Chinese research experts from Jawaharlal Nehru University, Delhi University, the Institute of Chinese Studies and the Central University of Gujarat discussed how to promote ideological and cultural exchange and cooperation between China and India.

Besides Charge d'Affaires of the Embassy of China Mr. Li Bijian and Cultural Counsellor of the Embassy of China Zhang Jianxin, over 50 Sinologists attended and spoke at the seminar, including, prominent scholar and former member of the Indian Rajya Sabha Prof. Lokesh Chandra, former president of Parliamentary Group on India China Friendship and former member of Rajya Sabha Tarun Vijay, Prof. Sabaree Mitra of Jawaharlal Nehru University and Prof. Chakrabarti of Delhi University.

## SCO Supreme Court Cooperation

On May 25, Beijing hosted the XIII Meeting of Presidents and Chief Justices of the Supreme Courts of SCO Member States. A joint statement was signed during the meeting.

Participants discussed how to intensify legal cooperation within the SCO and exchanged views. They also held discussions on court computerization, "smart courts," law enforcement, cross-border court cooperation against terrorism, drug trafficking, money laundering, and other crimes, legal standards and judicial practice with regard to excluding inadmissible evidence in criminal justice, legal standards and judicial practice on international purchase and

sale agreements, and on how to improve the SCO international legal cooperation mechanism. They reached agreements to intensify mutual exchange and cooperation between SCO member states in the judicial and legal sphere.

## Mobike Peddles into India

Chinese bicycle sharing company Mobike announced the launch of its service in Pune, India on May 25.

Mark Lin, head of International Operations of Mobike, explained that Pune has plentiful young bike riders as well as wide suburban dedicated cycling lanes. It is the ideal city for the company to land in the Indian market. "The roll-out in Pune is just the start of this journey," he said.

"We are working with a number of cities across the country and are confident that the launch in Pune will be the first of many such partnerships with city administrations in India," announced Vibhor Jain, CEO of Mobike India.

Meanwhile, Mobike has signed a Memorandum of Understanding with Pune Municipal Corporation to support the municipality's Pune Cycle Plan. In 2016, the Pune Municipal Corporation launched a plan to promote green public transport by focusing on the development of sustainable urban transportation, promoting intelligent urban solutions to reduce traffic congestion and providing convenient and environmentally friendly travel modes for the public.

Jt. Secretary of MoU Department Shri Kunal Kumar elaborated, "We are delighted that Mobike is launching operations in Pune. Mobike is an outstanding example of how technological solutions can solve challenges of urban mobility and reduce carbon emissions, which aligns well with Pune's overall developmental plan."

Another Chinese bicycle sharing company OFO already provided services through pilot projects in New Delhi, Indore, Bangalore and seven other Indian cities.

## First Political Party Forum of the SCO

The first Shanghai Cooperation Organization (SCO) Political Parties Forum was held in Shenzhen, Guangdong Province in southern China, on May 26, 2018. Attendees agreed to consolidate parties' wisdom, carry forward the Shanghai Spirit and promote construction of a community of shared future.

Song Tao, head of the International Department of the Communist Party of China (CPC) Central Committee, delivered a keynote speech during the forum. Around 200 representatives of more than 30 political parties from 18 SCO member states, observer states and dialogue partners attended the forum.

## China-India IT Industry Cluster in Guizhou

On May 27, a China-India IT industry cluster project was launched at the 2018 China-India IT&DT Industrial Cooperation and Development Forum in China's Guizhou Province.

The project aims to maximize the respective advantages of both sides and strengthen exchange and cooperation between Guizhou's Guiyang City and India in the field of software and information technology to accelerate Guiyang's development as China's "Big Data Valley" and erect a platform for NASSCOM to enter the Chinese market and create opportunities.

The NASSOM (Guiyang) IT Industry Cluster District was jointly founded by Guiyang Big Data Committee, Guiyang National High-Tech Zone Management Committee and NASSCOM as a landmark project of China-India industrial cooperation. The district is set to become an important base and one of the ten major industrial parks of Guiyang, and NASSCOM has become BPM's top body with more than 2,200 members. Accounting for 90 percent of India's IT industry revenue, NASSCOM is highly recognized by the international community. ■

# SCO

## A New Global Solution to International Relations

By Rashid Alimov



As a new type of regional organization, the SCO has abandoned patterns of alliance, disagreements over ideology and frequent confrontation in favor of dedication to solving urgent regional and international issues.

**T**he young and energetic Shanghai Cooperation Organization (SCO) has grown into the world's largest comprehensive regional organization for cooperation after the admission of India and Pakistan. The SCO has abandoned patterns of alliance, disagreements over ideology and frequent confrontation in favor of

dedication to solving urgent regional and international issues. The SCO's past work has laid a solid foundation for effective and development-oriented cooperation among member countries.

The Shanghai Spirit written in the SCO Charter demonstrates its members' determination to tackle challenges together and their will to develop a new type of international

relations. Considered the soul of the SCO, the Shanghai Spirit values mutual trust and equality, respect for other countries' reality and mutual beneficial cooperation. According to the SCO Charter and the *Treaty of Long-Term Good-Neighborliness, Friendship and Cooperation between the Member States of the SCO*, its member countries will seek consensus only on



April 24, 2018: The Meeting of the Council of Foreign Ministers of the Member States of the Shanghai Cooperation Organization (SCO) is held in Beijing as a preparation for the SCO Qingdao summit in June. [IC]

equal footing and with broad deliberation, a principle fueling extensive cooperation.

#### EXPANDING FIELDS FOR COOPERATION

War has been frequent throughout history on the Eurasian supercontinent. So when SCO member states in the region consciously and responsibly implement cooperative programs in key fields of international politics, economics and culture, the value of the SCO and its prospects for future development become clear.

SCO members, observers and dialogue partners together hold rich energy, forest and fresh water resources, with three countries—Russia, Iran and

China—ranking in the top ten of the world in terms of resource reserves. The combined GDP of its full

members accounts for 21 percent of the world's total and their industries have great potential. In recent years,

February 5, 2017: The first train loaded with 720 tons of wheat from Kazakhstan arrives at China-Kazakhstan Lianyungang Logistics Transit Base before heading to the Southeast Asian market, marking the opening of a safe grain passage from Kazakhstan through China. [Xinhua]



SCO member countries have paid greater attention to high-tech, innovative production and the development of the digital economy in realms like metallurgy, machinery, energy and transportation. The countries' outputs of products such as grain, maize, sunflower seeds, potatoes, soybeans, tea and cotton also top the world.

SCO member countries have acted as one to solve global economic problems, greatly promoting their own growth. For example, the SCO supports constantly improving the international trade system to make it more open and fair and forcefully opposes any form of trade protectionism. In recent years, the SCO has taken active measures in economics to enable smoother flow of commodities, capital, services and technology within the organization as well as better alignment of different economic initiatives from member countries.

SCO member countries have adopted their own effective foreign policies and played an active role in large-scale international organizations, especially the United Nations and its agencies like the Office on Drugs and Crime and the Economic and Social Commission for Asia and the Pacific (ESCAP). The SCO has also carried out direct or indirect collaboration with organizations and mechanisms like the Association of Southeast Asian Nations, the Commonwealth of the Independent States, Collective Security Treaty



June 27, 2017: A joint anti-terrorism drill by two SCO members, China and Kyrgyzstan, is carried out on the borders of the two countries. [Xinhua]

Organization, the Eurasian Economic Community, BRICS, the Organization of the Islamic Conference, and the Conference on Interaction and Confidence Building Measures in Asia, which has helped the SCO develop external relations and foster more opportunities to promote cooperation among international organizations and high-level exchange between countries, maintain peace and security, and enhance sustainable development.

### **MAINTAINING PEACE AND SECURITY**

Covering the most important geopolitical region in the world, the SCO faces almost every kind of threat and challenge including terrorism, drug trafficking, organized cybercrime and money laundering.

SCO member countries and its Regional Anti-Terrorist Structure (RATS) have jointly taken active measures to fight such crime forcefully, contributing greatly to the fight against terrorism,

separatism and extremism worldwide. The experience that the SCO gained can be adopted by other international or regional groups.

Deepening globalization has motivated regions and nations to pay more attention to national and regional distinctiveness. SCO members have also joined the trend. They are exploring channels for cultural exchange at different levels in hope of demystifying the spiritual, material and cultural worlds of their partners while maintaining their own civilization, culture and national characteristics.

Today it is more urgent than ever to stop the spread of terrorism and extremism and fight against behaviors that incite terrorism. This is an urgent mission for the SCO. Against this backdrop, SCO member countries are taking bolder action to combat extremism, ethnic prejudice and xenophobia. And their experiences are universally meaningful.

Considered the birth place of almost every major world



civilization, religion and culture, the SCO region is of strategic importance for maintaining the peace and security of Eurasia and even the world. The SCO's vast territory and great potential determine its status in global economics, politics and culture, and the group's stable growth will exert lasting influence on major sectors of global development.

In the future, by continuing to adhere to the principles of peace, common development and equal cooperation, the SCO will strengthen dialogue and collaboration with international organizations and contribute more to peace, safety and sustainable development of the region and even the world.

### **GREAT EIGHT**

The SCO remains open to all nations and international organizations, as evidenced by its expansion process. The organization will accept new members who respect its objectives and principles and comply with the provisions of relevant international treaties and instruments, which has been written in the SCO Charter, demonstrating the openness of the organization.

At the Astana summit in June 2017, heads of member states of the SCO determined to accept India and Pakistan as full members after they had served as observers for 12 years. A week later, the national flags of the two South Asian countries rose at the SCO headquarters in Beijing. Since then, eight countries in Eurasia have been members of the group,

making the SCO the largest cross-region coalition—a natural result of the world's dramatic changes in geopolitics at the turn of the century.


In the present global context, the will to pursue independence, progress and development unites members of the SCO. Two permanent members of the United Nations Security Council, Russia and China, actively embed global strategies into their own foreign policies, a practice which has taken the SCO to the forefront of international relations.

Among the countries having nuclear weapons, four are SCO members: Russia, China, India and Pakistan. The five Central Asian countries including Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan are contracting parties of the Central Asian Nuclear-Weapon-Free Zone (CANWFZ) treaty. And Russia, China and India have launched long-term space programs.

So, against the backdrop of an increasingly turbulent world, the eight countries in greater Eurasia, a new "G8," will play an important role in assessing, addressing and determining global issues.

This year's SCO summit will be held in June in China's Qingdao City. It is expected that under the framework of the "eight member countries of the SCO," they will identify new cooperative fields and strengthen determination to maintain peace and security and promote common development in concert on the broad platform of the SCO.

The SCO Development Strategy until 2025 targets solving real problems faced by its member countries. These issues, threats and challenges cut across borders and demand collective wisdom. The admission of India and Pakistan not only increases the strength of the organization but also creates new possibilities for realizing its aims. With its increasing expansion and further cooperation with SCO's observer countries and dialogue partners, the potential for the SCO will definitely grow. Obviously, the new group of eight countries will help address current challenges and threats more efficiently and take advantage of current opportunities to deal with social and economic problems. In the SCO, the voices of all countries, big or small, rich or poor, are heard equally, an advantage of the group.

In this fast-changing world, regional organizations are playing a more important role in solving real problems. A new pattern of cooperation, the SCO is using practical action to raise its status as a prestigious multilateral coalition that enhances the peace and stability of the region, solves new threats and challenges, strengthens trade and cultural cooperation and taps into the potential of good-neighborly and friendly relations among the peoples of member countries. 

*The author is SCO Secretary-General and holds a Ph.D. degree in politics.*

# MILESTONES IN THE HISTORY OF **THE SCO**



**June 15, 2001**



**China**

Shanghai

The **first** meeting of the Council of Heads of Member States of the Shanghai Cooperation Organization (SCO) was held in Shanghai, China. **At the meeting, the six member states, the Republic of Kazakhstan, the People's Republic of China, the Kyrgyz Republic, the Russian Federation, the Republic of Tajikistan and the Republic of Uzbekistan signed the Declaration on the Establishment of the SCO, marking the official founding of the organization.** The *Shanghai Convention on Combating Terrorism, Separatism and Extremism* was also signed at the summit.

**September 14, 2001**



**Kazakhstan**

Almaty

The **first** meeting of the Council of Heads of Government (Prime Ministers) of the SCO was held in Almaty, Kazakhstan.

**June 7, 2002**



**Russia**

St. Petersburg

The **second** meeting of the Council of Heads of Member States of the SCO was held in St. Petersburg, Russia. At the summit, the *Charter of the Shanghai Cooperation Organization* and the *Agreement on Regional Anti-Terrorist Structure between the Member States of the SCO* were signed, which laid the foundation for the institutionalization and legal construction of the SCO.

**May 29, 2003**



**Russia**

Moscow

The **third** meeting of the Council of Heads of Member States of the SCO was held in Moscow, Russia. Participants signed an agreement on budget preparation and

implementation of the SCO and passed regulations of permanent residences of representatives of SCO member states in the Secretariat and the rules for the Executive Committee of the Regional Anti-Terrorist Structure (RATS) of the SCO.

**September 23, 2003**



**China**

Beijing

Premiers and prime ministers of SCO member states signed an outline of multilateral economic and trade cooperation of SCO member states in Beijing, China.

**June 17, 2004**



**Uzbekistan**

Tashkent

The **fourth** meeting of the Council of Heads of Member States of the SCO was held in Tashkent, Uzbekistan. Participants officially launched the SCO RATS, signed the *Agreement on Cooperation in Combating Illicit Traffic of Narcotic Drugs Psychotropic Substances and Precursors between the Member States of the SCO* and approved the *Regulations on Observer Status at the SCO*. **At the meeting, the Republic of Mongolia became an observer state of the SCO.**

**July 5, 2005**



**Kazakhstan**

Astana

The **fifth** meeting of the Council of Heads of Member States of the SCO was held in Astana, Kazakhstan. **At the meeting, the Islamic Republic of Pakistan, the Islamic Republic of Iran and the Republic of India became observer states of the SCO.**

**October 26, 2005**



**Russia**

Moscow

The **fourth** meeting of the Council of Heads of Government (Prime Ministers)

of the SCO was held in Moscow, Russia. The *Agreement on Disaster Relief Mutual Assistance between the Governments of the Member States of the SCO* was signed and the establishment of the SCO Interbank Consortium was announced.

**June 4, 2006**



**China**

Shanghai

The SCO Business Council was established in Shanghai, China.

**June 15, 2006**



**China**

Shanghai

The **sixth** meeting of the Council of Heads of Member States of the SCO was held in Shanghai, China. At the meeting, the heads of SCO member states put forward a long-term development plan for the organization and signed the *Declaration on the Fifth Anniversary of the Shanghai Cooperation Organization*, themed around promoting the "Shanghai Spirit," deepening pragmatic cooperation and promoting peaceful development. An agreement on intergovernmental education cooperation was also signed during the meeting.

**August 16, 2007**



**Kyrgyzstan**

Bishkek

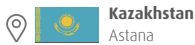
The **seventh** meeting of the Council of Heads of Member States of the SCO was held in Bishkek, Kyrgyzstan. During the meeting, participants signed the *Treaty on Long-term Good-Neighborliness, Friendship and Cooperation* to document their commitment to promoting everlasting friendship and make the concept of "permanent peace between member states" the law. An agreement on intergovernmental cultural cooperation was also signed during the meeting.

**November 2, 2007**

Premiers and prime ministers of SCO member states signed an agreement on intergovernmental customs cooperation and mutual assistance in Tashkent, Uzbekistan.

**August 28, 2008**

The **eighth** meeting of the Council of Heads of Member States of the SCO was held in Dushanbe, Tajikistan. The *Regulations on the SCO Dialogue Partner Status* was approved during the meeting.

**October 30, 2008**

Representatives of customs agencies of SCO member states signed the *Agreement on the Exchange of Information on Customs Energy Supervision*.

**June 15 - 16, 2009**

The **ninth** meeting of the Council of Heads of Member States of the SCO was held in Yekaterinburg, Russia. Heads of SCO member states signed the *Convention on Combatting Terrorism of the Shanghai Cooperation Organization*.

During the meeting, an intergovernmental cooperation agreement to enhance the information security of SCO member states was also signed. In addition, Sri Lanka and Belarus were granted dialogue partner status in the SCO.

**June 11, 2010**

The **10th** meeting of the Council of Heads of Member States of the SCO was held in Tashkent, Uzbekistan. The meeting approved the procedure of admitting new members to the organization and organizational procedural rules.

**June 15, 2011**

The **11th** meeting of the Council of Heads of Member States of the SCO was held in Astana, Kazakhstan. Heads

of SCO member states adopted the *Astana Declaration* in honor of the 10th anniversary of the SCO, drawing strategic plans for the development of the organization over the coming decade. An intergovernmental agreement on health cooperation among SCO member states was also signed during the summit.

**June 6 - 7, 2012**

The **12th** meeting of the Council of Heads of Member States of the SCO was held in Beijing, China. **During the meeting, Afghanistan and Turkey were added as an observer country and a dialogue partner of the organization, respectively.**

**September 13, 2013**

The **13th** meeting of the Council of Heads of Member States of the SCO was held in Bishkek, Kyrgyzstan. The meeting approved the *Plan of Action for 2013-2017 on Implementation of the Treaty on Long-term Good-Neighborliness, Friendship and Cooperation*. Representatives of member states signed an SCO intergovernmental agreement on scientific and technological cooperation.

**November 29, 2013**

Representatives of SCO member states signed the *Program for Informing on Epidemiological Situation Caused by Infectious Diseases in the Territory of the SCO Member States* in Tashkent, Uzbekistan.

**From September 11 to 12, 2014**

The **14th** meeting of the Council of Heads of Member States of the SCO was held in Dushanbe, Tajikistan. Heads of SCO member states signed the *Intergovernmental Agreement on Creation of Beneficial Conditions for International Road Transportation of the SCO*.

**December 15, 2014**

Representatives of SCO member states signed a plan for customs enforcement cooperation in Astana, Kazakhstan.

