From Security Cooperation to Regional Leadership: An Analysis of China's Central Asia Policy*

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Hung Ming-Te** & Fanie Herman***

Abstract
Dissolution of the Soviet Union in 1991 left a power vacuum in Central Asia. Soviet departure from the region not only lifted the cap on rising ethnic and religious sentiments but also provided an opportunity for the triple threat of terrorism, separatism and extremism to grow. In response, under the leadership of China, the Shanghai Cooperation Organization was formed for the establishment of security in Central Asia. Through a review of China’s Central Asia policy, this article attempts to analyze China’s role and function in the SCO in search of the reasons for establishing the organization. In addition, the authors examine the transformations in China’s Central Asia policy since establishment of the SCO: (1) the move to “learning through doing and doing through learning” (zuo zhong xue, xue zhong zuo); (2) the move from bilateralism to multilateralism; and (3) the move from passive recipient to active leader in agenda setting.

Keywords: China, Central Asia, Shanghai Cooperation Organization, Foreign Policy

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** Hung Ming-Te is a doctoral candidate at the Graduate Institute of International Politics, National Chung Hsing University, Taichung, Taiwan. He can be reached at: jason3576@yahoo.com.tw
*** Fanie Herman is a doctoral candidate at the Graduate Institute of International Politics, National Chung Hsing University, Taichung, Taiwan. He can be reached at: tokkief@yahoo.com
Introduction
Following China’s rapid rise in the post Cold War era, a peaceful international environment not only secures China’s economic development and prevents China from “peacefully evolution,” it is also an important basis for China to promote external economic interactions and to enter the international system. Therefore, China began to promote the “harmonious worldview” (he xie shi jie guan) in response to the negative impacts of the “China threat.” China also promoted the “good neighbor foreign policy” (mu lin wai jiao zheng ce) and adopted bilateral and multilateral diplomatic routes to improve relations with neighboring countries.

Central Asia not only has important strategic position, due to its rich stock in natural resources such as coal, natural gas and oil, it is seen as the “second Middle East” or the “strategic resource base of the twenty first century.” Central Asia thus has a significant strategic role in China’s strategic planning in Asia and its maintenance of national interests. After the 9/11 attack, through the convenience of its global anti-terrorist campaign and attack on Afghanistan, the US came to Central Asia and developed close cooperation with states in the region. The US consolidated its influence and control in Central Asia to circle China from the western flank. Central Asia has become the US main region for combating terrorism, providing aid and investment.

Whether in strategic position or energy stock, it is clear that Central Asia plays an important role, which has led to great power rivalry in the region, mostly for the expansion of regional influence to the benefit of maintaining national interests. These developments in the region influence China’s strategy, security and economic interests. Under the dual influences of promoting the harmonious worldview and good neighbor diplomacy, China adopted the peripheral diplomacy of “befriending and maintaining good relationship with the neighbour” (yi lin wei ban, yi lin wei shan) in Central Asia. Through the establishment of the Shanghai Cooperation Organization (SCO), China strengthened cooperation with states in Central Asia and undertook various cooperations in politics, security, trade and energy. On the one hand, closer relations facilitate regional peace and stability and maintenance of China’s national interests; on the other hand, closer relations also help China to penetrate US containment and establish its own international presence and influence.

The objective of the authors is to analyze China’s role in the SCO based on its foreign policy in Central Asia and seek to answer how Beijing came to lead the SCO. Beijing’s rise to leadership in the SCO can be traced in the following path: after China
has consolidated its great power status in various aspects, she became more active in participating and providing guidance in the establishment of international organizations. Through the process, China expresses the characteristic so called “zuo zhong xue xue zhong zuo” or literally “learning while doing and doing while learning.” With the aim of establishing stability and security in the neighboring environment, China has come to expend great efforts in the SCO and its policy gradually shifted from bilateral to multilateral cooperation. In terms of agenda setting, China has become more active in shaping the agenda in an attempt to guide regional cooperation.

Harmonious Worldview
According to previous description, it may be understood that the harmonious worldview is “China’s new concept of foreign policy” and “new development of China’s foreign policy thinking.” China promoted the “harmonious worldview” in response to the negative influences brought forth by the “China threat.” The “good neighbor policy” (mu lin wai jiao) is the realization of Chinese foreign policy, placing emphasis on bilateral and multilateral diplomatic routes to improve relations with neighboring states. Improvement in neighboring relations not only reduces national security threats against China, it also provides a peaceful and stable international environment in favor of economic development. Under the new diplomacy and strategic blueprint of the “harmonious worldview,” China actively promote good relations with neighboring states, adopt the “good neighbor policy” for the establishment of a peaceful environment in the common interest of China’s people and its neighbors and the promotion of peace and development in Asia.

