



## **India and SCO: Deepening Cooperation for Shared Prosperity**

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The Shanghai Cooperation Organization (SCO) held 14<sup>th</sup> summit meeting of its Council of Heads of State, the highest decision-making body of the organization, in Dushanbe, the capital of Tajikistan, on 11-12 September 2014. Ms. Sushma Swaraj, the External Affairs Minister, represented India in this summit and expressed hope for India's greater participation in the Eurasian organization.

The SCO was created in 2001 from the reformed Shanghai Five, which was established in 1996. Russia, China and four Central Asian republics of Kazakhstan, Kyrgyz Republic, Tajikistan and Uzbekistan are six members of the SCO. Afghanistan, India, Iran, Mongolia and Pakistan are five Observer members, and Belarus, Turkey and Sri Lanka are three Dialogue partners of this organization. With each member sharing the boundaries with at least two other members, the six SCO countries together consist of about 1.5 billion people or about one-fourth of the total world population, approximately 30 million square kilometres of area in Eurasia and total GDP of SCO comprises of more than ten trillion US dollars.

Focusing on security and stability in the region, the SCO, over the years, has evolved as a significant platform for regional security and economic cooperation. India has been an Observer member of the group since 2005, and New Delhi has clearly expressed its willingness to take the multilateral engagements to a higher level and become a full member of the SCO in order to

contribute to peace and prosperity in the shared neighbourhood. India enjoys friendly bilateral relations with all SCO members and New Delhi is strategic partner of many countries of this grouping. India's greater engagement with the SCO is in consonance with the Connect Central Asia policy (2012), aimed at reaching out to the extended neighbourhood countries in Central Asia. The partnership will help addressing the problems faced by the SCO countries, including terrorist violence, cyber security, drug trafficking and the post-US drawdown situation in Afghanistan.

Afghanistan has long been reeling under violence and instability and it is feared that with the drawdown of International Security and Assistance Force (ISAF) the situation might deteriorate. The political transition after the run-off for the presidential position is yet to be completed and the bilateral security agreement (BSA) between Afghanistan and the US is not yet approved. Three of the SCO countries – Uzbekistan, Tajikistan and China, share borders with Afghanistan and along with India they have undertaken regional initiatives to bring peace and stability in the country. The SCO's stance of “an Afghan-led and Afghan-owned reconciliation and reconstruction process” is in sync with India's stance on Afghanistan. India has pledged US\$ 2 billion for Afghanistan. Similarly, China and other SCO members are also interested in developing Afghan economy and have been making investments to integrate it with other regional economies.

All SCO members and India have been affected by the violence emanating from terrorism and separatism. Tajikistan and Uzbekistan are concerned about increase in religious extremism and terrorism, while many Kyrgyz people were killed in the ethnic violence in 2012. Russia and China, on the other hand, are facing violence emanating from separatism in Chechnya and Xinjiang. India has long been dealing with the menace of terrorism, and a regional cooperation in this field can help mitigate the menace. The SCO's Regional Anti-Terror Structure (RATS) provides a platform to share intelligence and experience to deal with the common problem in the region.

India's inclusion in the SCO can help in moving towards fulfilling the requirements of an Asian Century. The SCO consists of a big market of 1.5 billion people and inclusion of India will

simply make it the biggest regional economic bloc in terms of population and geographical area. The SCO members are also one of the largest energy resources producing countries of the world. Russia and Kazakhstan as well as Uzbekistan are large oil and gas producers while China is the second largest energy consumer of the world. India, on the other hand, is also meeting its energy demands primarily by importing the crude oil. The SCO is evolving an energy bloc, big and growing Indian and Chinese markets are readily available to the energy producing SCO members.

The Ukraine developments and Russia's annexation of Crimea on linguistic and ethnic grounds is seen with apprehensions by Central Asian people and leaders. On the other hand, increasing clout of China in Central Asia and its perceived assertion with neighbours is causing unease among regional elites as well as common people. The Central Asian countries seem uncertain about the intentions of the two big powers considered leading the group. Entry of other members in the SCO, especially a big economy like India, would be welcomed by Central Asian countries that may see New Delhi as balancing the SCO and not letting Russia-China competition to overshadow the organization.

In the changing regional dynamics, SCO's expansion seems not only appropriate but also necessary. The first and only expansion of this organization was in 2001 when Uzbekistan was included in the group and it was rechristened from Shanghai Five to Shanghai Cooperation Organization. The Dushanbe summit is important from this perspective as rules to include new members are defined and during the presidency of Russia probably new members will be inducted in the group. Anchoring the SCO in South Asia will bring a new dimension of stability in the grouping and give it a much needed dynamism.

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