**July 10, 2015**

The **15th** meeting of Council of Heads of Member States of the SCO was held in Ufa, Russia. The meeting approved documents including an SCO development strategy lasting until 2025. An agreement on border defense cooperation was signed. The process of accepting India and Pakistan as member states was launched. **Also at this meeting, Belarus became an observer state and Azerbaijan, Armenia, Cambodia and Nepal became dialogue partners.**

**August 18, 2015**

Ministers of justice of SCO member states signed an agreement on cooperation between ministries of justice of SCO member states in Dushanbe, Tajikistan.

**June 24, 2016**

The **16th** meeting of the Council of Heads of Member States of the SCO was held in Tashkent, Uzbekistan. Participants approved the *Action Plan for 2016-2020 on Implementation of the SCO Development Strategy until 2025* and witnessed India and Pakistan signing the Memorandum of Obligations to join the SCO. Representatives of member states signed an outline for tourism cooperation among SCO member states.

**November 4, 2016**

The 15th meeting of the Council of Heads of Government (Prime Ministers) of the SCO was held in Bishkek, Kyrgyzstan. The meeting approved the *List of Events for Further Development of Project Activities in the Framework of the SCO 2017-2021*.

**June 9, 2017**

The **17th** meeting of the Council of Heads of Member States of the SCO was held in Astana, Kazakhstan. Heads of SCO member states signed a convention on anti-extremism. Representatives of member states signed a joint action plan for 2017-2018 on implementing the outline of tourism cooperation among SCO member states. **During the meeting, India and Pakistan became member states of the organization.**

# Igniting the ‘Shanghai Spirit’ at the SCO Summit

By Sudheendra Kulkarni



India and China should partner to make Asia and the world secure, peaceful and prosperous.

**A**t a time when the global order is undergoing a fundamental shift, some of the most hope-inspiring initiatives are being implemented by China under the visionary leadership of President Xi Jinping. This will manifest once again when the Shanghai Cooperation Organization (SCO) holds its next summit in Qingdao in June.

The remarkable evolution of the SCO over the 17 years since its birth has attracted the attention of all those seeking a better future for Asia and the world. To understand how it happened, one must examine how Asia—and China in particular—have come to play a leading role in world affairs.

The 21st century is becoming

fundamentally different from those before. We can identify three distinguishing markers. First, the world has become interconnected and interdependent in an unprecedented manner. No nation in today's times can be an island in itself and fulfill either its security or development needs. Yet, some old powers like the U.S. are refusing to adjust to the trends of the times and swimming upstream by practicing protectionism and exclusivism.

Second, accelerating the phenomenon of globalization are unstoppable advancements in science and technology, which have unleashed never-seen-before productive forces on the economy. As a result, for the first time in history, we're

now closer than ever to satisfying the basic needs of all human beings on the planet and also restoring the health of the degraded ecology of the planet itself. Yet, this promise and possibility have yet to happen because international cooperation has not become sufficiently broad, deep and strong.

Third, the world order that prevailed in the 18th, 19th and 20th centuries is undergoing a fundamental change. The West is declining, and the rest is rising. Within the non-Western world, Asia is rising particularly fast—so much so that scholars of international affairs are unanimous in the consensus that the 21st century will be the Asian Century, just as the 20th century was





Indian Foreign Minister Sushma Swaraj (left) shakes hands with Chinese Foreign Minister Wang Yi as a news conference begins at the Diaoyutai State Guest House in Beijing, China, April 22, 2018. [VCG]

America's and the 18th and 19th, Europe's. Yet, old powers, especially the U.S., are continuing to behave as if their dated position in the world should continue forever.

### SEEING XI JINPING'S VISION

Clearly, the center of gravity for world affairs has shifted from the West to the East. After freeing themselves from the curse of colonialism and imperialist domination of the last century, the countries of Asia are now writing their own destinies.

Asia is not only the largest continent in the world (with nearly fifty countries, home to 60 percent of the global population), but also the most dynamic. In 1980, Asia's share of the world economy was 20 percent, while that of Europe

was 32 percent. Now, the numbers are reversed: Asia accounts for roughly 34 percent while Europe accounts for about 21 percent of global economic activity. By 2050, Asia will account for more than 50 percent of global GDP. The only two nations in the world with populations more than one billion, China and India, are both in Asia. Three of the five largest economies in the world are Asian: China (second-largest), Japan (number 3) and India (number 5). Moreover, China is projected to become the world's largest economy, overtaking the U.S., by 2032. Asia has accumulated more than half of the world's total foreign exchange reserves, over US\$4 trillion. And over half of these are held by China alone.

The relative balance in the

production of new technological innovations is also rapidly transitioning from North America and Western Europe to Asia. Another important point: Unlike the West, Asia's relations with Africa and Latin America (which too are experiencing a resurgence) are not antagonistic, but cooperative.

It is clear that Asia can and must shape the future of the world, not alone in isolation or even in rivalry with the West, but in cooperation with all the other continents and countries in the world. This wisdom is best captured in Chinese President Xi Jinping's inspiring slogan: 'Building a Community with a Shared Future for Humanity.'

### A GANDHIAN WORLD VISION

How can Asia fulfil this historic task? It can share and practice a superior vision of its own—and the entire global community's—security and development. It must emphatically avoid the disastrous road taken by the West in the previous three centuries. When European powers became industrially and economically advanced, their fierce rivalry to colonize the rest of the world resulted in the two horrific World Wars in the last century. The U.S., which took the baton from Western Europe in dominating the world, followed the same policy of threats, invasions, wars and establishing military bases near and far. Now, Asia has an opportunity as well as a responsibility to show to the world that it can foster a future without wars

and violent conflicts.

In this context, the SCO has already emitted some rays of hope. At its summit in Astana last year, the SCO admitted both India and Pakistan as full members. This will certainly ensure leaders of the two countries to resolve their disputes and differences in peaceful ways. The prolonged hostility between India and Pakistan has become a big hurdle in South Asia, which is home to over 1.7 billion people. It now seems to be moving towards a region of peace, prosperity and progress through comprehensive cooperation.

The other ray of hope came from the informal two-day summit between Xi Jinping and Indian Prime Minister Narendra Modi in Wuhan in April. As two major and neighboring nations of Asia, both India and China share a responsibility to ensure that they maintain the civilizational wisdom and maturity to manage their bilateral problems peacefully through negotiations. India and China both hold membership in the G20, BRICS, CICA and also AIIB. Therefore, their partnership can have a positive impact globally. Mutual cooperation between the two countries will bring enormous benefits to them as well as to all of Asia and the world.

In this context, I would like to cite the wise words of Mahatma Gandhi, the great apostle of peace in modern times. He wrote in 1942: "As a friend of China, I long for the day when a free India and a free China will cooperate together in friendship and

brotherhood for their own good and for the good of Asia and the world."

In Wuhan, President Xi and Prime Minister Modi gave many indications of their resolve to develop mutual trust, understanding and cooperation between the two countries. In this sense, the 'Wuhan Spirit' certainly conformed with the 'Shanghai Spirit' that is sought by the SCO.

### **IGNITING THE 'SHANGHAI SPIRIT'**

What is the 'Shanghai Spirit'? President Xi described it convincingly when meeting with foreign ministers from Russia, India, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, and Uzbekistan in Beijing recently. Under new circumstances in Asia and the world, Xi said, "All the member countries need to remain true to their original aspirations and firmly advocate the 'Shanghai Spirit' of the SCO, give play to its advantages, fully release the potential of SCO expansion, and forge ahead with all-round cooperation. The 'Shanghai Spirit' features mutual trust, mutual benefit, equality, consultation, respect for cultural diversity and pursuit of common development."

In a separate meeting with defense ministers and senior diplomats in Beijing, President Xi elaborated on this by saying, "The SCO has set a model for a new type of international relations with the characteristics of mutual respect, justice and win-win cooperation."

Thus, the SCO's basic con-



August 15, 2017: Foreigners learn a traditional paper-making method using flowers and grass at a SCO cultural exchange activity held in Wangda Town, Qiongdongnan Miao and Dong Autonomous Prefecture, Guizhou Province. [Xinhua]

ceptual framework and goals have been well articulated once again by China, which will be hosting its summit in Qingdao. Now, the task before all member countries is taking practical and result-oriented steps to put the 'Shanghai Spirit' into action. How can this be done? Here are five specific ideas:

Speaking at the SCO summit in Astana last year, President Xi mentioned China's proposal that the organization "draws up a 5-year outline for implementation of the Treaty on Long-term Good Neighborliness, Friendship and Cooperation." He further added that doing so would "help set the direction for SCO cooperation in all fields in the next phase."

Therefore, it should be expected that the Qingdao summit include specific programmatic content into the proposed treaty so the SCO can present a template for "Good Neighborliness, Friendship and Cooperation" for the rest of Asia and the

world to follow. This template should firmly reject the claim of any nation anywhere in the world to keep its own “exclusive spheres of interest or domination.” Moreover, this template should enable not only SCO members but also, through the demonstration effect of their actions, other countries in Asia and the world to move towards a system of global governance based on principles of peace, equality, justice, inclusiveness and common prosperity and progress for all of mankind. A reformed and rejuvenated United Nations should be at the core of this new system of global governance.

Second, since both India and Pakistan have become full members of the SCO, their leaders should make serious efforts to normalize relations hastily. To this end, other SCO members (especially China and Russia) should encourage New Delhi and Islamabad to resume bilateral dialogue on all outstanding issues, including Kashmir and counter-terrorism, without any preconditions, and achieve step-by-step progress towards good-neighbor relations.

Third, China has provided a very good opportunity, in the form of the ambitious Belt and Road Initiative, for both India and Pakistan to achieve shared prosperity through bilateral and regional cooperation. For this to happen, China should suitably rename the China-Pakistan Economic Corridor (CPEC) and also expand its geographical coverage so that India (and other countries in the region such as Afghanistan and Iran)

can join this connectivity project. In this context, it is heartening to note that Prime Minister Modi and President Xi have revived hopes for implementation of another important connectivity project in South Asia: the Bangladesh-China-India-Myanmar (BCIM) Corridor.

Fourth, the SCO has a responsibility to help end the Afghanistan conflict, which is the longest-burning “hot spot” in Asia. In his speech in Astana last year, Prime Minister Modi said, “From a regional perspective, Afghanistan can also benefit greatly from the SCO’s efforts in reinstating peace and stability in the country.” President Xi had echoed that sentiment in Astana when he said, “We hope the SCO-Afghanistan Contact Group will play an even more active role for Afghanistan’s peace and reconstruction.” In Qingdao, a concerted effort should be made by China, Russia, India, Pakistan and other members to produce a well-coordinated plan to bring peace to Afghanistan. Of course, the U.S. must change its own flawed Afghan policy for this plan to succeed.

In this context, the decision by Modi and Xi in Wuhan to undertake a joint India-China development project in Afghanistan is heartening. It is precisely this kind of constructive partnership between New Delhi and Beijing that smaller countries in South Asia need. They worry when India-China relations strain. And they are relieved when India and China work together and walk together.

Lastly, since the end of

World War II, the international community has engaged in a constant, albeit difficult, search for ways to accomplish two inter-related objectives: How to achieve common security through cooperation and how to achieve sustainable and equitable development for all through cooperation. Security and development are two sides of the same coin. And the metal that binds the two sides is cooperation. And the word ‘cooperation’ is the very heart of the SCO.

Therefore, for the SCO to fulfill its vision and its agenda, all its member countries should maximize cooperation in the six areas that constitute the scope of work of the organization: politics, economics, security, people-to-people exchange, external exchange, and mechanisms for comprehensive collaboration. Maximum cooperation means maximum benefits for all. Here again, the lead should be taken by India and China—the leading architects of a new world order.

In other words, SCO members have a responsibility to actually practice “new international relations” in the 21st century to ensure the Asian Century develops in a manner that is fundamentally different from previous European and American centuries. ■

—  
The author was an aide to India's former Prime Minister Atal Bihari Vajpayee. He is now a political analyst and founder of the Forum for a New South Asia.

# India's Expectations for the SCO

By Liu Zongyi

By joining the SCO, India hopes to strengthen anti-terrorism cooperation, stabilize the situation in Afghanistan and realize connectivity to Central Asia.

At the Astana summit of the Shanghai Cooperation Organization (SCO) in 2017, India and Pakistan became full members of the organization. The

development marked the SCO's first expansion since its establishment in 2001.

India and Pakistan had both become SCO observer countries as early as 2005. Many Indian and Western

scholars doubted that India would join the organization. First, they argued that as the largest democratic nation in the world with a state system contrasting the other member countries, India was

February 23, 2018: Afghan President Ashraf Ghani (middle) with Gurbanguly Berdimuhamedow President of Turkmenistan (2nd left), Pakistani Prime Minister Shahid Khaqan Abbasi (right) and India's Minister of State for External Affairs Shri M. J. Akbar (left) during the TAPI gas pipeline project inauguration in Herat Province. [VCG]





not a good fit. Second, they considered the SCO an anti-American security coalition formed to counterbalance the North Atlantic Treaty Organization (NATO). And in recent years, India has inched closer to countries like Japan and the U.S., actively promoting the quadrilateral security talks with Australia, Japan and the U.S. and accepting a role as the “linchpin” of the U.S. Indo-Pacific strategy.

But actually, India had been consistently striving to join the SCO and contributed to many of its achievements. The SCO has made impressive progress in security, economic and cultural cooperation. And security collaboration is just one priority on its agenda. In 2001, the signing of the *Shanghai Convention on Combating Terrorism, Separatism and Extremism* heralded a new era of security cooperation among member countries of the organization. Since the launch of the Regional Anti-Terrorist Structure (RATS) in 2004, it has become a permanent organ of the SCO that plays an important role in fighting terrorism, separatism and extremism and maintaining regional security. In recent years, the SCO has greatly promoted economic cooperation, set up the SCO Business Council and the SCO Interbank Consortium, and made considerable progress in infrastructure for energy, transportation and telecommunications. Security and economic cooperation are now referred to as the “two wheels” driving the

organization forward. Also, SCO member countries are active in cultural exchange after reaching many agreements on cooperation in education, disaster relief and healthcare. SCO University, a large-scale cultural exchange program, is underway.

When it joined the SCO, India had clear aims which were discussed extensively by Indian strategists and scholars. Economically, India hopes to merge with the progress of the regional economic integration and achieve connectivity to Central Asian countries in a bid to access their energy, resources and markets.

In terms of security, India hopes for a peaceful regional environment.

The Trump administration’s new strategies in Afghanistan and South Asia seem to leave the Afghanistan issue as a mess for neighboring countries to handle. Since ISIS was defeated in the Middle East, many terrorists have returned to Afghanistan, Pakistan and the neighborhood, which has troubled India. India hopes to work with other SCO members to combat terrorism and extremism, constrain Pakistan and jointly promote peace and stability in Afghanistan.

Also, India hopes to become closer to Russia and China by entering the SCO. In recent years, Western countries such as the U.S. have attempted to isolate and contain Russia through issues like the Ukraine crisis, while hindering China’s development. Due to its close

relations with the U.S., India has become a cornerstone of the U.S. Indo-Pacific strategy. And increasing tensions between Russia and the U.S. have resulted in deteriorating relations between India and Russia. So, India chose to join the SCO to demonstrate its “strategic independence” to balance its leanings between Eurasia and the Indo-Pacific region. No doubt India also hopes to counter China’s influence in the SCO and strengthen cultural exchange with Central Asian countries to raise its international status.

India still has concerns about its entry into the SCO due to the ongoing dispute with Pakistan over Kashmir and various disagreements with China. According to the Shanghai Spirit, the core value of the SCO, member countries should be “good neighbors.” India worries that Pakistan would ask the SCO to pressure it and mediate the Kashmir affair. The country has always opposed interference from third parties on the Kashmir dispute. But actually, the SCO has not done enough to mediate border disputes among its Central Asian member countries, leaving some unsettled. SCO member countries need to adhere to the Shanghai Spirit, especially considering that military conflict has been frequent along the India-Pakistan border. Now that both countries have joined the organization, they should eliminate their cross-border military activities and avoid provoking border disputes or agitating for nationalism to



November 17, 2016: The armies of China and India jointly carry out an anti-terrorism drill in Pune, India. The troop commanders from the two parties visit a weapon show. [Xinhua]

win domestic elections. To solve disputes among member countries, the SCO needs to develop the functionality to maintain internal peace through friendship treaties.

The admission of India and Pakistan evidenced strategic trust between China and Russia. At present, Russia faces great pressure from the West, which motivates the country to strengthen cooperation with China. Russia can work more with India to solidify the unity of the SCO and build its internal mechanisms.


The entry of both countries has also brought challenges to the organization. Due to the expansion of its membership, the SCO faces greater difficulty in coordinating the interests of all member countries. At SCO meetings, member countries must prepare more documents, endure more complicated decision-making procedures and produce broader consensus. In this circumstance, some SCO resolutions may not be carried out at all. Central Asian countries worry that the entry of India and Pakistan into the

organization could hollow it out and marginalize them.

As a brand new member, India has been keeping a low profile in the SCO. India expects the organization to play an active role in fighting terrorism and promoting regional economic integration. It understands that the SCO is different from the South Asian Association for Regional Cooperation (SAARC), which it dominated. But SAARC persists in name only after failing to hold an annual meeting for two successive years.

India has two primary expectations from the SCO: fighting terrorism to promote stability in Afghanistan and achieving greater connectivity to Central Asia through the International North-South Transport Corridor. In these realms, China and India have shared interests and can cooperate well. China can persuade the Pakistani government and military to focus on long-term interests, meet their responsibilities in regional stability and economic integration, and increase information exchange with

India in combating terrorism and extremism. China and Pakistan can both participate in the construction of the International North-South Transport Corridor. Iran has shown that it clearly hopes China will join the construction of the Chabahar port and has encouraged Pakistan to participate in the construction of the Gwadar port. China, Pakistan and Afghanistan are discussing extending the China-Pakistan Economic Corridor to Afghanistan. If possible, the corridor will include the Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline project. If India seeks to join in the future, China and Pakistan will extend a warm welcome.

During a recent informal meeting between Chinese and Indian leaders, they agreed to enhance mutual strategic trust and coordination, conduct more mature handling of conflicts and disagreements between the two countries, promote more effective operation of mutual military and security communication and strengthen coordination of their respective neighborhood policies. Though limited to bilateral interaction, the informal meeting produced a series of consensus, especially on cooperation in Afghanistan, which should be seen as a concrete step to practice the Shanghai Spirit after India's entry into the SCO. 