The key points of the harmonious worldview are: First, China would maintain multilateralism and realize common security. States should join hands to deal with global security threats, forgo Cold War thinking, erect new security concepts of mutual trust, mutual prosperity and mutual cooperation, construct an equal and effective collective security mechanism and maintain world peace and security together. Secondly, China would maintain mutual benefit and cooperation and realize common prosperity. In other words, China would actively push for the construction of a complete, open, equal and non-discriminatory multilateral trade system, and the further refinement of the international financial system, in pursuance of a healthy and orderly trade environment and a highly efficient financial environment for advancing the world economy. China would do its best to contribute towards joint development of nations. Third, China would maintain the spirit of accommodation and jointly construct the harmonious world. Differences in history and culture, social institutions
and development modes should not become barriers for exchange nor reasons for mutual hostility. China proposes the diminishment of mutual suspicion and separation. Based on the spirit of equality and openness, China makes the proposal to maintain diversity in civilizations, to facilitate democracy in international relations and to construct a harmonious world accommodating various civilizations with other countries.

**China’s Strategic and Economic Interests in Central Asia**

Promoting stable security relations with its neighbors is China’s basic starting point; to have a peaceful and stable regional environment is an aspect of China’s security strategy and core interest. As the 1998 Chinese National Defense Whitepaper summed up the Chinese desire for an environment of long-term international peace, especially a beneficial neighboring environment. China advanced its relations with the newly independent Central Asian states to stabilize its western frontier security, gain access to energy resources and balance western influences in the region. Xin Jiang’s economic development, domestic political stability, regional stability, energy security and the creation of an alternative transport corridor to Europe encouraged China to get in touch with Central Asia. China’s goals in Central Asia are (1) to constrain the separatist forces of East Turkistan; (2) to keep Central Asia as China’s stable strategic rear area; and (3) to make Central Asia one of China’s diversified sources of energy resources and a regional economic partner.

Central Asia has an important position in terms of world geo-politics. As British geo-political scientist Mackinder’s concepts of “pivot area” and “heartland” points out, Central Asia is in the geographic pivot and heart. As the theory of geographic determination states, whoever gains control of Central Asia, gains control over the Eurasia continent and whoever controls Eurasia, gains control over the whole world.

Securing Central Asia as China’s stable strategic rear area is part of China’s grand-strategy in geopolitics. China concentrates on resources in the region and tries to keep Central Asia stable, tranquil and as part of its strategic rear area. There are three pre-conditions to security in Central Asia: (1) solving the disputed border issues between Central Asian states and maintaining peace and security in the border areas; (2) conducting bilateral relations between China and Central Asian states in goodwill; and (3) preventing Central Asia from falling into the control of any major great powers or group of major powers that have complicated geopolitical and strategic relations with China or threaten its interests in the region.
Economically, China’s main economic interest in Central Asia is energy. Following the rapid growth of the Chinese economy, China became a net importer of oil, which greatly increased China’s interests in securing reliable supplies of foreign oil and natural gas. In 1993, China became a net importer of oil, and China was responsible for 9.6 percent of global energy consumption in 1997, a figure projected to grow to 16.1 percent by 2020. China and Central Asian economies are complementary as Central Asian states have raw materials that China needs (notably oil and gas). As Xin Jiang and the Central Asian states have a great flow of trade exchange, Chinese leaders focus on Xin Jiang. In short, Central Asia is not the region for China to realize her “walk out” (zou chu qu) strategy, it is also an important source of natural resources for China’s economic development.

The Shanghai Cooperation Organization

In 2001, the six states of China, Russia, Kazakhstan, Tajikistan, Kyrgyzstan and Uzbekistan signed the Declaration of the Shanghai Cooperation Organization and the “Shanghai Convention on Combating Terrorism, Separatism and Extremism,” which officially established the Shanghai Cooperation Organization. The leaders agree to hold an annual summit to deepen the level of cooperation. In addition, to realize the goals decided by the summit, in the September 2001 meeting, state leaders signed the "Memorandum among Governments of SCO member states on the basic goals and directions of regional economic cooperation and launch of process on creating favorable conditions in the field of trade and investments" and officially declared the establishment of regular meetings of the council of heads of governments (prime ministers) mechanism within SCO frameworks.

China’s active participation in the establishment of a multilateral mechanism like the SCO shows the fact that China is willing to participate in multilateral institutions and has foregone the thinking that multilateralism is ill fit for Chinese interests. The Chinese leadership has established the first multilateral organization in the region that is named after a Chinese city --- Shanghai Cooperation Organization. The organization is established for the resolution of chronic territorial disputes and border demilitarization in the region. The organization is currently turned to cooperation in anti-terrorism and regional trade. SCO demonstrates China’s change from bilateral to multilateralism in its regional strategy and the SCO is the first multilateral security organization in which China has played a leadership role from the very beginning.

China’s Path to Leadership: Active Foreign Policy Actions in Central Asia

*Border security:* for the improvement in relations with Central Asia, China adopted
peaceful negotiations to resolve border conflicts. The collapse of the Soviet Union brought out problems of uncertainty for China and the Central Asian states, with border issues at the top of the list. China has undergone negotiations on border disputes with Kazakhstan, Tajikistan and Kyrgyzstan to improve bilateral political trust. As early as November, 1981, China and Russia began border negotiations, with the main outcome being the signature of the Agreement on the Guiding Principles on Mutual Disarmament and Improvement on Military Trust in the Sino-Soviet Border Areas in April, 1990. April 26, 1996, leaders of the five states met for the first time in Shanghai and signed the Agreement on Strengthening Confidence in the Military Field in the Border Area. Moreover, all parties agreed to the holding of an annual summit representing the establishment of the Shanghai Five mechanism. April 24, 1997, leaders of the five states signed the Agreement Mutual Reductions of Armed Forces in the Border Area. The two agreements set the foundation of political trust for the resolution of border disputes between China and Central Asia. Based on the good atmosphere, China subsequently resolved border issues with Kazakhstan (2002), Tajikistan (2002) and Kyrgyzstan (2004).