*The author is an associate researcher at the Shanghai Institutes for International Studies.*



# PROMOTING THE SPIRIT OF READING

## CHARITY PROGRAM

SENDING NEW EXTRACURRICULAR BOOKS TO CHILDREN IN THE REMOTE MOUNTAINOUS AREAS,  
ALLOWING THEM TO ACQUIRE KNOWLEDGE, BROADEN THEIR HORIZONS, AND ESTABLISH IDEALS.

## DONATION

DONATE 15,000 YUAN FOR 1,000 VOLUMES OF NEW EXTRACURRICULAR BOOKS TO THE PRIMARY  
AND MIDDLE SCHOOL STUDENTS IN THE REMOTE MOUNTAINOUS AREAS.



中国下一代教育基金会

China Next Generation Education Foundation

ADD: NO.26, CAOQIAO EAST ROAD, FENGTAI DISTRICT, BEIJING

TEL: 010-65275519

# SCO A Tighter Community

By Pang Zhongying

Aiming to forge a “community with a shared future for humanity,” the SCO is intended to be a regional community of common security, economic collaboration and social cooperation.

Promoting construction of a community with a shared future for humanity was identified as a key goal and task of China’s diplomacy in both the report to the 19th National Congress of the Communist Party of China (CPC) in October 2017 and the *Amendment to the Constitution of the People’s Republic of China* passed at the first session of the 13th National People’s Congress in March 2018.

The rotating presidency of the Shanghai Cooperation Organization (SCO) currently rests with China, who will host the first SCO summit since the organization was expanded last year in Qingdao, a coastal city in the eastern province of Shandong. The addition of India and Pakistan

to the SCO in 2017 marked a new chapter for the regional multilateral organization. It is meaningful to link the SCO to the goal of building a community with a shared future for humanity. As an underlying principle forged by the SCO, the Shanghai Spirit calls for inclusiveness and openness. The enlarged SCO is striving to enhance multilateral cooperation, and China expects support from other SCO member states in building a community of shared future for humanity.

In terms of the relationship between the SCO and the concept of building a “community with a shared future for humanity,” some misconceptions should be avoided.

First, just because China first presented the idea of

building a community with a shared future for humanity doesn’t mean it intends to impose the concept on other SCO member states, nor did it cause a fundamental change in the guidelines of China’s foreign policy. While maintaining its previous diplomatic principles, China is becoming more active and enterprising in international affairs. Nevertheless, it still insists on developing state-to-state relations with partnership or even strategic partnership rather than alliances. China will never interfere in the internal affairs of other countries, but only contribute through “constructive involvement.” Although China will never seek hegemony, it may still play a leading role in international affairs,





December 14, 2014: National flags of member states of the Shanghai Cooperation Organization (SCO) fly high in front of Beijing Palace in Astana, capital of Kazakhstan. [Xinhua]

abandoning the “never take the lead” principle that the country adopted just after the end of the Cold War.

Second, building a community with a shared future for humanity doesn’t mean that China is attempting to use the SCO to forge a new order to replace the current world order. China’s attitude toward the current world order is clear: As part of the world order, China is a protector and reformer. The current world order doesn’t belong to the U.S. nor does it involve “peace under the rule of the U.S.,” but is represented by the United Nations and its system as well as other intergovernmental organizations, especially international financial institutions and multilateral trade mechanisms. Despite

the fact that the system remains imperfect and has some major defects in terms of equality, representation, fairness and efficiency, the current world order still has the greatest degree of openness, inclusiveness, progress and freedom in human history.

Third, building a community with a shared future for humanity, simply speaking, embodies the realization of global governance. Global governance requires joint efforts from the international community as well as international cooperation based on multilateralism. This is the fundamental reason China proposed building a community with a shared future for humanity. Currently, China is playing

an important role in global governance. Since the end of the Cold War, multiple international platforms and mechanisms have been established to address common challenges faced by humankind, and the SCO is one of them.

The concept of a “community with a shared future for humanity” consists of three key components: “community,” “shared future” and “for humanity.” By dissecting the phrase, we can better answer the following questions: What kind of community of shared future for humanity is the SCO? Why is the SCO a community with a shared future for humanity, and how should it perform as one?

First, “for humanity” means the SCO is people-centered.

A free world order must be people-oriented. However, this doesn't mean it should ignore differences between different people. Presently, humanity is a community of many individual nations which comprise many international organizations, including regional and interregional ones.

Geographically, the SCO is a trans-regional organization, representing a new type of regional organization. In this sense, the SCO itself can be seen as a new "region."

Second, SCO member states, as well as their societies and peoples, are interdependent, with a "shared future." A result of globalization after the end of the Cold War, the SCO is a group of doers in the world in a region where all countries depend on each other. Interdependence between countries was already a reality in Europe by the 19th century, but not until the second half of the 20th century did humans develop

systematic knowledge about such interdependency. In the 1970s, American political scientists Robert Keohane and Joseph Nye both discussed "interdependence" from the angle of power. The SCO sets another important example for interdependence between countries and peoples.

Finally, the SCO is a new type of regional community. It sharply contrasts other regional organizations such as the European Union (EU), the African Union and the Association of Southeast Asian Nations in terms of origin, aim, structure, institution and priorities, but at the same time shares some similarities with them from the perspective of regional community.

Over the past 17 years since its inception, the SCO has focused on security cooperation, forging an effective cooperative mechanism in the field. The SCO has emerged as a security community. Unlike

either NATO based on U.S. hegemony or the EU with common security policy, it is a new type of security community.

What is the nature of the SCO as a security community? In my opinion, the SCO represents a regional collaboration mechanism—an international congress system led by major countries such as Russia, China and India and featuring participation from many other smaller nations in Central Asia, South Asia and the Middle East. In particular, the admission of India and Pakistan to the SCO consolidated its nature as a regional collaboration mechanism.

Some often confuse "collaboration" with "coordination." In fact, "collaboration" is far more complicated than "coordination" and can exert long-term effects on world peace. The first and most successful international collaboration system so far has

April 24, 2018: The 15th Defense Ministers' Meeting of the Shanghai Cooperation Organization (SCO) Member States is held in Beijing, China. [VCG]





August 9, 2015: Students from East China Normal University give a choral performance during an exchange event for college students from member states and observer countries of the Shanghai Cooperation Organization (SCO) in Changning Library, Shanghai. [IC]

been the Concert of Europe, which was the primary driver of a “Century of Peace” in 19th-century Europe. The essential component of the system was a European congress system, which was even acclaimed by some as a “civilizational achievement of the 19th century.” Austro-Hungarian economic historian and sociologist Karl Polanyi elaborated on the topic in his book *The Great Transformation: The Political and Economic Origins of Our Time*.

At the end of World War II, the United Nations, with an aim to eliminate wars globally, and the European Community that eyed preventing wars regionally, were founded and quickly became international collaboration systems that made the Concert of Europe obsolete. Then, the EU was formed on the basis of the European Community. It still inherited the nature of its predecessor: replacing war with peace and hostility with solidarity. The long-held dream of “lasting peace” in Europe eventually arrived

under the framework of the EU. For this reason, the EU was awarded the 2012 Nobel Peace Prize.

As global governance becomes a major topic in the research of international relations, some scholars argue that the Concert of Europe marked the origin of global governance in the 19th century. The expansion of SCO membership testifies to a boost in the organization’s sustainability and complexity. It is noteworthy that the enlarged SCO is also facing increasing internal conflict and instability. For instance, conflict between India and Pakistan remains, the U.S. army has yet to completely retreat from Afghanistan, the Iranian nuclear issue is one of the severest threats to global nuclear nonproliferation (second only to the Korean Peninsula nuclear crisis in terms of severity) and the world is still gasping for a fundamental solution to the long-term standoff between Iran and the U.S. In this context, some scholars believe that the legacy of the Concert of Europe should remain inspiring for the promotion of world peace in the 21st century, as a theory on global governance to avoid war and prevent conflict.

The SCO, whose role was once ignored, has also introduced new topics that demand attention such as international maritime issues. The China-proposed Belt and Road Initiative integrates land and maritime issues concerning the SCO. Holding the SCO summit in the coastal city of Qingdao is intended

to remind people of the importance of maritime issues in the SCO collaboration mechanism.

In addition, the SCO should serve as both an economic and social community. It still needs to do better at enhancing economic cooperation. The SCO will become a stronger organization when it becomes a real economic community. After all, economic growth is the foundation of development for all countries. SCO member states have also carried out cooperation in the exchange of nongovernmental organizations and on other social issues. For instance, these countries regularly participate in the SCO People’s Forum and think tank forums on public policy and engage in cooperation in areas like education, science, culture, health and sports. All of these are pushing the SCO towards a social community.

Positioned at a new starting point, the SCO needs to redefine itself. With the organization’s rotating chairmanship this year, China has provided a new definition for the SCO: a community with a shared future for humanity—namely, a regional community of common security, economic collaboration and social cooperation. ■

*The author is a distinguished scholar of international relations at the Ocean University of China, president of the Institute of Marine Development, director of the Global Governance Research Center, executive chairman of the Academic Committee of Grandview Institution and a doctoral tutor at Macao University of Science and Technology.*



## BASIC INFORMATION ABOUT THE SCO MEMBERS (IN 2016)



### RUSSIA

Total population: 144.34 million  
 GDP: US\$1.28 trillion  
 GDP per capita: US\$8,748.4  
 Export & import volume with China: US\$69.6 billion



### KAZAKHSTAN

Total population: 17.79 million  
 GDP: US\$137.26 billion  
 GDP per capita: US\$7,714.7  
 Export & import volume with China: US\$13.1 billion



### UZBEKISTAN

Total population: 31.85 million  
 GDP: US\$67.22 billion  
 GDP per capita: US\$2,110.7  
 Export & import volume with China: US\$3.61 billion



### TAJIKISTAN

Total population: 8.73 million  
 GDP: US\$6.95 billion  
 GDP per capita: US\$795.8  
 Export & import volume with China: US\$1.76 billion

SOURCES:  
[www.gov.cn](http://www.gov.cn)  
[data.worldbank.org](http://data.worldbank.org)  
[www.worldenergy.org](http://www.worldenergy.org)





# New Opportunities and Challenges for the SCO

By Wang Chenxing

Now is a great time for the expanded SCO to make a big difference.

In 2017, India and Pakistan joined the Shanghai Cooperation Organization (SCO), marking the first expansion of the organization since its establishment in 2001. The SCO is a new type of regional organization that integrates cooperation in areas like security, economics, politics and culture in the post-Cold War era. As a non-Western international organization, its member states are transitional countries or emerging countries on the Eurasian supercontinent.

In terms of the combined population and area of its member states, the SCO is the world's largest regional cooperation organization. Guided by the Shanghai Spirit of "mutual trust, mutual benefits, equality, consultation, respect for diverse civilizations, and pursuit of shared development," the organization follows a principle of seeking no alliances nor outside interference in internal affairs of any countries

or regions in favor of openness. This spirit has forged a new type of state-to-state relations and regional cooperation model featuring lasting peace and friendship, presenting the international community with new concepts for security, cooperation and diplomacy that contrast the outdated Cold War mentality and enrich the theories and practice of international relations.

Alongside the advance of the China-proposed Belt and Road Initiative, a community with a shared future for humanity is taking shape. Just as Chinese President Xi Jinping said, the SCO has steadily moved towards construction of a community with shared future for humanity and set a model for a new type of international relations featuring win-win cooperation.

## FIVE NEW OPPORTUNITIES

Positioned at a new historical starting point, the

expanded SCO faces the following new opportunities:

**First, expansion of the SCO is conducive to enhancing the organization's capacity for participating in global and regional governance.**

The addition of India and Pakistan extends the SCO's reach into South Asia for the first time and connects the region with West Asia to form a transregional bloc covering the eastern, northern, central and southern parts of Eurasia. Moreover, the SCO's roles in sectors like security, economics, energy, culture, and scientific and technological innovation have further expanded. As two major countries in South Asia, India and Pakistan play important roles in international relations, security governance, economic growth, technological innovation and other fields. Their entry into the SCO evidences that the influence of the Shanghai Spirit is strong, and the



April 27, 2017: A truck of Lianyungang China-Kazakhstan International Logistics Co., Ltd. transports cargo to be delivered to Europe via China Railway Express. [VCG]

organization's capacity for participating in global and regional governance as well as its international influence has been enhanced.

**Second, similar development goals of SCO member states are conducive to strengthening the organization's solidarity and attractiveness.** In today's world, peace and development remain the main themes. Democratization and layering of international relations have proven to be an irresistible trend. In this context, all SCO member states regard "promoting openness, seeking cooperation and achieving development" as the core of their governance strategies.

President Xi Jinping, also

general secretary of the Communist Party of China (CPC) Central Committee, pointed out in his report to the 19th CPC National Congress that China will not close its door to the world, but will only become more and more open. He also noted that China will pursue the Belt and Road Initiative as a priority, give equal emphasis to "welcoming in" and "going global," follow the principle of achieving shared growth through discussion and collaboration, and increase openness and cooperation to build innovation capacity to reach new ground in opening China further through links running east and west, across land and over sea. From 2020 to the middle of this century,

China will finish building a moderately prosperous society in all respects, realize basic modernization and then move on to transforming into a great modern socialist country in every dimension. This is the strategic vision for developing socialism with Chinese characteristics in the new era.

In March 2018, Vladimir Putin was reelected president of Russia by an overwhelming majority. The Russian government has prioritized consolidating its position as the world's fifth-largest economy and reviving the national economy.

Kazakhstan is where President Xi Jinping first proposed building the Silk Road Economic Belt. Kazakh President Nursultan

Nazarbayev personally announced a new economic policy “Nurly Zhol”—the Bright Path, and has pushed it to align with China’s Belt and Road Initiative.

Under the leadership of Prime Minister Narendra Modi, India is striving to become a developed country with greater inclusiveness and realize the goals of India Vision 2020.

Pakistan has actively participated in the Belt and Road Initiative and attaches great importance to construction of the China-Pakistan Economic Corridor.


Since Shavkat Mirziyoyev was elected president of Uzbekistan, the Central Asian country has embarked on a path towards greater openness. Kyrgyzstan and Tajikistan enjoy stable domestic political situations, and their respective social and economic developments are reaching new levels.

It seems that all SCO member states are walking a path of revival and development, and their national interests tightly align with the goals of the SCO. This further strengthens the organization’s solidarity and attraction.

**Third, expansion of the SCO is conducive to promoting regional security cooperation.** Maintaining regional security and stability is the priority task for the SCO cooperation mechanism. Adhering to a new security concept featuring “mutual trust, mutual benefits, equality and collaboration” and the guidelines of “promoting security through cooperation

and consolidating security through development,” SCO member states have moved beyond the Cold War mentality, constantly enhanced mutual trust in politics and security, and conducted joint efforts to address security threats and safeguard regional peace and stability, creating a new model for international security cooperation. The enlarged SCO is expected to play a greater constructive role in maintaining regional security and fighting terrorism, separatism and extremism. In 2017, when India and Pakistan were accepted to the SCO as full members, one of the first documents they signed was the *Convention of the Shanghai Cooperation Organization on Combating Extremism*, evidencing the two countries’ urgent need to participate in SCO security cooperation. In addition, the SCO can play a positive role in improving India-Pakistan relations and enhancing the stability of South Asia. Muhammad Amir Rana, director of Pak Institute for Peace Studies, believes that as a more inclusive platform, the SCO can provide opportunities for India and Pakistan to cooperate with each other and ease tensions between them. He also notes that China, Russia and Central Asian countries hope the addition of India and Pakistan to the SCO would provide a chance for the two countries to repair their relations so that all member states work together to achieve regional peace and security.

**Fourth, expansion of the SCO is conducive to**



November 29, 2016: SWAT police officers demonstrate how to use non-lethal weapons in an anti-riot exercise during a meeting on law enforcement cooperation of the Shanghai Cooperation Organization (SCO). [VCG]

**promoting implementation of the Belt and Road Initiative, facilitating alignment of regional development initiatives and strengthening multilateral economic cooperation.** Regional economic collaboration has long been a focus of cooperation among SCO member states. The SCO region boasts rich natural resources, vast consumer markets and solid scientific and educational foundations, and its member states are mutually complementary economically, creating favorable conditions for them to strengthen economic and trade cooperation. After the expansion, the SCO region covers almost all pioneering and key areas involved in the Belt and Road Initiative. From north to south, major connectivity plans and projects concerning the Initiative include integration between the Silk Road Economic Belt and the





Eurasian Economic Union, alignment of the China-Russia Polar Silk Road with the China-Russia-Mongolia Economic Corridor, docking of the Belt and Road Initiative with Kazakhstan's Bright Path and connection of the Trans-Caspian East-West Trade and Transit Corridor with the China-Pakistan Economic Corridor and the Bangladesh-China-India-Myanmar Economic Corridor. Specific connectivity projects include the International North-South Transportation Corridor jointly proposed by Russia, India and Iran and India's Project Mausam, Spice Route and Freedom Corridor. The SCO is a natural platform for its member states to carry out transregional cooperation. Such initiatives and projects will take root and sprout in the SCO region. The expanded SCO can coordinate member states to better align the Belt and Road Initiative with other regional development plans

and facilitate negotiations on the Regional Comprehensive Economic Partnership (RECP), thus providing favorable conditions for regional trade cooperation and facilitation.

**Fifth, expansion of the SCO is conducive to promoting positive interaction between China and India.** Compared to its ties with Russia, Pakistan and member states in Central Asia, China's relations with India have suffered frequent fluctuations, leaving a huge space for improvement. Within the framework of the SCO, China and India have justified reasons to work together and can consolidate their bilateral ties to jointly participate in global and regional governance. Major factors include:

First, in addition to enhancing bilateral ties between China and India as well as trilateral relations between China, Russia and India and the multilateral

mechanism of BRICS, the SCO provides a new regional mechanism and platform for China and India to deepen dialogue, properly address and control disputes and promote comprehensive development of their bilateral relations.

Second, China-India relations have a long history. In April 1950, India became the first non-socialist country to establish diplomatic relations with China. Historically, the two neighbors worked side by side and supported each other in the fight against imperialism and colonialism, making remarkable contributions to advocating national independence for Asian and African countries and safeguarding world peace. These historical accomplishments have become precious assets cherished even today.

Third, China and India share a similar diplomatic philosophy. Both countries pursue an independent foreign policy of peace and development and have long advocated the Five Principles of Peaceful Coexistence.

Finally, both China and India are willing to improve bilateral ties via the platform of the SCO. An old proverb goes that a nearby neighbor is better than a far-off brother. The SCO is a bloc comprised of neighbors. The Shanghai Spirit is also the fundamental values for handling relations with neighbors. China and India both see their ties with neighboring countries as the core of their respective foreign policies.

More noteworthy, state

leaders of the two countries have personally made efforts to solidify bilateral ties. Since 2018, guided by top leaders of the two countries, China-India relations have greatly improved. The two countries have maintained friendly interaction particularly in areas like trade and cross-border river cooperation. From April 27 to 28 this year, just before the SCO summit in Qingdao, Indian Prime Minister Narendra Modi visited China. During the visit, President Xi Jinping and Prime Minister Modi exchanged views on long-term, strategic issues of overall importance concerning the international situation and bilateral relations as well as their respective development visions and domestic and foreign policies. Prime Minister Modi will also attend the Qingdao summit this June. It has been rare for an Indian head of state to visit China so frequently throughout the history of China-India relations, indicating that the two countries have

hastened the pace towards achieving a sound strategic interaction model.

### THREE NEW CHALLENGES

While facing new opportunities, the enlarged SCO should also rationally handle new challenges:

First, after its expansion, the SCO will find it harder to coordinate stances of its member states. The organization adopts a fundamental principle of “reaching consensus through consultation” in terms of operation and decision-making. As two major countries in South Asia, India and Pakistan pursue independent foreign policies and have contrasting views on several international and regional issues. Such factors may make it more difficult for the SCO to coordinate member states and threaten its principle of “reaching consensus through consultation.”

Second, the SCO tends to focus more on security cooperation than economic

collaboration. Security cooperation and economic collaboration are two major drivers for the development of the SCO. Over the past nearly two decades, the organization has realized much greater achievements in security cooperation as compared to economic collaboration. For instance, plans to establish the SCO Development Bank and SCO free trade zone have yet to come to fruition. With the addition of India and Pakistan, the SCO will need to devote more energy to issues like the India-Pakistan conflict, the Kashmir issue, the Afghanistan issue and anti-terrorism. In this context, how the SCO should balance its roles in security cooperation and economic collaboration is a pressing conundrum. How can multilateral economic cooperation be promoted within the framework of the SCO? How should the SCO conduct pragmatic cooperation with neighboring economic integration mechanisms such as the Eurasian Economic Union and

May 7, 2018: The home port of passenger liners in Qingdao, the host city of the 18th Shanghai Cooperation Organization (SCO) summit. [Xinhua]



the Association of Southeast Asian Nations (ASEAN)? Such questions are worth pondering for SCO member states.

Third, the SCO still faces constraints from Western countries. Currently, the SCO is the largest non-Western regional organization. For a long time, it has been considered unhelpful to the Western world and even an “anti-Western organization” or “NATO of the East” by Western countries. Thus, Western countries maintain a strategy of keeping a close watch on the SCO while refusing to directly contact it. The expansion of the SCO can enhance its capacity to resist pressure from Western countries, but the organization needs to be more alert for Western penetration.

### STARTING WITH COOPERATION WITH NEIGHBORS

In general, the benefits of the SCO's expansion outweigh the disadvantages. The organization should not neglect challenges while grasping opportunities, stay optimistic about its prospects when facing challenges and expand the common interests of its member states based on how it can forge a new type of regional governance system and regional community with a shared future. Undoubtedly, the SCO is facing an important strategic opportunity and a historical opportunity to step up and more. Its security concept featuring mutual trust, mutual benefits, equality and collaboration meets the need of the times, the interests of regional development and

the wellbeing of the people of its member countries. In the era of globalization, with so many interests intermingled, all countries should seek common ground and cooperation while putting aside past differences to pursue win-win or multi-win results.

The enlarged SCO is a promoter of global and regional peace rather than a troublemaker. After the end of the Cold War in the 1990s, the international situation didn't restore harmony and stability after the collapse of a bipolar world. From Operation Desert Storm to the Kosovo War, from the Afghan War to the Iraq War and the Russo-Georgian conflict, from the Color Revolutions to the Arab Spring, from the Ukraine crisis to the Syrian conflict, almost every regional conflict was triggered by factors related to Western countries. Clinging to the myth that liberal democratic values are the culmination of the evolution of human society, Western countries continue seeking expansion and hegemony worldwide. But the SCO is totally different. Despite the changing international climate, the enlarged SCO will continue adhering to the Shanghai Spirit and the guidelines of “promoting openness, seeking cooperation and achieving development,” taking an active role in international affairs and playing a central role in safeguarding peace and stability of Eurasia.

Promoting regional economic cooperation is a priority task for the enlarged

SCO. With the addition of India and Pakistan, the combined land area of SCO member states now accounts for three-fifths of the entire Eurasian continent, and their combined population represents half of the world's total. Moreover, they together contribute more than 20 percent of global GDP, with the SCO's internal market potential further expanding. In these circumstances, the SCO should seize the opportunity to accelerate negotiations on trade facilitation and a cooperation framework on trade of services, actively promote research on the feasibility of establishing an SCO free trade zone and build a new economic growth pole for Eurasia.

As a founding member of the SCO and host of the 2018 Qingdao summit, China firmly believes that cooperation should start with collaboration between neighbors. Adhering to the Shanghai Spirit and the principles of “amity, sincerity, mutual benefits and inclusiveness” in its relations with neighboring countries, China is using its foresight to accelerate the healthy development of the SCO and contribute Chinese wisdom to achieving peaceful, open and shared development in the region. 

—  
*The author is an associate researcher at the Institute of Russian, Eastern European and Central Asian Studies under the Chinese Academy of Social Sciences and a postdoctoral fellow at the Nankai Institute of International Economics.*

# Wider Avenues for India-China Cooperation

By Mukul Sanwal

As global wealth shifts back to Asia, the two nations need to work together as two nodes of the Asian Century.

On June 1, 2018, the first media summit of the SCO, hosted by the Information Office of the State Council of China, opened in Beijing. Huang Kunming, member of the Political Bureau of the CPC Central Committee and head of the Publicity Department of the CPC Central Committee, read President Xi Jinping's congratulatory letter and delivered a keynote speech at the opening ceremony. by Wan Quan



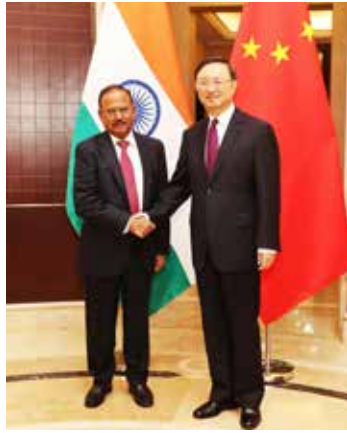


The Shanghai Cooperation Organization (SCO) is a Eurasian political, economic, and military organization established in Shanghai in 2001 by leaders of China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan and Uzbekistan. Its objectives are cooperation between member nations on security-related concerns, military cooperation, intelligence sharing and counter-terrorism. With the addition of Uzbekistan, India and Pakistan, the group covers 40 percent of the global population.

With India joining the SCO as a full member, Indian Prime Minister Narendra Modi declared, “I look forward to deepening India’s association with the SCO to work on economic, connectivity and counter-terrorism cooperation among other things.” He added that he also looked forward to further progress in ties with SCO nations for “mutual betterment and growth of our countries and our people.”

Cooperation on counter-terrorism is expected to be a major chunk of India’s exchange with the SCO. India is also likely to get greater access to major gas and oil exploration projects in Central Asia. The grouping is expected to play a role in regional geopolitics, security and trade negotiations. It is a step towards achieving the Asian Century.

Future international security order in the region will be an area of discussion. Regional security is in a state



On April 13, 2018, Yang Jiechi, member of the Political Bureau of the CPC Central Committee and director of the Office of the Foreign Affairs Committee of the CPC Central Committee, held talks with Indian National Security Advisor Ajit Doval in Shanghai. [CNS]

of flux as the United States’ “pivot to Asia,” a major policy shift first outlined in 2011, has consolidated with the re-named and extended Pacific Command into the Indo-Pacific Command, with two-thirds of capital military assets deployed in this region. India recently agreed with Russia, another Eurasian power, on a non-bloc security architecture for the Indo-Pacific region. These developments will have an impact on security-related discussions in the SCO.

### SHARED CONNECTIVITY

As countries are now gaining in influence due to economic strength rather than military might, discussions on trade will be important. The United States is questioning the role and relevance of the rule-based World Trade Organization and withdrawing from the Asian trade and the Trans-Pacific Partnership.

China has placed new

emphasis on the domestic consumption market over exports as the principal driver of future economic growth and is leapfrogging the West in critical new technology sectors including biotechnology, informational technology, and artificial intelligence within the framework of environmentally sustainable development. India, with its young population, is emerging as a driver of global growth. In the area of trade and investment, there is much in common between the interests of China and India in supporting multilateralism.

A breakthrough on Eurasian connectivity, trade and investment will be an area to which all members of the SCO are looking forward. China has indicated willingness to discuss concerns while other India-led initiatives promote connectivity in South Asia. The unresolved issue is about how they will converge.

India-led connectivity initiatives are gaining steam. On April 23, a Bangladesh-Nepal bus service through India commenced under the Bangladesh-Bhutan-India-Nepal (BBIN) motor vehicles agreement. Although Bhutan did not ratify the agreement due to opposition from its parliament, the country encouraged others to move ahead, indicating that it hoped to join once it can secure parliamentary approval. This is an example of an India-led initiative establishing physical connectivity through India to foster immense cooperation potential even when all members are not able to participate at the same time.

**FUTURE CONNECTIVITY AND TRADE**

China's re-emergence evidences the benefits of infrastructure development and connectivity. China has transformed from an agrarian and farm economy to one dominated by megacities, rapidly growing towns and an urban middle-class society. Overall, urbanization stands at 59 percent according to the National Bureau of Statistics, with Guangdong, the most populous province, most citified with an urban ratio of 70 percent. By comparison, U.S. urbanization is at 82 percent, Thailand 50 percent and India 33 percent. The drivers behind this shift include improved infrastructure and transport networks, better economic integration and policy-makers' initiatives to rebalance regional development.

South Asia, with a population of 1.8 billion, is currently conducting around 5 percent of intraregional trade because connectivity remains a barrier. Non-tariff barriers (NTBs) continue to affect the movement of goods and services within the region. It has been estimated that addressing infrastructure deficits can eliminate 80 percent of NTBs. In addition to enhancing trade, connectivity can significantly improve people-to-people interaction and lead to better understanding and closer diplomatic relations in the region.

Convergence between

China and India-led regional initiatives would benefit states in the region. China is leading with its BRI. The Maritime Silk Route crosses the Bay of Bengal and reaches Bangladesh, Myanmar and Sri Lanka. The South Asian Association for Regional Cooperation (SAARC) remains dormant with little expectation of it becoming functional in the near future, largely because of differences between India and Pakistan. The Bay of Bengal too remains among the least integrated regions despite the immense potential of enhancing trade through its ports and waterways. The India-led Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) involving Bangladesh, Bhutan, India, Myanmar, Nepal, Sri Lanka and Thailand has made solid progress in energy cooperation and grid interconnection.

Developing the BRI, BIMSTEC and BBIN and regional agendas in a complementary rather than competing manner through coordination and consultation between the two Asian giants would lead to enormous benefits to both China and India as well as smaller countries in the region.

**NEW GOALS**

A new framework is needed with such connectivity initiatives becoming the building blocks of a new global order. Implications for the future of the global order will be among the most important outcomes of the

Qingdao Summit.

The United States built the current order after World War II with two pillars: First, a number of international institutions including the UN, the Bretton Woods machinery and the GATT (later WTO). Second, the country maintained a hegemonic role in setting the agenda and designing the rules. This system was supported by its global network of alliances, such as NATO in Europe and bilateral security partnerships across East Asia. Many Western citizens are disillusioned with this arrangement and their own democratic forms of government with rising inequality and stagnation in median incomes, while incomes continue to rise in China and India. Those countries have the potential to overtake the U.S. economy as global wealth shifts back to Asia.

Both China and India are creating new multilateral institutions such as the Asian Infrastructure Investment Bank and the International Solar Alliance. These countries do not see their role as simply replicating the current global order. Instead, they address economic concerns and promote sharing prosperity—realms that were kept out of the United Nations. Both China and India are working together to question the agenda and priorities of the current order which was established without input from other countries. However, they have yet to define what the new arrangements would

look like, even as they work together closely on climate change and in the WTO, the two most important areas of multilateral cooperation.

### ASIAN CENTURY

The tectonic shifts from a unipolar to a multipolar world should not be analyzed through a Western lens focused on how to accommodate re-emerging powers, but rather as a return to the world that existed before the arrival of the Europeans in Asia. Interests, influence and power are very different than they were seventy years ago when the current world order was established, and re-emerging powers cannot become 'status quo powers'. Connected development eliminates 'spheres of influence' as a territorial concept, as China spreads its Belt and Road Initiative (BRI) even as far as Latin America. Asia does not want to choose between India and China, and is really concerned about how they relate to each other.

Asia is reverting to its historical equilibrium as an integrated continent. It never fully endorsed the current multilateral framework nor does it accept the rejection of multilateralism and is looking to China and India to jointly set the new goals because they have similar objectives in national development.

Prime Minister Modi's re-framing of global climate concern in terms of 'climate justice' has challenged the Western conceptual framework to focus on human well-being within ecological limits. China is pushing

the concept of "ecological civilization" at home and within the BRI. New ideas are also needed to reframe global trade to better share prosperity in a digitized world. In an interconnected urbanized middle-class world, equity and environment are more powerful integrating themes than earlier political ideologies.

Aging society, rising inequality and middle-class unemployment are key determining factors of national policy, and leaders and their ideas are now the biggest game-changers at the global level. As China and

— On April 24, 2018, the 11th China Dongguang International Packaging Machinery Exhibition was held in Dongguang County, Hebei Province, China, attracting more than 20,000 businessmen from over 40 countries. The picture shows several Indian businessmen taking a selfie at the exhibition. [CNS]



India seek to consolidate their relationships with neighboring states, the recently concluded Wuhan summit between Prime Minister Modi and President Xi has led to a congruence of views on settling the colonial legacy of the border issue. There is a meeting of minds on the broad contours of the emerging world order focused on sharing prosperity based on economic engagement through trade, investment and capital flow, creating a sound template for a meaningful SCO meeting.

The question is whether the SCO will accept the importance of Asian regionalism and if it will have global implications. Sustainable development will now be a central theme of global governance, rather than a stand-alone and meaningless side discussion. The old framework is no longer acceptable, even to its proponents, and could provide a conceptual framework to bring together countries at different levels of development. Rather than looking at the world in terms of regions and major powers in isolation, we now need a world view characterized by sharing prosperity and working with others to jointly determine new global goals. Outcomes depend on China and India working together as two nodes of the Asian Century, as has been the case throughout civilization. [6]

— The author is a former UN diplomat who has served as Visiting Professor at Tsinghua University in Beijing.

# SCO Security Cooperation Greater Challenges

By Yuan Shengyu

Peaceful settlement of disputes among member states through negotiation and consultation is the key factor driving effective security cooperation in the SCO.

May 22, 2018: China's Minister of Public Security Zhao Kezhi (right) and Shanghai Cooperation Organization (SCO) Secretary-General Rashid Alimov attend a news conference after a plenary meeting of the SCO security secretary summit in Beijing, China. [VCG]





The 2018 Shanghai Cooperation Organization (SCO) summit will be held in Qingdao, a coastal city in China's eastern Shandong Province, this June. Against the backdrop of major challenges in the international landscape, the summit has drawn wide attention both at home and abroad as the first of its kind since the organization expanded last year, testifying to the global importance of the SCO as the world's largest regional cooperation organization. Security cooperation is the core mission of the organization. With India and Pakistan now admitted to the SCO, how should its member states work together to strengthen security cooperation and fight cross-border terrorism threatening the stability of the SCO region? The future of SCO security cooperation has become a hot topic within and beyond the region.

### SECURITY COOPERATION AT THE HEART OF THE SCO

Officially founded in 2001, the SCO originated with a bloc of five countries (China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan) that became known as the Shanghai Five after their first meeting in 1996. Initially, the Shanghai Five focused on demarcation negotiations and establishing mutual trust militarily in the border areas. Since 1998, the focus of the group has shifted to multilateral security cooperation and efforts to



From September 15 to 21, 2016, the "Peace Mission-2016" joint anti-terrorism military exercise of the Shanghai Cooperation Organization (SCO) was held in Kyrgyzstan, the first of its kind in the Central Asian country. The exercise aimed to improve training and cooperation of armed forces of SCO member states. [1]

maintain regional stability. As the five countries began to prioritize the fight against terrorism, separatism and extremism, the SCO was gradually incubated. The regional cooperation organization has since been hailed as an innovative model for post-Cold War international security.

Over the past 17 years since its inception, the SCO has made fruitful achievements and accumulated rich experience in security cooperation. The close, effective security cooperation between its member states over the years laid a solid foundation for the SCO.

The Shanghai Spirit of "mutual trust, mutual benefits, equality, consultation, respect for diverse civilizations and pursuit of shared development" is the core value and guidelines for the SCO to carry out cooperation in multiple areas including security. Unlike the Cold War mentality, it transcends

the curse of zero-sum games by effectively solving the "prisoner's dilemma" threatening SCO member states in security cooperation. By doing so, the SCO has integrated regional stability with the national security of every member state and realized win-win cooperation and holistic security, setting a good example for building a new security concept for the post-Cold War world.

Peaceful settlement of disputes among member states through negotiation and consultation is a key factor driving the effective security cooperation of the SCO. History has shown that issues concerning the core interests of neighboring countries such as demarcation and border garrisons can be settled by peaceful means through equal-footed consultation. Such issues remain major obstacles hindering security cooperation.

Adhering to the principle that the interests of all

member countries, big or small, are equally important, the SCO has effectively carried out military cooperation, information exchange and joint drills aiming to combat terrorism, separatism and extremism, realizing positive achievements in security cooperation. Regarding the fight against terrorism, separatism and extremism, SCO member states have developed joint concepts and taken concerted action to make their security cooperation more pragmatic and safeguard the broader security of the region.