Separtist movements: China opposes the three forces (terrorism, separatism, and extremism) and seeks regional stability and prosperity. China’s security in the western frontier is closely linked to Central Asia, so preventing the terrorist power of East Turkistan is China’s core objective and long term security goal in Central Asia. China makes an effort in search of stability on its western border because the regional stability of Central Asia in the future affects China’s security and its Western Development Program. An effort towards the end is China and Central Asia’s search for stability and security through the Shanghai Five mechanism. The Almaty Declaration in the third meeting (July 3, 1998), the Bishkek Declaration in the fourth meeting (August 24, 1999) and the Dushanbe Declaration in the fifth meeting (July 5, 2000) are the common achievement of discussions on problems such as regional security and economic cooperation. Member states agree to work together to oppose different forms of separatism, terrorism and extremism, deepen cooperation in politics, diplomacy, trade, military and other aspects, and consolidate regional security and stability. China cooperates with Central Asian states through the Shanghai Five mechanism to counter the three forces and search for security, stability and prosperity. After the establishment of the SCO in 2001, China and the five Central Asian states signed the “Shanghai Convention on Combating Terrorism, Separatism and Extremism,” which deepened security cooperation among the states for the maintenance of security and stability in the region.
Economic development: Central Asia is the cooperation partner for Chinese corporations to realize the “Walk Out” strategy. Regarding expansions in trade and investment, in 1994, China-Central Asia trade reached a mere $547 million but by 2007, trade reached $19.6 billion and in 2010, trade shot up to $30.1 billion, which makes China Central Asia’s main trading partner. China has actively invested in Central Asia. By the end of 2010, China’s total sum of investment in Central Asia was approximately $8.8 billion, including categories such as natural resources, mechanics, automobiles and agriculture. On the other hand, regarding bilateral economic cooperation, including contracted projects, labour cooperation and design consultation, the figure increased from 810 million US in 2007 to $3.1 billion in 2010.

Conclusion: China through the SCO
Beijing has taken a much more proactive approach toward initiating, developing, and promoting the SCO. In what approximates the qualitative form of multilateralism, China has shown greater interest not only in institutionalizing the organization but also in introducing and promoting general rules and norms by which all member states, large and small, are expected to be bound. Beyond dealing with ethnic separatist and terrorist issues affecting Xinjiang, Beijing clearly sees the utility of the SCO in securing access to Central Asia’s vast energy potentials, establishing its solid hold in regional economic cooperation and integration, and promoting the regional organization and its operating principles premised on the ‘Shanghai Spirit’—mutual trust, mutual benefit, equality, consultation, respect for different civilization and common prosperity—as an alternative to post-Cold War security architecture. In conclusion, the following points may be made regarding the SCO and the way we understand China:

First, the SCO has had a strong ‘demonstration effect’ in the formation of new models and new thinking for Chinese diplomacy at the turn of the 21st century. This effect may be defined and traced in the following three ways: (1) The Shanghai process has pioneered attempts at building a new approach to neighborhood security by means of mutual trust, disarmament and cooperative security; (2) The SCO has helped to shape a new model of state-to-state relationships characterized by partnership but not alliance. By endorsing a set of new rules regulating state-to-state relations in the post-cold war era, the SCO presents a sharp contrast to the views of those who cling to a cold war mentality, the pursuit of unilateralism and the strengthening or expansion of military blocs. The relationship between China, Russia and the Central Asian states constitutes a close partnership with constructive interactions while stopping short of military alliance; (3) The SCO process has given rise to a new model
of regional cooperation, characterized by common initiatives taken by both large and small countries, with security cooperation paving the way, a focus on collaboration for mutual benefit and the facilitating of cultural complementarity. This new model not only stresses cooperation and reciprocity in the economic sector but also emphasizes cultural exchange and mutual learning.

Second, the SCO process, with its successful practice and evolution, symbolizes the transformation of Chinese diplomacy from its traditional focus on bilateral relations towards the growing embrace of multilateral interactions. Prior to the Shanghai process, China chose mainly bilateral rather than multilateral channels for resolving its disputes with other parties. One can trace China’s gradual acceptance of multilateralism through its activity in Central Asia: first settling standing border disputes and establishing good will treaties with countries in the region, before introducing the SCO. Through the SCO, China plays the role of regional leadership while establishing closer and ever expanding political, economic and security cooperation with Central Asia. The SCO has now given China greater confidence in participating in and, in some cases, even initiating multilateral processes. The beginning of the 21st century has seen China playing an increasingly active and constructive role in the multilateral arena.