The SCO properly balances the relationship between security and development. Actually, security and development are not independent from each other—pursuing only one or the other will make both unsustainable. Over the past 17 years, the SCO has not only maintained regional stability and guaranteed shared development of all member countries through security cooperation, but also paved the way for eliminating security risks and forging a beneficial cooperation model based on common development.

### **SAFEGUARDING REGIONAL STABILITY AND PROSPERITY**

Development won't continue for long without security. Pursuing development while ignoring potential risks will leave it unsustainable. The stability and prosperity of the SCO region over the years could not have been achieved

without long-term, effective security cooperation among relevant countries. Data has shown that wars, terrorism, separatism and extremism radically undermine and hinder development. Strengthening security cooperation to safeguard the development of the SCO region is a task that requires long-term, joint efforts of all SCO member states.

Over the years, the effective security cooperation among SCO member states has maintained the overall security and stability of the region, created a sound environment for domestic development in every relevant country, guaranteed the sustainability of various economic activities and helped foster a sense of security so work can move forward smoothly. Moreover, the overall safe environment of the SCO region provides a fundamental guarantee for international economic cooperation, trade and investment in and beyond the region, thus effectively promoting regional prosperity and development.

The SCO is undergoing changes with time. Nevertheless, the role of security cooperation in promoting regional stability and prosperity will only become more crucial. Especially after the addition of India and Pakistan, the SCO's potential for regional economic cooperation has greatly expanded. The alignment of development strategies of different countries will become an important driver for future

development of the region. Economic interaction in and beyond the region will become more frequent, and personnel exchange will see a substantial increase. At the same time, security risks will grow accordingly. Therefore, the SCO will face greater future challenges in building a sound regional environment and coping with the threats of terrorism, separatism and extremism. The mission and governing regulations of the SCO security cooperation mechanism will continue expanding. For instance, cooperation in information security will become more and more important.

### **NEW DAY FOR SECURITY COOPERATION**

In recent years, new problems have emerged in some Western countries, which have resulted in profound changes in international and regional landscapes. Isolationism and protectionism are intensifying, and anti-globalization sentiment and populism are on the rise, causing anxiety over instability and uncertainty. In this context, the traditional regional cooperation model is facing new challenges. Meanwhile, some Eastern countries represented by China have maintained steady development while striving to build a community with a shared future for mankind and a multi-polar world. In addition to the increasingly complicated international situation, the SCO also faces a severe threat from



November 28, 2016: Infantry forces from member countries of the Shanghai Cooperation Organization (SCO) kick off a seven-day joint training exercise in Korla in China's northwestern Xinjiang Uygur Autonomous Region. The exercise aimed to improve combat ability, boost military communication and improve troops' ability to deal with security threats. [Xinhua]

international terrorism. In particular, Afghanistan has been plagued by terrorism, separatism and extremism. Facing these new challenges, the SCO is embarking on a new journey in security cooperation.

Both long plagued by terrorism, separatism and extremism, India and Pakistan naturally took their concerns on such problems to the SCO when they joined the organization. SCO member states maintain different concepts and practices in security cooperation. The Shanghai Spirit remains the solution to bridging differences. As Chinese Foreign Minister Wang Yi said, the fundamental reason for the SCO's development and growth is that its member states have consistently and firmly upheld the Shanghai Spirit. Security cooperation is the foundation for the SCO's continual development, so its member states must further consolidate the foundation

under the guidance of the Shanghai Spirit.

With the addition of new members, the SCO needs to adjust its existing security cooperation mechanism to address changes through consultation to better safeguard the overall security interests of all member states and guarantee the effectiveness of its cooperation model. Now that India and Pakistan have been admitted to the SCO, a total of four of the organization's member states have nuclear weapons, so it is necessary for it to formulate plans and mechanisms concerning nuclear security cooperation. And considering the increasing numbers of maritime powers in the SCO, the organization must strengthen institutionalization of maritime security cooperation and formulate new cooperation plans.

As the largest country in South Asia, India has

ambitions to become a great power while maintaining a certain amount of independency and influence in terms of international security cooperation. Coordinating security cooperation within the SCO while optimizing the organization's influence in international security affairs is a mission that requires concerted efforts of all member states, old and new, through friendly consultation. In particular, SCO member states need to work together to explore solutions to the Afghanistan issue, a common security threat to all of them, while avoiding internal friction caused by different interests, which could prevent them from acting as a consolidated force. With the Afghanistan issue as a central focus, the SCO should continue reinforcing its regional and global influence in security. 

*The author is a professor and president of the Institute of SCO Studies at Shanghai University of Political Science and Law.*

# What Does the SCO Mean for Pakistan and India?

By Wali Zahid

A new challenge for the SCO will be fostering peace between two conflicting countries to achieve a win-win outcome.

At the Astana summit of the Shanghai Cooperation Organization (SCO) in 2017, India and Pakistan became full members of the organization. The development marked the SCO's first expansion since its establishment in 2001.

All eyes are on the eastern Chinese coastal city of Qingdao in Shandong Province, which will host this year's summit of the SCO, the world's most populous regional bloc, from June 9 to 10. This will be the first SCO summit since Pakistan and India became full members of the body at its Astana summit in Kazakhstan last year.

The SCO's eight member states now include China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan,

Uzbekistan, India and Pakistan. The states host nearly half of the world's population and create over 20 percent of global GDP.

## OPPORTUNITY AND CHALLENGES

Relations between Pakistan and India have remained tense since their independence in 1947. After fighting three wars, they have come close to more wars several times in recent decades. Both countries are members of the South Asian Association for Regional Cooperation (SAARC), but that regional bloc has failed to achieve substantial progress, precisely because the pair can hardly share the stage at the forum.

With this baggage in tow, Pakistan and India have been admitted to the SCO, which is

considered a cohesive body. A newfound challenge for the SCO is to calm two quarreling countries and foster a win-win outcome.

We have already seen modest progress by both countries to resolve their bilateral issues and contribute to SCO goals in regional development. The usual cross-border firing incidents along the Line of Control (LoC) and occasional exchange of harsh words continued last year. Usually, only after the Director Generals of Military Operations (DGMOs) get on the phone together are issues deescalated.

Some symbolic progress, however, has come to pass. While maintaining aggressive stances against each other on the surface, the two will participate in a joint military



exercise to counter terrorism in Russia in September under the SCO's 2018 Peace Mission. However, real progress will be easing tensions and launching bilateral cooperation on all matters, trade in particular.

If we merge the SCO with the China-proposed Belt and Road Initiative, SCO member states will further improve cross-border logistics conditions and increase capacity. Some major joint projects have been completed in the region, including highways, railways and power plants. According to official figures, China has built 21 economic and trade cooperation zones within SCO countries so far.

### REGIONAL COOPERATION

It is yet to be seen how India and Pakistan will behave as full members of the SCO.

This is an election year in Pakistan. When the SCO summit takes place, the tenure of Pakistan's current government led by Pakistan Muslim League-N will end and a provisional government will go into place before a new government takes charge in August. Election results will determine how ties with India take shape. Foreign and security policies in Pakistan are under the army's control which sees India as an enemy. A hung parliament may not tilt towards peace with India as Prime Minister Nawaz Sharif did after he won the 2013 general election.

However, if Sharif's party returns to power with majority in parliament, the

SCO banner will be a godsend to the civilian government to make peace with India and open bilateral or transit trade.

Regionally speaking, it is in China's interest to return peace to Afghanistan, which has observer status in the eight-member body. It is still plagued by bomb blasts that cause massive casualties on a daily basis. But Pakistan and India distrust each other on their respective roles in Afghanistan. For instance, India's investment and development goals in Afghanistan are seen as strategic inroads by Pakistan's army.

Furthermore, neither the four-member Quadrilateral Coordination Group (QCG) mechanism, which includes China, the U.S., Afghanistan and Pakistan, nor bilateral framework under the Afghanistan-Pakistan Action Plan for Peace and Solidarity (APAPPS), has

seen much progress.

### WILL THE SCO BRING PAKISTAN AND INDIA CLOSER?

In short, yes and no.

The civilian government and military in Pakistan are not on the same page about how to deal with India. Some analysts believe that the army's India-centric strategy is an attempt to secure more budgetary resources in the country. Civilians largely want to deal with India as a neighbor with which they have issues but still carry on as other nations do, and give diplomacy a chance.

Both Pakistan and India are nuclear powers so war is not an option.

At the same time, both Pakistan and India are countries with much of their population living below the poverty line. They can learn a thing or two from the SCO's rotating presidency: China

—  
June 18, 2017: Indian cricket fans cheer as they watch the Champions Trophy finals between India and Pakistan at London's The Oval, in a university hotel in Chandigarh. [REUTERS]



brought its extreme poverty rate from 88 percent in 1981 to less than 3 percent in 2018.

If a weak government returns to power, the army will maintain status quo. A strong civilian government could deal with India with more confidence, and the region could finally see some peace.

If and when peace returns, tourism alone could become a big economic boost for the region. Alongside regional security and stability, another major priority of the SCO is tourism development. SCO member states have seen a major surge in tourism within the bloc, both inbound and outbound.

### THE WAY FORWARD

India will be a major beneficiary of the 18th SCO summit in Qingdao. China has been warming up to India after the Dong Lang (Doklam) standoff last year. So far China has failed to secure Indian support for the Belt and Road Initiative for two key reasons: One of the projects, the China-Pakistan Economic Corridor (CPEC), passes through Pakistan-administered Kashmir, and India sees the Initiative as ambition for regional or global domination.

Despite India's reservations, both countries' foreign and defense ministers have visited each other's capitals to prepare for the Qingdao summit.

China's foreign ministry, however, is assuring Islamabad that closer cooperation with India will not be a detriment to Pakistan.



Two soldiers, one from India and the other from Pakistan, shake hands at a flag-lowering ceremony on the border of the two countries. [CNS]

So, will Pakistan benefit from the SCO framework to increase economic opportunities for its millions of poor? How will relationships with neighbors like India, Iran and Afghanistan better shape Pakistan's SCO membership upgrade? And, will Pakistan's politicians and media behave differently now that they are part of a different league? The jury is still out.

However, a way forward is only possible if the media and politicians mend their ways. When it comes to international opportunities, politicians need to abandon petty politics. Instead of conspiring to time street agitations at every global

opportunity that comes Pakistan's way, they need to appeal to voters based on respective performances in their governed provinces.

SCO membership should only help Pakistan open doors. It requires our own national effort across two pillars—media and politics—playing visionary and futuristic roles, to help Pakistan reap the benefits and, like China, lift our millions out of poverty. This is the only way. 

*The author is president of the Institute of Media and Communication in Pakistan, a Pakistani futurist and longtime China-watcher. An award-winning journalist, he blogs on at walizahid.com.*

# Can the SCO Bring India and Pakistan Closer?

By PK Vasudeva

Open communication and tremendous tact are the needs of the hour.

**I**n June 2001, the creation of the Shanghai Cooperation Organization (SCO), a Eurasian political, economic, and security organization, was announced by the ‘Shanghai Five’ group comprising of China, Kazakhstan, Kyrgyzstan, Russia and Tajikistan. The SCO Charter was signed in June 2002 and took effect in September 2003.

At the Dushanbe, summit in 2000, members agreed to “oppose intervention in other countries’ internal affairs on the pretexts of ‘humanitarianism’ and ‘protecting human rights’; and support the efforts of one another to safeguard the five countries’ national independence, sovereignty, territorial integrity and social stability.” The SCO summit in Ufa, Russia, voted to admit India and Pakistan as full members. Both countries signed the memorandum of obligations in June 2016 in Tashkent, Uzbekistan,

launching the formal process of joining the SCO as full members.

In 2017, at a summit in Astana, Kazakhstan, India and Pakistan officially joined the SCO as full members. Subsequently, the SCO’s eight full members accounted for approximately half of the

handled with tact and sensitivity. When the two South Asian neighbors became part of the SCO, apprehensions were initially raised. But because dialogue and participation of member nations are mandatory, India and Pakistan might find a better, more open and

**Opening up channels of communication for India and Pakistan and strengthening their relationship will go a long way towards solidifying the SCO’s power and influence in the global arena.**

world’s population, almost a quarter of the world’s GDP and about 80 percent of Eurasia’s landmass. As the member nations prepare for this year’s summit in China’s Qingdao City, the scope of their influence is poised to expand.

But with relations between India and Pakistan on uneasy footing, a handful of potential challenges will need to be

cooperative platform on which they could discuss persisting issues. The memorandum of obligations also makes joint military exercises compulsory.

Rather than focusing too much on differences, commonalities need to be harnessed and channeled properly to build a mutually beneficial relationship.

India and Pakistan are also

both members of the Regional Anti-Terrorist Structure (RATS) headquartered in Tashkent, Uzbekistan, under the SCO. It is a permanent organ of the SCO, which serves to promote cooperation of member states against the three evils of terrorism, separatism and extremism. Over the past few years, the organization's activities expanded to include increased military cooperation, intelligence sharing, and counter-terrorism.

With India and Pakistan as newly admitted members of the SCO, China will likely to face increasing divisiveness within a regional economic and security organization accustomed to extreme comity and cooperative discussion. But the SCO could bring both India and Pakistan closer despite the Jammu and Kashmir disputes and rising geopolitical competition between the two Asian giants of India and China as well as bring in contrasting approaches to counter-terrorism, because of the healthy environment of 'give and take' in the SCO.

India-Pakistan tensions occasionally flare up, and Beijing may have to brace for either side using the SCO as a platform to mediate for an amicable solution. In the absence of a major incident, Beijing has admirably handled the delicacy of this situation. When asked at a press conference whether SCO membership would positively impact India-Pakistan relations, China spokesperson Hua Chunying




January 28, 2018: Eighty-three couples from Pakistan and India hold a collective wedding in Karachi, Pakistan. [VCG]

replied: "I see the journalists from Pakistan sit right here while journalists from India sit over there. Maybe someday you can sit closer to each other." *Global Times* published an op-ed suggesting that SCO membership for India and Pakistan would lead to positive bilateral developments. Even if it is overly optimistic, such a development would set the right tone as the organization forges ahead.

But the odds remain stacked against China's desired outcome. Beijing needs to look no further than South Asia for a cautionary tale. In this region, both India and Pakistan are members of the South Asian Association for Regional Cooperation (SAARC). New Delhi, along with Afghanistan, Bangladesh and Bhutan, boycotted last year's summit in Islamabad because it believed Pakistan was behind a terrorist attack on an Indian army base in Jammu and Kashmir. Even with an official ban on discussing bilateral issues in its proceedings, SAARC has been perennially hobbled by the intrusion of India-

Pakistan disputes. Beijing can probably keep its close friend Islamabad in line at the SCO, but New Delhi would also have to fall in line.

Regardless of bickering between countries that may break out, host China could emerge as the peacemaker of the continent if it handles the summit carefully by accepting members' genuine viewpoints and resolving their justified demands amicably.

Establishing an ongoing and lasting channel of communication between India and Pakistan is difficult. The relationship of the two South Asian neighbors has seen a number of sharp ups and downs. But while this situation presents a unique challenge for the SCO, it can also prove a litmus test. Opening up channels of communication between India and Pakistan and strengthening their relationship will go a long way towards solidifying the SCO's power and influence in the global arena. 

The author is a defense analyst and retired professor of international trade.





**Plant Trees    Love Trees**

**Protect the "lungs of the earth"  
to enjoy clean air.**

# Chabahar India's Gateway to Eurasia

By P. Stobdan

India's participation in Eurasian connectivity projects will serve to address the integration process under the EAEU and the SCO in more viable ways.

**T**he completion of the first phase of the Shahid Beheshti terminal last December and the successful shipment of 1.1 million tons of wheat to Afghanistan through the Iranian port have proved that Chabahar could become an easy gateway for India to access Eurasian markets.

In fact, Chabahar offers an attractive opportunity for India given Iranian interest in building the port into a commercial hub. It is the only Iranian port on the Indian Ocean and can serve larger vessels than Bandar Abbas.

One terminal there, Shahid Kalantari, is already handling about 2.1 million tons of cargo per year. With the opening of the second terminal, Shahid Beheshti, the capacity of Chabahar will increase to about 10 million tons. Iran

has recently imported cranes from Germany for the first terminal jetty at Shahid Beheshti, where shipments of wheat from India were recently offloaded and trucked to Afghanistan. The German-made cranes and equipment worth US\$85 million to outfit the terminal were financed through Indian investment. Earlier, India

committed a US\$500 million line of credit to develop the port soon after sanctions were lifted when the Iran nuclear deal went into effect in January 2016.

It looks as though Shanghai's Zhenhua Heavy Industries Co., Ltd. (ZPMC) will supply four gantry cranes to accommodate large container ships in the first 8.5 million-ton jetty. Of course, more jetties will be added to increase the port's capacity to 82 to 85 million tons. The expansion will create greater prospects for enlarging both the operational and practical scope of Chabahar to make it a vital gateway as the shortest land route to access Central Asia.

The 2016 Trilateral Transit Agreement requires India to build and operate Chabahar



Port (two terminals and five berths with cargo handling) for 10 years. The MoU provides the necessary legal framework for shipment of goods to Afghanistan.

Also, India, Iran and Russia will soon be working on the 4,474-mile-long land and sea trade route known as the International North-South Transport Corridor (INSTC). Indian Prime Minister Modi and Russian President Putin recently discussed minor issues impeding early operation of the INSTC. Once operational, India will send consignment through Iran to Central Asia, Russia, Turkey and Europe.

The corridor is expected to cut transit time and transportation costs in half. It would help boost India-Russia trade from the current US\$7 billion to US\$30 billion over the next 10 years.

According to some estimates, with operational Chabahar port and the INSTC, India's trade with Eurasia could grow rapidly up to US\$170 billion (US\$60.6 billion of exports and US\$107.4 billion of imports).

### **PATH FORWARD**

However, further benefits of the multi-purpose terminal at Chabahar such as India's plan to build a 610-kilometer north-south railway (Chabahar to Zahedan) cannot be realized unless a Central Asian state other than Afghanistan joins the project as a direct stakeholder or India joins a Central Asian-led transport mechanism.

For Chabahar to be eco-

nomically viable, connection to Central Asian states is imperative. The region holds a wealth of strategic and high-value minerals such as uranium, copper, titanium, iron, yellow phosphorus, aluminium, propane, butane, zinc and coking coal. For example, Kazakhstan alone wants to increase its non-oil exports by 50 percent by 2025. But without direct transport access, India cannot procure Central Asian minerals its manufacturing industries need.

India's current trade with Central Asia is minimal at a little over US\$1 billion and has not grown much. Trade with the region accounts for merely 0.11 percent of India's total trade. Similarly, India's share of Central Asian total trade is only about one percent. Only by improving transport connectivity can the prospects for commercial ties with the region improve.

For the landlocked countries of Central Asia, Chabahar is now the nearest sea port by land. Now they rely on port facilities in Turkey, Russia, the Baltic States, Iran (Bandar Abbas) and China. Until recently, only Kazakhstan had expressed interest in constructing a terminal in Mundra (Gujarat). But with the opening of Chabahar port, Uzbekistan sought access to the Indian Ocean through a deal with Afghan railways just two days after the Shahid Beheshti terminal opened on December 3, 2017.

In 2011, Uzbek state railway company Ozbekiston Temir Yollari built a short 75-kilo-

meter single-rail track between Hairatan, a town on the Uzbek-Afghan border, and the Afghan city of Mazar-i-Sharif at a cost of US\$1.5 billion, funded by the Asian Development Bank (ADB). Uzbekistan was keen to extend the line to other parts of Afghanistan. However, the Salang Pass posed a major obstacle in connecting northern Afghanistan with Parwan Province and onward connections in Kabul Province.

At the same time, a plan to extend the railway line approximately 700-kilometer from Mazar-i-Sharif through the towns of Sheberghan, Andkhoy and Maymana to Herat in the west of Afghanistan was discussed by Ozbekiston Temir Yollari and Afghan railways. Importantly, an agreement to complete the line was signed by Uzbek President Shavkat Mirziyoyev and Afghan President Ashraf Ghani in Tashkent on December 5, 2017.

Herat is a gateway to Iran, and when this trans-Afghan transport corridor project is completed, both Afghanistan and Uzbekistan will get a direct link to sea ports and be able to send and receive cargo to and from Chabahar.

The completion of the trans-Afghan railway corridor would enhance the strategic role of Chabahar port to develop an integrated transportation network. For India, the proposed Chabahar-Iranshahr-Zahedan-Mashad corridor is the most ideal route to connect to Sarakhs on the Turkmen border. India has already committed to laying



rails from Chabahar to Zahedan.

The corridor can be linked to the existing Eurasian railway line which connects other parts of Central Asia. Similarly, this route can merge with ongoing corridor plans and programs like Transport Corridor Europe-Caucasus-Asia (TRACECA), Central Asia Regional Economic Cooperation (CAREC) and other multilateral transport initiatives in the region.

India could solidify connectivity to Central Asia through both bilateral and multilateral mechanisms. So far, India has completed the 218-kilometer road from Delaram, Afghanistan, to Zaranj on the Iran-Afghanistan border.

In Eurasian container transport plays a significant role, and India could join the competitive market in the Euroasian transit system with active participation in transportation projects. India's connectivity approach need not be limited to increasing trade and commerce but should aim to enhance investment and services, interlinking sources of raw-material, centres of production and markets across the supercontinent.

For example, the proposed Free Trade Agreement (FTA) between India and the Eurasian Economic Union (EAEU) could facilitate an unimpeded flow of raw materials as well as an inflow of capital and technology to Eurasia through new industrial infrastructure along Chabahar and INSTC routes.

With this in mind, India recently joined the Ashgabat Agreement, which was signed in April 2011 to establish an international multimodal transport and transit corridor between Central Asia and the Persian Gulf. The Agreement was first joined by Uzbekistan, Turkmenistan, Iran, Oman and Qatar on April 25, 2011. Qatar subsequently withdrew from the agreement in 2013, but Kazakhstan and Pakistan joined the grouping in 2016. The Ashgabat Agreement came into force in April 2016. Its objective is to enhance connectivity within the Eurasian region and synchronize it with other regional transport corridors including the INSTC.

India will now be part of a single transport transit corridor system within the framework of the Ashgabat Agreement. Among other things, the regional transport grouping is considering measures to create a "green" corridor for vehicles to reduce the time spent at railway checkpoints replacing wheel sets, create favourable conditions and effective schemes for storing and handling cargo and using berths of sea ports. To increase the attractiveness of the routes as well as the volume of transit cargo, the group has considered unified tariffs for transit goods transported by rail.

Moreover, India's recent accession to the UN convention on global transport and customs transit system for moving goods

across international borders, Transports Internationaux Routiers (TIR), has made the operational logistics easier. India hopes to use the TIR convention after it finds some trading intermediaries and logistics partners.

All of these initiatives along with the Chabahar operation should kindle enthusiasm among Indian companies to become part of various international transport corridors in Eurasia.

But more significantly, the Chabahar link would singularly make Afghanistan the most important regional transportation hub and a bridge connecting the Indian Ocean and Central Asia. Afghanistan shares borders of 137, 744 and 1,206 kilometers with Uzbekistan, Turkmenistan and Tajikistan, respectively. However, trade among the three countries has remained low due to poor transport infrastructure. The construction of railway tracks would enable Afghanistan to play a bridging role in integrating the Central Asian region with global markets. The ADB had earlier estimated that an improved transportation link between Central Asia and Afghanistan would boost regional trade by up to US\$12 billion.

## **PROSPECTS FOR CONNECTIVITY CONVERGENCE**

A myth has persisted that India is opposed to any connectivity projects, especially China's Belt and Road Initiative (BRI). India



certainly objected to the China-Pakistan Economic Corridor (CPEC) project because it goes through Pakistan-controlled Kashmir which is claimed by India as its sovereign territory—the reason India boycotted the BRI Forum in China last year. However, New Delhi has sufficiently indicated that it would have no objection to joining any BRI-related projects if the CPEC project could be diverted through non-disputed areas such as being done by the Turkmenistan, Afghanistan, Pakistan and India (TAPI) pipeline project.

India would not oppose CPEC if it instead passed through Afghanistan. Significantly, at the recent Wuhan summit, both Prime Minister Modi and President Xi agreed to jointly work on reconstruction of Afghanistan, which could not be possible without reconciling each other's connectivity schemes.

Therefore, an encouraging decision on Afghanistan is expected at the upcoming SCO summit in Qingdao. For the first time, Modi and Xi, as well as Modi and Putin, in back-to-back informal meetings agreed to work together in Afghanistan—possibly in the development sector. Recent reports reinforce what Chinese Foreign Minister proposed to his Pakistani and Afghan counterparts on extending CPEC to Afghanistan.

Differences on issues related to regional connectivity are quite natural, but in the long-term,

prospects for convergence will still emerge if parties move ahead under the principle of extensive consultation, transparency and sharing benefits.

China has already aligned its BRI projects with those of EAEU through a FTA signed between the two. Many stakeholders are waiting for India and EAEU to sign a FTA, which should come happen this year when Modi and Putin hold their annual summit in India.

It will be quite natural for India's Chabahar project to ultimately align with other ongoing connectivity projects now going on in the Eurasian region.

To be sure, connectivity requires better transport alignment, closer coordination in international customs clearance, efficient regional logistics including reloading facilities and better financial institutions. India should be amenable to support any viable plan to set up an SCO Development Bank considering the reasons it joined the Asian Infrastructure Investment Bank (AIIB), which was founded as a multilateral financial institution to bring countries together to address daunting infrastructure issues in Asia.

An early realization of a trans-Afghan rail corridor connecting Chabahar with Central Asia would bring about tremendous breakthroughs in Eurasian transport connectivity and have enormous implications for the entire region in terms of both spurring economic

prosperity and ensuring political stability.

India's participation in Eurasian connectivity projects through the Ashgabat Agreement will address the integration process under the EAEU and the SCO in more viable ways.

A breakthrough for the regional infrastructure network arrived with the recent successful trial operations of the China-Kyrgyzstan-Uzbekistan international road transportation through the Ferghana Valley.

In the coming years, India will need to start working with one or more Central Asian countries, preferably Uzbekistan and Kazakhstan, on the Chabahar project, which could be pursued under the SCO framework. The Tashkent conference on Afghanistan from March 26 to 27 confirmed the need to firm up multilateral cooperation including in the SCO framework.

However, the U.S. pulling out of the landmark nuclear accord, the Joint Comprehensive Plan of Action (JCPOA) with Tehran, along with the renewed threat of sanctions on Iran and Russia under the Countering America's Adversaries through Sanctions Act (CAATSA) would severely endanger the prospect of the Chabahar project moving ahead. ■

—  
*The author is the former Indian Ambassador to Kyrgyzstan and an expert on Eurasian affairs.*

# Reconnection to Central Asia for India's Energy Security

By Yang Xiaoping

As two major emerging countries in Asia and SCO members, the two neighbors—China and India—need to focus on their strategic interests, cultivate new fuel for regional economic growth and explore new models for future interaction.

Cars line up to be filled up at a gas station in Mumbai, India. [VCG]



**F**ounded as a permanent intergovernmental organization focusing on anti-terrorism

and building of a new security concept, the Shanghai Cooperation Organization (SCO) has evolved into a new historical phase. In June 2017,

India and Pakistan became full members of the SCO, making the organization the most promising regional organization, accounting for

43 percent of the world's population and 24 percent of its GDP, with members from Central, East and South Asia.

The expansion of the SCO means it now includes three major emerging countries: China, Russia and India. In today's geopolitical context, the SCO demonstrates different thinking and demands for the current global governance mechanism. Clearly, since the U.S. troops withdrew from Afghanistan in 2011, the SCO, as a regional architecture, has played an important role in maintaining regional stability and promoting regional development.

#### **CENTRAL ASIA AND SOUTH ASIA: SO CLOSE YET SO FAR**

Central Asia is the core of the SCO. For a long time, Kazakhstan, Kyrgyzstan, Tajikistan and Uzbekistan have maintained a complicated connection with Russia in term of history, territory, economy and trade. Since the 1990s, China has been strengthening economic relations and energy cooperation with Central Asian countries.

As a regional organization, the SCO must carefully handle historical, geographical and economic links between Central and South Asian countries. Historically, they were considered to hail from the same cultural origins and geographical plate and even experienced fierce cultural collision and fusion in Afghanistan. In the mid-19th century, Russia conquered the Khanate of Bukhara and the

Khanate of Khiva, resulting in the separation of Central Asia and South Asia geopolitically. Later, Afghanistan and Central Asia served as the bridge linking the core area of the Soviet Union and sub-region of South Asia. After the Soviet Union collapsed, even though they are still influenced by Russia, Central Asian countries chose their political systems according to their own national conditions. Again, Afghanistan has become a cut-off point between Central Asia and South Asia.

In 2015, India applied for membership in the SCO, making it possible for the country to connect Central Asia with South Asia at a strategic level. There is a historical base for the connection between India and Central Asia—Afghanistan, Turkey, Greece and Mongolia all once reached the Indian plains. After the partition of India, its geographical link with Central Asia was cut off by Pakistan, leaving India disconnected from Central Asia. Except for cooperation in uranium mining with Kazakhstan, India has little interaction with Central Asian countries. As for security, India is plagued by terrorism in Afghanistan and longs to combat terrorism through international cooperation.

From a wider angle, as an emerging developing country, India has a voracious appetite for energy considering the Modi administration's "Make in India" and "Reindustrialization"

programs. India has already become the fourth largest energy consumer in the world. *The Oil Market Report 2018* issued by the International Energy Agency forecast that by 2023, the world's oil demand would reach 104.7 million barrels per day, 6.9 million barrels more than that in 2017. China and India are expected to contribute nearly 50 percent of the global growth in oil demand, with India's growth rate increasing slightly. Between 2012 and 2040, India's oil consumption is predicted to maintain a compound annual growth rate of three percent, the fastest in the world. Today, India still relies on the Middle East and Indonesia for its energy imports through marine transportation via the Persian Gulf and Malacca. If India can access energy in Central Asia via land routes, it could diversify its energy imports to prevent seaborne risk while cutting the cost of energy importing.

As for Pakistan, its entry into the SCO was motivated by the domestic security situation and a "chain reaction" after India's application. Since 2001, the U.S.-led war in Afghanistan has kept Pakistan at the forefront of the fight against terrorism, which has proved quite costly for the country. Pakistan believes that the situation in Central Asia is closely related to its anti-terrorism campaigns and security, so its admission into the SCO is justifiable. Additionally, with regards to the regional power balance,

after over a decade of combating terrorism, Pakistan has lost many of its advantages over India. So it certainly cannot sit by and watch India harvest a greater strategic advantage by joining the regional mechanism.

Actually, the thinking of Central and South Asia as the same strategic unit was not new to 2017 when India and Pakistan became full members of the SCO. Before that, the Obama administration introduced the Afghanistan-Pakistan (AFPAK) Strategy focusing on Central and South Asia. When Hilary Clinton was U.S. Secretary of State, she greatly promoted a U.S.-led “New Silk Road” plan to link Central and South Asia. But all of these initiatives were aborted due to the troublesome Afghan issue. So Afghanistan has always played a critical role in linking Central Asia and South Asia, which are so close geographically but so far in spirit.

### ENERGY CORRIDOR: MORE THAN PIPELINES

India's demand for the energy of Central Asia was on its agenda long before its entry into the SCO. In May 2012, after years of negotiation, India, Pakistan and Turkmenistan signed an important agreement on constructing the Turkmenistan-Afghanistan-Pakistan-India (TAPI) natural gas pipeline. It is generally believed that breakthroughs in the TAPI project can be attributed to the great support from the Asian

Development Bank over the past decade. Certainly, the improvement and reinforcement of U.S.-India strategic relations meant the U.S. greatly pushed the progress of TAPI.

If TAPI can move forward, the direct beneficiary should be Afghanistan. Just income from energy transit will produce a great deal of revenue, let alone infrastructure related to the pipeline and other measures that will spark local economic

the progress of TAPI could even alleviate old grudges between the two countries. And in Central Asia, Turkmenistan may be the biggest beneficiary because it will earn a fortune by adding another big buyer, India, following China, to diversify its exports and prevent the strategic risk of becoming too dependent on the Chinese market.

However, the development of TAPI does not look optimistic. In March 2013, the



March 11, 2013: In Chabahar City in southern Iran, Iranian workers weld a pipeline linking Iran and Pakistan at the inauguration ceremony of the Iran-Pakistan natural gas pipeline project. [Xinhua]

growth. Alongside its economic growth, Afghanistan is expected to restore stability. India will win strategically by connecting to Central Asia through TAPI, a move which not only guarantees India's energy supply but also introduces it to Central Asia, making it an important player in the region. Certainly, considering the relations between India and Pakistan, the former can declare that

launch ceremony of the Iran-Pakistan natural gas pipeline was held at the border of Iran and Pakistan. After the ceremony, the two countries signed agreements to establish trading ports in their border cities of Gbad and Pishin and build an Iranian petroleum refinery in Pakistan's Gwadar City. Objectively, the advancement of Iran-Pakistan relations does not help TAPI's prospects. Running from



north to south, TAPI is expected to transfer energy from Central Asia to South Asia and intersect with the east-west Iran-Pakistan pipeline. The two pipelines involve the direct interests of Iran, India and Pakistan, so the U.S. and Russia and even some Central Asian countries have interest. And in 2014, the substantial withdrawal of NATO from Afghanistan resulted in changes of the country's situation. All these factors make the prospects of the two pipelines more complicated.

Against this backdrop, in 2017, with the strong support of Russia, India became a full member of the SCO, which enables it to access Central Asian resources with an institutional guarantee. At present, Iran and Afghanistan are observers of the SCO. After its entry into the SCO, India obtains the legal right to step into Central Asia and a green light to turn to Central Asia and Russia for energy security. Of course, as one of the founders of the organization, China welcomes India's admission and has shown sincerity and determination to eliminate the trust deficit and strategic gap between the two countries.

### CONNECTIVITY: EXPLORING NEW POSSIBILITIES

With the addition of India and Pakistan into the SCO, Central Asia, the core region of the organization, has been closely connected to South Asia via China's western border areas and Afghanistan. And the vastness of Russia,

along with China's large market, has made the SCO the most intact and promising regional architecture in Eurasia.

Connectivity between Central and South Asia has some basic infrastructure in place now. Since China proposed the Belt and Road Initiative, the eight full members of the SCO as well as many observers and dialogue partners have aligned with China's development strategy at various levels. For example, Kazakhstan proposed its "Bright Path" and "New Economy Policy" to align with China's Silk Road Economic Belt. Uzbekistan and Kyrgyzstan also have signed agreements on cooperation with China under the framework of the Silk Road Economic Belt. Additionally, China and Russia have enhanced strategic and practical cooperation in the realms of energy, high-speed trains, aerospace, infrastructure construction and the development of the Far East region.

Meanwhile, the China-Pakistan Economic Corridor (CPEC) has harvested early fruits, evidenced by the construction of the Gwadar port and progress in infrastructure like energy and roads. The projects of CPEC are scattered across Pakistan, involving 60,000 local workers in their construction. In the next five to seven years, CPEC is expected to create 500,000 jobs in the country, whose economic growth and stability will bring positive

impact to its neighboring country Afghanistan.

However, connectivity within the SCO still has some real problems. Despite becoming a member of the SCO, India still maintains a negative attitude towards the Belt and Road Initiative solely because CPEC passes through the controversial Kashmir region. In 2017, the Dong Lang standoff dragged relations between China and India to the lowest point in history, greatly raising the deficit of strategic mutual trust. In this context, in April 2018, the informal meeting between two countries' leaders can be seen as a resumption of bilateral relations.

In the new era, as major emerging countries in Asia and SCO member countries, China and India need to surpass traditional geopolitical logic marked by competition and represented by the "Asia-Pacific rebalancing strategy," fabricated "string of pearls" or "Indo-Pacific." The two Asian neighbors need to focus on their major strategic interests, cultivate new fuel for regional economic growth and explore new models for future interaction between them. At some specific points, the two countries may have to consider exchanging some interests in order to contribute to the SCO's innovative cooperation. 

—  
*The author is executive researcher at the National Institute of International Strategy under the Chinese Academy of Social Sciences.*

# A Win-Win in Central Asia

By Suyash Desai

The upcoming SCO summit is the optimum time for member countries to take a fresh new look at the Energy Club initiative.

Every year, the diplomatic calendar for the Eurasian region is cleared in early June to make way for the Shanghai Cooperation Organization (SCO) summit. It is an annual meeting wherein a selected group of Eurasian countries comes together to deliberate on geopolitical, geo-economic and strategic 'interests' of the region.

Like most regional organizations, the fact that the SCO has no implementation capacity is perceived by some scholars to limit it to a talk shop. However as geostrategic analyst Brahma Chellaney puts it, the withdrawal of the U.S., via President Trump's decision, from various multilateral arrangements put the rule-based world order at risk and created a gloomy situation. In such a scenario, the SCO can be qualified as a high-performing group just by being functional and having no withdrawals.

The SCO was established

in 2001 by the Shanghai Five (China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan) as a grouping intended to build trust in their border regions. At the Shanghai Five summit 2001 in China, Uzbekistan was added to the group and the Declaration of the SCO was signed, institutionalizing it furthermore. The first nominal expansion of the organisation took place in 2005 at the Astana summit in Kazakhstan, at which India, Pakistan, Iran and Mongolia were added as observer countries, and Sri Lanka, Belarus and Turkey became dialogue partners. But a major expansion happened in 2017 when India and Pakistan were admitted as full members of the organization. This expansion means that the SCO now accounts for half of the world's population, about a quarter of the world's GDP and 80 percent of the Eurasian landmass. These numbers should not be construed to mean that the SCO has a hugely important role in the

geopolitics of Eurasia and the world. Though it has the potential, the current reality is quite different.

The SCO was primarily formed to jointly fight terrorism, separatism and extremism, which the region faces. Eventually, the scope of the organization, considering cooperative potential within the region, expanded to economic activities. The Ufa summit in Russia played a vital role in laying out the organization's economic development strategy for the next ten years. Upon review of the scope of the SCO in the economic sphere, two major aspects pop up, which, if implemented with care and caution, could change the fate of the organisation: the planned SCO FTA (free-trade area) and the existent SCO Energy Club.

## LEASHED POTENTIAL

The SCO is sitting on a gold mine of energy reserves with 25 percent of global oil reserves, over 50 percent of

global gas reserves, 35 percent of coal and over half of the world's uranium with its member states. The world's largest oil and gas pipelines are being built or already passing through the region. Pooling of resources through the SCO in the field of oil and gas could yield rich dividends for this region considering that the organization hosts both the largest producers and consumers of energy. But such a task is easier said than done.

Efforts have been made since 2004 to introduce the idea of an energy club to the SCO. In 2006, Russian President Vladimir Putin launched a debate on "energy dialogue, integration of our national energy concepts and creation of an energy club." The debate resulted in the establishment

of a unified energy market for oil and gas and the promotion of regional development through preferential energy agreements. In this context, Kazakhstan's President Nursultan Nazarbayev agreed with President Putin at the 2007 Bushkek summit. "We consider it necessary to set up the SCO Energy Club, which will directly address problems in the sector," he declared. "No one will resolve them for us."

However, the plan didn't materialise until 2013. This is considered by many to be a lost decade in which global oil prices were steadily increasing to reach an all-time high. The energy club and joint strategies could have been highly beneficial for the region during this decade. Unfortunately, the energy club was formed

as the world turned towards global depression and crude oil prices dropped sharply.

Even after the signing of the draft document to form the energy club in 2013, the different approaches of respective countries made the process delayed. Some members wanted creation of the club to take precedence while others wanted emphasis on energy strategy. Another major issue was the functionality between producer and consumer countries, which limited the initiative to discussion. Concerns about zero sum games were clear due to the behaviour of the countries, which minimized the efficiency of the initiative.

Major political decisions and funds are needed if the

June 15, 2014: Workers examine the facilities at the Horgos Metering Station in the Xinjiang Uygur Autonomous Region for natural gas transmitted through Line C of the Central Asia-China gas pipeline. [CNS]



SCO Energy Club is to work to its full potential. As Meena Singh Roy, a research fellow and coordinator at the West Asia Centre, IDSA, New Delhi, puts it, consensus is required on pricing, standardization of tariffs for transportation of energy resources, development of a unified common tax base, coordination among the suppliers and other issues.

### INDIA'S PLACE IN THE PUZZLE

India is the third-largest energy consuming nation after the U.S. and China. One of the most important components of India's import portfolio is energy, which arrives in several forms. Needless to say, energy in the form of petroleum products are in high demand domestically. Energy is a ticking-time bomb about to explode as the country enters its five-year election cycle.

India is highly dependent on the West Asian region for its imports of oil and energy. But considering the instability in this part of the world,

India is in desperate need of diversification to reduce its reliance on the region. This is where the SCO, Russia and Central Asia could play a pivotal role. During the Cold War, India maintained close relations with the Soviet Union. After the fall of the Soviet Union, India-Russia relations remained tight. Similarly, India has shared cultural and trade relations with Central Asian countries in the past. In the post-Cold War period, India's goodwill with these oil-rich countries was mostly due to the Soviet legacy. But India failed to capitalize on its good relations due to a lack of financial and economic leverage. After losing so much ground in the energy race, India attempted to catch up in 2012 with 'Connect Central Asia' policy initiatives. However, this policy failed to the attention it needed in the diplomatic circles of India.

In this context, India acquiring full membership in 2017 in the SCO is vitally

important. The June 2018 SCO summit in China will be of key importance to India. Prime Minister Modi will attend the SCO summit with a backlog of domestic baggage such as rising fuel costs waiting for him at home. Although one summit meeting may not make much difference in the current scenario, even a seemingly innocuous move by Modi could go far in stabilizing the domestic ship. China has set up multiple energy pipelines and project through this region as part of President Xi's signature project, the Belt and Road Initiative, which is backed by the SCO, while India's TAPI (Turkmenistan-Afghanistan-Pakistan-India) gas pipeline is still languishing. One of the prime reasons for India to join the SCO was this cause. But the country's major pipeline project has yet to see progress due to instability in Afghanistan and disagreements with Pakistan. Help with this issue is something India will look for at the 2018 SCO summit. Furthermore, the commissioning of the North-South transport corridor along with the Chabahar port of Iran will provide India better access to the energy markets of the SCO region.

Workers prepare for the construction of the China-Myanmar oil and gas pipeline. The project began construction on September 10, 2010 when the China National Petroleum Corporation began to build a giant oil refinery in Yunnan Province. [CNS]



### POSITIVE-SUM GAME

In the current state of affairs, the formation of the SCO Energy Club, which happened in 2013 with a mission to discuss issues related to energy strategy and future cooperation, was a positive development. This indicates potential for growth in this sector. The future of





August 28, 2015: The “Shandong-Xinjiang-Europe” train sets out from a logistics park in Qingzhou, China’s eastern Shandong Province. [IC]


the energy club will depend upon the approaches of both producers and consumers. Through game theory (positive sum situation) and neorealism, one can explain the convention of competitive states—in this case producers and consumers—over a shared interest. The future of the SCO Energy Club will depend upon development of a cooperative framework by these countries. Presently, the price of international crude oil is rising. Thus consumer countries like India, China, Mongolia, Tajikistan and Kyrgyzstan are worried. At the same time, producer countries like Russia, Kazakhstan, Uzbekistan and Iran are looking for an opportunity to make the most of rising oil prices after four tough years. In such a scenario, coordination of limited strategies in the energy sector, development of system of transport for the energy security, joint implementation units, coordination of investment plans and an informal setting for regular coordination through the SCO

energy club will go a long way in resolving pressing issues the region faces.

The 2018 SCO summit will be hosted by China and presents an opportunity to vitalize the SCO energy club initiative. The structural compulsions are conducive and the only requirement, as in any regional/multilateral initiative, is the will of the member states. Some challenges remain like competition for controlling energy resources between Russia, China and India, diversification of energy projects going from Central Asian countries to Europe and possible sanctions on Iran, which could impact the progress of the organisation. But despite these obstacles, a full-functioning SCO energy club would go a long way in capitalizing on the untapped potential of the region. Various projects like TAPI, Iran-Pakistan-India (IPI) gas pipelines, Russia-China-India gas projects, initiatives linking Central Asia to Iran and India through Chabahar-Russia-China gas pipeline initiatives and many

more that are stuck, could get a much needed push. The energy club could also rejuvenate other organs of the SCO and lead towards a greater SCO Free Trade Agreement, which is in the work for 2020, in a phased manner.

The SCO, an organization formed over a security mandate between many highly contrasting member countries, has still been confined to a talk shop on many occasions. With this energy club initiative, the organization could build win-win situations for its member states by facilitating planning, energy and working together with a strategic objective in mind. By virtue of remaining functional in a world in which global leaders lobby for votes by procrastinating, the SCO, along with other regional organizations like ASEAN and the African Union, is making many right moves. In the wide playing field of Central Asia, energy diplomacy conducted through the SCO, could prove an ace in the hole that alters the geopolitical situation globally.

In this context, the 2018 Qingdao summit of the SCO will be historic if member countries move past their differences to work on the energy club and creating win-win situations in the vast landscape of Central Asia. 

—  
*The author was a Ph.D. Scholar at the Centre for International Politics, Organization and Disarmament (CIPOD) at Jawaharlal Nehru University in New Delhi. He currently works as a correspondent for Outlook Money in Mumbai.*

# 17 Years of Cooperation SCO's Profound Journey


*Edited by* **Hu Zhoumeng**  
*Designed by* **Andrey Maleev**

**T**he Shanghai Cooperation Organization (SCO), founded at the dawn of the 21st century, has grown into one of the most influential international and regional organizations. Across 17 years, it has become an active factor supporting the security, stability and sustainable

development of the current international system.

The SCO has built more than 30 meeting mechanisms at different levels and signed more than 100 documents for cooperation, laying a solid foundation for the organization to function effectively. SCO member

states, with increasingly deepening partnership as friendly neighbors, have made joint efforts to preserve peace, security and stability and work together in politics, economics, culture and more areas.

The SCO is becoming a role model for a new type of international relations. 

### BASICS

#### MAIN GOAL

The SCO aims to strengthen mutual trust and good-neighborliness among member states; promote effective cooperation in politics, trade, economics, research, technology and culture as well as in education, energy, transport, tourism, environmental protection and other areas; make joint efforts to maintain and ensure peace, security and stability in the region and move towards establishment of a democratic, fair and rational new international political and economic order.



#### SHANGHAI SPIRIT

The SCO follows the principles of mutual trust, mutual benefits, equality, mutual consultation, respect for cultural diversity, and a desire for common development.

The SCO's external policy follows the principles of non-alignment, non-targeting of any third country, and openness.

#### 8 MEMBER STATES

			
India	Kazakhstan	China	Kyrgyzstan
			
Pakistan	Russia	Tajikistan	Uzbekistan

#### 4 OBSERVER STATES

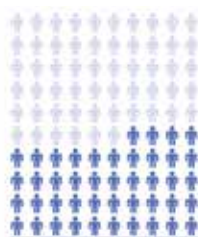
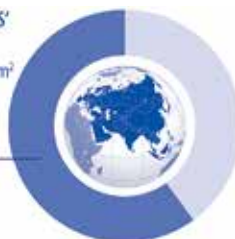
	
Afghanistan	Belarus
	
Iran	Mongolia

#### 6 DIALOGUE PARTNERS

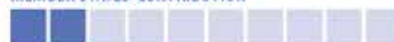
		
Azerbaijan	Armenia	Cambodia
		
Nepal	Turkey	Sri Lanka

**MEMBER STATES' TERRITORIES**Over 34 million km<sup>2</sup>

60% of the Eurasian continent



**MEMBER STATES' COMBINED POPULATION**  
Over 3 billion, 44% of the world's total

**MEMBER STATES' CONTRIBUTION**

Over 20% of global GDP

The SCO works closely with international and regional organizations and agencies including the United Nations and its specialized agencies, the Association of Southeast Asian Nations, the Commonwealth of Independent States, Collective Security Treaty Organization, the Eurasian Economic Community, the Economic Cooperation Organization.

**MECHANISM CONSTRUCTION****SUPREME DECISION-MAKING BODY**

The Council of Heads of Member States of the SCO convenes once a year and adopts decisions and guidelines on all important matters concerning the organization.

The Council of Heads of Government (Prime Ministers) of the SCO convenes once a year to discuss multilateral cooperation strategy and priority areas under the SCO framework, decide on important issues in economic and other cooperation and approve the organization's annual budget.

**MEETINGS FOR VARIOUS SECTORS**

Heads of parliament or congress, secretaries of security councils, ministers of foreign affairs, national defense and public security, chief justices, prosecutors general, heads of law enforcement, drug control, emergency relief, business and trade, ministers of finance, as well as central bankers, chief auditors, ministers of transport, science and technology, agriculture, culture, education, healthcare and tourism, etc. regularly meet to discuss relevant issues.

**SCO-AFGHANISTAN CONTACT GROUP**

Established in 2005, the group acts as a platform for SCO member states to dialogue with Afghanistan and help improve conditions in the country, aiming to achieve peace, stability and prosperity, and eradicate terrorism, extremism and drug-related crimes.

**COORDINATION MECHANISM**

Council of National Coordinators of SCO Member States (CNC)

**PERMANENT BODIES**

SCO Secretariat  
based in Beijing,  
China



Executive  
Committee  
of the Regional  
Anti-Terrorist  
Structure (RATS)  
based in Tashkent,  
Uzbekistan

**NGOs**

- SCO Business Council
- SCO Interbank Association

June 4, 2006: The SCO Business Council was set up in Shanghai, China.

October 26, 2005: The meeting of heads of SCO member states decided to found the SCO Interbank Association. The association was joined by the Development Bank of Kazakhstan, the China Development Bank, the Settlement and Savings Company of Kyrgyzstan, the State Corporation Bank for Development and Foreign Economic Affairs of Russia (Vnesheconombank), the State Savings Bank of Tajikistan (Amonatbank) and the National Bank for Foreign Economic Activity of the Republic of Uzbekistan.

**LIST OF SCO SUMMITS**

1	June 2001	Shanghai		7	August 2007	Bishkek		13	September 2013	Bishkek	
2	June 2002	Saint Petersburg		8	August 2008	Dushanbe		14	September 2014	Dushanbe	
3	May 2003	Moscow		9	June 2009	Yekaterinburg		15	July 2015	Ufa	
4	June 2004	Tashkent		10	June 2010	Tashkent		16	June 2016	Tashkent	
5	July 2005	Astana		11	June 2011	Astana		17	June 2017	Astana	
6	June 2006	Shanghai		12	June 2012	Beijing		18	June 2018	Qingdao	



## SECURITY COOPERATION

From originally combating the "three evil forces" of separatism, extremism and terrorism at home and abroad to gradually expanding to fields of strategic security, defense security, law enforcement security, information security, drug control, anti-money-laundering and the fight against transnational organized crime, the SCO has continuously enriched and diversified its security cooperation, playing a crucial role in maintaining peace and stability in the region.

### ANTI-TERRORISM

- Border control
- Investigate persons suspected of terrorist activities
- Take joint actions to address terrorist threats
- Establish effective mechanisms to prevent and suppress terrorist activities
- Collaborate in obtaining information on terrorist organizations that threaten the security of SCO member states or Afghanistan
- Establish an expert consultation mechanism between the Regional Anti-Terrorist Structure of Shanghai Cooperation Organization (RATS SCO) and relevant Afghan departments
- Exchange information on terrorists and their organizational activities, as well as anti-terrorism experience
- Share the lists of persons involved in terrorism among the SCO member states and Afghanistan
- Assist each other in arresting and transferring terrorists
- Identify and cut off financing sources and channels of terrorist organizations
- Invite relevant departments of Afghanistan to participate in joint exercises, seminars, training courses and other anti-terrorism activities organized by the law-enforcement departments of the SCO member states
- Hold the Peace Mission, a series of joint anti-terror exercises under the SCO framework



### DRUG CONTROL

- Make a comparative analysis on relevant laws and regulations of SCO member states to improve the legal basis for cooperation in combating illicit trafficking of narcotic drugs and precursor chemicals
- Exchange information among the drug-control departments of the SCO member states
- Tighten supervision of narcotic drugs, psychotropic substances and precursor chemicals
- Combat the money-laundering activities for illegal trading of narcotic drugs, psychotropic substances and precursor chemicals
- Organize training of drug-control personnel
- Prevent drug abuse including taking measures to reduce drug demand, carry out research and use new methods to treat addicts and launch social and medical rehabilitation
- Carry out regular exchanges and effective cooperation on drug control between the Meeting of Officials of the SCO Member States' Drug Control Departments and relevant Afghan authorities
- On March 13, 2017, a joint event of the SCO and the United Nations Office on Drugs and Crime (UNODC), "The United Nations and Shanghai Cooperation Organization in the Fight Against Drugs: Common Threats and Joint Actions," was held in Vienna, Austria.



### OUTER SPACE SECURITY

Safeguard the security of outer space, make peaceful use of outer space, prevent arm races in outer space or let it become a location for armed confrontation and push the international community to formulate plans and implement measures to increase transparency and build confidence in outer space activities



### NUCLEAR SECURITY

On the basis of equality and inseparable security, the SCO member states should take into account all factors that affect global stability to promote the process of nuclear disarmament, strengthen the international nuclear non-proliferation system and facilitate equal and mutually beneficial cooperation on peaceful use of nuclear energy.



### COMBATING CRIMES

- Cooperate with Afghanistan in combating illicit trafficking of arms, ammunition and explosives, as well as other cross-border organized crimes
- Conduct timely information and experience exchanges on combating organized crimes
- Assist each other in criminal investigation and evidence collection and transferring
- Study the possibility for joint actions to combat cross-border organized crimes and related mechanism and send law-enforcement personnel to assist in criminal case investigation
- Assist in the vocational training of law-enforcement personnel of Afghanistan and improve their professional skills





## ECONOMIC AND TRADE COOPERATION

Economic and trade exchange and investment cooperation of SCO member states have created great potential. Regional economic cooperation is developing with sound momentum and the cooperation mechanism has constantly improved. The SCO has formulated a plan for implementation of multilateral economic and trade cooperation among member states involving more than 100 specific projects, topics and directions for cooperation.



- Carry out customs cooperation to create favorable conditions for trade by improving customs management, information sharing and mutual assistance in law enforcement between customs, fast tracking customs clearance with modern technology and cracking down on smuggling and other illegal activities.
- Actively promote the establishment of the SCO Development Bank to provide a financial guarantee and settlement platform for infrastructure and economic and trade cooperation projects within the organization and discuss the establishment of the SCO Development Fund (special account) to provide financial support for project research and exchange training within the framework of the organization
- In September 2014, the China-Eurasian Economic Cooperation Fund was launched. The fund has an initial size of US\$1 billion and an ultimate size target of US\$5 billion, to be implemented in phases.
- As of November 2016, total bilateral currency swap between China and other SCO member states had reached 160 billion yuan (US\$25 billion).
- From 2013 to 2017, China imported more than US\$340 billion worth of goods from other SCO member states. Direct investment of Chinese enterprises in countries in the region hit nearly US\$15 billion.

## CONNECTIVITY

- Improve transportation infrastructure, coordinate transit transport policies, establish international transport corridors and create convenient conditions to increase transit traffic
- Further strengthen cooperation in the fields of civil aviation, highway and railway transportation, actively develop and effectively utilize international multimodal transport logistics centers and adopt advanced and innovative transportation technology
- The successful commissioning of the China-Kyrgyzstan-Uzbekistan highway marks a major breakthrough in regional interconnectivity.



## ENERGY AND ENVIRONMENTAL PROTECTION



- Promote cooperation in oil and gas exploitation, pipeline construction, petrochemical engineering, hydropower and mineral exploration
- Develop clean energy and technology, promote utilization of renewable energy and ensure energy safety

## CULTURAL EXCHANGE

By organizing international expositions and cultural and art festivals, the SCO has excavated historical documents and used library collections to promote cultural exchange and cooperation among countries. The SCO respects the traditional culture and customs of member states, encourages research on cultural diversity and protects the cultural and natural heritage of the region.



- The SCO University project gathered 82 colleges and universities from Kazakhstan, China, Kyrgyzstan, Russia and Tajikistan. It offers seven majors including regional studies, ecology, energy, IT, nanotechnology, economics and education.
- In 2018, the first SCO Forum on Women was held in China.
- In 2016, the first SCO Youth Exchange Camp was held in China.
- In 2014, the first SCO military music festival of member states, "Peaceful Horn," was held in China.
- In 2008, the first "Education Without Borders" education week for SCO member states was held in Russia.
- In 2005, the first cultural and art festival for SCO member states was held in Kazakhstan.

## INFORMATION AND COMMUNICATIONS

- Set up a working group on modern information and telecommunication technologies and an expert group on international information security for SCO member states
- Combat terrorism, separatism and extremism in cyberspace and practices to justify them
- Deepen cooperation on satellite navigation and satellite mobile communications
- Carry out demonstration projects:
  - The SCO adopts electronic digital signatures to carry out cross-border electronic cooperation.
  - The SCO has launched the building of an information highway.



# Multilateral Mechanisms Boon or Bane?

Concept by **China-India Dialogue**

## Next-Gen Mechanisms

### Piyush Singh

Age: 24

Occupation: Research Associate at  
Takshashila Institution

Birth place: Bihar, India

Current residence: Bangalore



“China and India will remain invested in current overarching global institutions.”

World leaders from India, China, Russia, Pakistan, and several Central Asian states will convene in China in June to further increase economic and security cooperation between them under the banner of the Shanghai Cooperation Organization (SCO). However, questions have been asked about the effectiveness of

such multilateral organizations, which are still in their infancy. They do provide considerable value to member states in getting their voices heard in a multilateral forum and also help in setting standards for future of international governance structures.

The main objective of organizations such as the SCO and BRICS has been to provide alternatives to institutions such as the UN, IMF, World Bank and others. Developing countries such as India and China have long raised objections about the asymmetry of power in those organizations, and thus went ahead and created multilateral organizations that reflect their interest and growing stature.

China, along with Russia and Central Asian states, primarily established the SCO as an overarching security organization to resolve border disputes between member states and has subsequently broadened its scope to cover counter-terrorism, narcotics and energy. India was recently admitted to the group along with Pakistan, and even though India hasn't been happy about the frequent comparisons

to Pakistan, it has continued politely. Its primary focus is on securing energy routes, counter-terrorism and working with Russia on its initiatives. The SCO does not yet have much to show in terms of results, but its focus on security and ever expanding dialogues on trade and infrastructure will surely set a future narrative for Asia and slowly reduce U.S. influence in the region.

The Asian Infrastructure Investment Bank (AIIB) is another institution to consider. The thinking behind launching the AIIB was to fulfill the growing infrastructure needs of developing countries while at the same time providing an alternative to the U.S.-led IMF, World Bank, and Asian Development Bank (ADB). China and India have long been demanding that the voting structure and overall governance of organizations such as IMF, World Bank, and ADB be reformed to reflect the growing interests of countries such as India and China but to no avail. Such complaints resonated with many developing countries around the world, which had

long been denied loans and any say in the governing of these institutions because of reasons like human rights records and corruption. The AIIB has not only provided them with a say in the operation of the institution but also provided loans at a far cheaper rate than other institutions.

The United States tried its best to stop its allies from becoming members of the AIIB, but failed. Crucial allies such as Britain and Australia went ahead with membership even after diplomatic protest from the U.S. Herein lies the main point: The United States was not in fact very concerned about the AIIB's views on human rights and corruption but more concerned about an emerging power providing an alternative to U.S.-led international organizations, but had to find a better narrative protest.

When China launched the AIIB, India was one of the first supporters of the development bank and is the second-largest donor. BRICS started gaining traction as an organization late last decade and since then has since cemented its place in the world. No longer just a one-time event, it has evolved into a more of a year-long process of cultural exchange, youth summits and other areas of cooperation, culminating in the annual BRICS summit. The New Development Bank launched by BRICS is another example of the equal power and vote-sharing between the member states as an alternative to IMF, World Bank and Japan-led ADB.

BRICS has further turned focus to counter-terrorism, security, environment and trade. All these sectors are evolving continuously, and the BRICS countries are looking to serve

as rule-makers rather than followers.

From India's perspective, it is more beneficial to be inside these groups rather than out, where chances to influence the next generation of international governance would fade. Even though it plays a secondary role to China in most of these groups, it is important not to lose sight of the larger picture. If India were to sit out of these groups complaining about some sort of disparity in power-sharing, it would be thrust to the back of both U.S.-led international organizations and those founded by China, finding itself isolated in both. It's far better to hedge its bets and policy from the inside and subsequently gain a larger say in how policies and governance are conducted in BRICS, the SCO, the AIIB and other organizations.

## Bigger Role of Multilateral Institutions in Global Governance

**Liu Xiaowei**

**Age:** 27

**Occupation:** Ph.D. student at the School of International Relations of Peking University

**Birth place:** Henan Province

**Current residence:** Beijing



In an era marked by shifting boundaries, relocated authorities, weakened states, and proliferating global crisis at various levels of community, the time has to confront the insufficiency of our ways of thinking about governmental actors. Global governance with actors from different levels comes into being to maintain a

normal international order. The multilateralism, as one of main governance principles, accords with the governance logical norm and comes into play within global governance.

Multilateralism in its most basic sense involves norm-based or rule-governed behaviors. International Relations Professor, Amitav Acharya, says that both in economic and security arena, the primary objective of multilateral interactions is to discourage participating actors from discriminating against each other, promote transparency and mutual reassurance, and resolve contentious issues peacefully and constructively.

“The trend of rationalization and pluralism of international politics provides fertile soil to anticipate a more indispensable role of multilateral regimes in international governance.”

With the development and improvement of multilateral institutions, the state has made multilateralism the major way to further national interests. To date, global governance can be characterized as a complex array of fragmented institutions operating at different levels. They can build their own multilateral institutions for the protection and expansion of national interests.

The multilateral institutions experience a long history and process of evolvement. While the dominated theme of international relations changed from conflict into cooperation, the international regulation became a rather realistic norm model in global governance. As we all know, there is a complex multilateral institutions network composed by multilateral regimes from both international level and regional level. Also some regimes are economy-centered and others are security-centered. Take the regional multilateral institutions around China for example, the security regimes contain ARF, ADMM+, SLD, SCO, CICA and so on, and the multilateral institutions aimed at economic coordination includes APEC, EAS and the like.

There are three main approaches for the multilateral regimes to perform governance in international arena. The first is enhancing policy coordination through the non-binding self-commitments from member states. The second is reaching their goals through interactions with the international organizations. The third is promoting the regimes' power of influence by incorporating the NGOs. In daily practice, the summits and conferences are the most common approaches.

The multilateral regimes can play a significant role in dealing with the global crisis and building consensus. It provides an effective framework for jointly coping with increasing non-traditional security threats. Based on expertise and information, it plays a 'catalytic' or 'convening role' in bringing divergent stakeholders together and proposing workable and mutually beneficial outcomes. For example, the Shanghai Cooperation Organization has progressed fairly quickly from its inception to become a relatively prominent regional player. Through a series of jointly multilateral or bilateral

military exercises, it has set up a basic information exchange network and a unified network security platform. Besides, the multilateral regimes give institutional security to related players to enhance strategic mutual trust and promote international trade. What's more, the multilateral regimes can defend the basic principles of international law and human rights, and subtly influence the ideology and ideas of the states as a result.

Of course, in a world of anarchy, the effectiveness of different kind of multilateral regimes is varied in international society. They have to handle the interest divisions among members, as well as bring the inclusiveness and effectiveness into balance in internal governance. Although the multilateral regime is a relatively young actor in global governance and has so far produced less tangible results compared with big powers, the trend of rationalization and pluralism in international politics provides fertile soil to anticipate a more indispensable role of multilateral regimes in international governance.

## Multilateral Institutions: Equal Consultation and Win-win Cooperation

### Deng Han

Age: 31

Occupation: Ph.D. student at the School of International Relations, Peking University

Birth place: Yunnan Province

Current residence: Beijing

“Strong global multilateral institutions are inherent requirements for countries to effectively participate in global governance.”





In early June, the 18th summit of the Shanghai Cooperation Organization (SCO) will be held in Qingdao, Shandong Province, China. This is another important diplomatic opportunity for China and neighboring countries to enhance cooperation and strengthen global and regional governance under the framework guidance of multilateral institutions after the seventh China-Japan-South Korea trilateral summit in May.

The rise of multilateral institutions has been reflected primarily in three aspects: First, the number of multilateral institutions has greatly increased and involve many fields such as politics, economics, culture and social development. Second, types of multilateral institutions are more varied. Regional integration organizations such as the European Union, the Arab League, the African Union, and the Union of South American Nations, have emerged alongside regional cooperation dialogue institutions such as APEC, the ASEAN Regional Forum and the SCO and sub-regional cooperation institutions such as the Lancang-Mekong Cooperation and the Greater Tumen Initiative. Third, these multilateral institutions' effectiveness has been widely recognized. Combined with leading power diplomacy and bilateral diplomacy, multilateral institutions have become an important platform for exchange and cooperation among countries.

Strong multilateral institutions are inherently

required for countries to participate in global governance. First, multilateral institutions shape and manage the interests of involved countries by helping them define and understand global issues while building consensus and generating greater motivation to participate in global governance. Second, when facing complex and ever-changing global and regional issues, multilateral institutions can effectively reduce the transaction costs of decision-making and enhance the legitimacy and transparency of decision-making by forming a flat cooperation network. Consolidating similar interests is helpful to most countries, especially small and medium-sized countries and developing countries. Third, multilateral institutions create mechanism-based interactive platforms through which all countries can participate in global governance through the establishment of a secretariat, working group meetings, high-level officials meetings, ministerial meetings and leaders' summits. Multilateral institutions also embrace multiple stakeholders in the cooperation framework through topic setting and forum discussion to form a "common voice" and increase their influence and representation within the global governance system.

In recent years, the discourse power and influence of emerging developing countries in participating in global governance through multilateral mechanisms have risen constantly. China, India,

and other developing countries have proposed a series of new ideas and proposals for climate change, anti-terrorism, international and regional issues through multilateral institutions such as BRICS, the SCO and the G20.

Furthermore, the global political and economic situation has undergone a series of complex and profound changes and developments. Global governance is facing many opportunities and challenges. Multilateral institutions provide routing selection for equal consultation and win-win cooperation for all countries around the world to participate in global governance. This is important progress. However, it should also be noted that in the complex and multilateral international environment, the role and impact of multilateral institutions still need further adherence and improvement. In particular, they need to attract more actors and opinion leaders to further enhance the effectiveness and influence of multilateral institutions. Young people represent a special group that is keen on global governance and has long been active in international organizations and non-governmental organizations. By holding youth leaders' forums and youth conferences within multilateral institutions, the strength, knowledge and enthusiasm of young people can be consolidated and guided to better contribute to global governance. The "Shanghai Youth Cooperation Exchange Camp" that was launched in 2016 is one such positive attempt. 📖

# Indian Civilization



## Indian Civilization

Liu Jian, Zhu Mingzhong and Ge Weijun

Encyclopedia of China Publishing  
House (ECPH)  
July 2017

India is one of the earliest major world civilizations—one of the four major countries born of ancient civilizations, alongside China. The many brilliant achievements of Indian civilization across many fields as well as its unique values and ideological systems have cemented its important position on the global civilizational map.

With strong radiant power, Indian civilization has exerted a profound impact on Asia and the world for thousands of years by making outstanding contributions to the continuous progress of human society.

Also, Indian and Chinese civilizations are closely linked and deeply rooted.

In its long history of national development, Indian civilization has experienced all manner of ups and downs, but it has survived tremendous difficulties across four thousand years and even experienced a sort of renaissance in the mid-20th century. This evidences the greatness of the

Indian nation and the vitality of its civilization.

Religiosity, diversity and inclusiveness are some of the brightest features of Indian civilization. However in modern times, Indian civilization has also developed some new features during its transformation from tradition to modernity.

First, the religiosity of the country has gradually diminished since the middle of the 19th century. After gaining national independence, Jawaharlal Nehru, India's first prime minister, designated secularism as one of the important principles for governing the country with an aim to limit sectarian conflict and theocratic politics.

This policy has achieved positive results and has fundamentally affected the development trends of Indian civilization. Through economic development and scientific progress, Indian civilization has become more modern and secular. Compared to countries practicing theocracy or religion-heavy politics, India has made many more empowering achievements in social development.


Second, Indians cherish their national traditions. Indian society has never experienced any radical cultural movements. Since the independence of the country, India's social and cultural development has remained quite stable and avoided destruction of traditional culture.

Indians cherish their cultural heritage and traditions very much. For example, to protect Delhi, an old city with many cultural relics and historic sites, they opted to build a new capital (New Delhi) to the south of it. By doing so, the ancient capital was completely preserved alongside its history and culture.

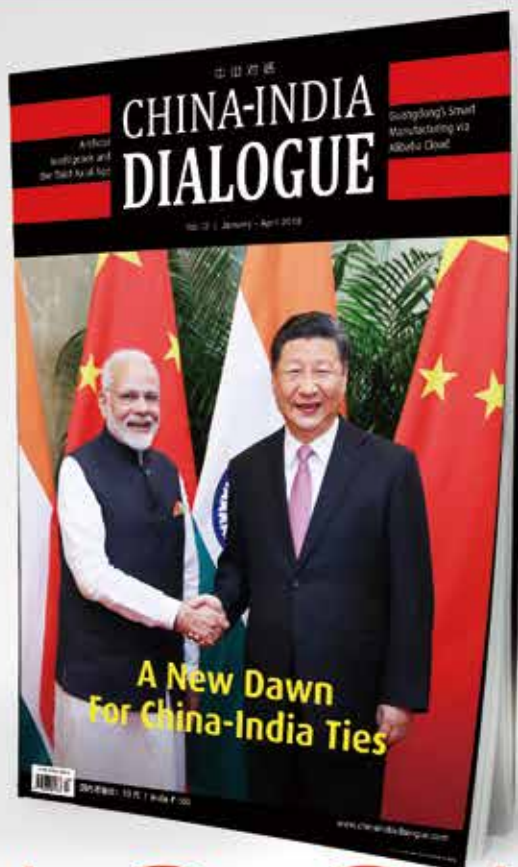
Third, Indians carry on the tradition of learning from other countries. Indian civilization has never been static or stagnant, but continuously develops and becomes enriched by absorbing different cultures.

Indians may have had Western culture forced upon them in the colonial era, but independent India has been actively absorbing every advanced culture in the world to enrich and develop its own. Consequently, contemporary Indian people are very open-minded and eager to learn.

By learning from foreign civilizations, Indians have developed unique advantages, as characterized by the rise of the India's software industry. Not only does it evidence Indians' extraordinary mathematical abilities—it has largely been driven by their English abilities.

Although Indians are connected to Western people both genetically and linguistically and Indian civilization continues to absorb the nutrition of Western civilization, Indian civilization has maintained unique features and value systems. Changes to Indian civilization can only come in the form of internal evolution—neither abandoning traditions nor being confined to the beaten track. It remains rooted in history while facing reality. In the process of transformation from traditional to modern, India is glowing with impressive vitality. 

Liu Jian and Ge Weijun are research fellows at the Institute of Asia-Pacific and Global Strategy of the Chinese Academy of Social Sciences (CASS). Zhu Mingzhong is a research fellow at the Institute of Asia-Pacific Studies of the CASS and a research fellow at the Buddhism Research Center under the CASS.



# BRIDGING CHINA AND INDIA



**FIND US  
ON VARIOUS MEDIA**



Any question or comment about *CHINA-INDIA DIALOGUE*  
Please email us at [contact@chinaindiadialogue.com](mailto:contact@chinaindiadialogue.com)

# 人民畫報

China Pictorial Publications

China Pictorial  
(English)



China-India Dialogue  
(English, Chinese, and Hindi)



China Pictorial  
(Chinese)



China  
(Korean)



China  
(Russian)



New Silk Road Review  
(Russian, Chinese, and Kazakh)



A Window to the Nation    A Welcome to the World  
Chinese Passion    Global Vision

Advertisement hotline: 86-10-8841 7354 / 7355 / 7419