China, Russia and the Balance of Power in Central Asia
by Eugene B. Rumer

Key Points

Russia and China increasingly seek to offset U.S. influence in Central Asia through enhanced cooperation conducted under the banner of the Shanghai Cooperation Organization (SCO). While its impact is often exaggerated, the SCO does offer certain benefits to the states of the region, as well as to Moscow and Beijing, that the United States can ill afford to ignore.

The United States and its North Atlantic Treaty Organization allies play a critical role in Central Asia through their stabilizing presence in Afghanistan, something that neither Russia nor China can match. Central Asia’s geostrategic qualities keep America strongly interested in retaining access and building cooperative, stable relations with regional states.

Russia and China oppose U.S. democracy promotion as naïve or subversive (or both). Yet neither has articulated a vision for systemic change and long-term stability in the region. Russia’s influence is a matter of its imperial past, economic interdependence, and trading routes. Russia depends on Central Asian energy resources and labor, but its control over both gives it leverage over the region. China’s influence has been growing due to expanding trade, acquisition of energy resources, and overall rise as a major power.

China and Russia will remain significant actors in Central Asia, and advancing U.S. interests in this region will become more complicated if Russia and China are ignored. Dialogue and limited cooperation with both countries in areas of mutual interest should be important elements of a successful U.S. strategy for the region.

The SCO Record

Since the Shanghai Cooperation Organization (SCO) called upon the United States to commit to withdraw its military personnel from Central Asia at its July 2005 summit, the SCO has acquired the reputation as a significant obstacle to U.S. policy. However, this reputation obscures the real state of affairs. Notwithstanding press reports about the challenge posed by the SCO to U.S. policy in Central Asia, a close look at the organization, the behavior of its members, their motivations, and the practical impact of their declarations suggests that the SCO’s challenge to U.S. interests and policies in Central Asia is less than meets the eye.

But ignoring the SCO simply because of its limited capabilities for action and concrete results would be a mistake; it is more than a paper tiger. As a political organization, it is an important vehicle for Russian and Chinese diplomacy aimed to counter U.S. influence in the region. The SCO also provides a forum where Central Asian states, dwarfed by their giant neighbors, can sit at the table with them as equals, at least nominally. For all these reasons, the SCO is worth the attention of the United States. The question is what kind of attention we should pay to it.

The SCO has its origins in the April 1996 meeting of the heads of the Shanghai Five states—China, Russia, Kazakhstan, Kyrgyzstan, and Tajikistan—to address border management issues, enhance cross-border cooperation, and promote confidence-building measures.

In an effort to put the legacy of Sino-Soviet tensions behind them and to avoid new friction arising from the uncertainties of the post-Soviet era, the heads of the Shanghai Five states signed the Treaty on Deepening Military Trust in Border Regions in 1996 and the Treaty on Reduction of Military Forces in Border Regions in 1997. The annual meetings of the Five continued until 2001, with the addition of Uzbekistan’s President Islam Karimov as a guest in 2000. Beyond the annual gatherings and the two initial treaties, however, the Five’s record of accomplishment was quite slim.

In June 2001, the original five states and Uzbekistan established the Shanghai Cooperation Organization and issued a declaration in which they pledged to work together to enhance mutual security and stability in their region. In 2003, a joint counterterrorism center was established in Shanghai; in 2004, a Regional Anti-Terrorism Structure was established in Tashkent; and in 2006, SCO members agreed to establish a new institute to fight transnational crime. In addition, SCO members have conducted several military exercises; pledged to promote economic cooperation; embraced the eventual goal of setting up a free trade area; and established an interbank council to fund future development projects.

While many of these initiatives look impressive on paper, the resources available to support them and the capabilities that member states can put into action remain uncertain. With the exception of China and Russia, SCO member states have few resources and capabilities for action in areas of regional
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security or economic development. Thus, the organization remains heavily dependent on its two leading members to develop such capabilities.

China and Russia see the organization as a useful vehicle for forging greater regional political cooperation but in a manner that would tend to limit the role and influence of outsiders in the affairs of Central Asia. The SCO has granted observer status to India, Iran, Pakistan, and Mongolia but has held off on extending actual memberships to new prospects. The controversial issue of Iran’s potential membership is both a source of opportunity for Russia and China to demonstrate their ability to challenge U.S. global dominance, as well as a nuisance, since granting Iran full membership could prove more of an irritant for relations with the United States than either Moscow or Beijing would like.

Thus, the SCO barely surpasses the sum of its parts. Its capabilities are quite limited. Its period of greatest activity coincided with Uzbekistan’s decision to expel the United States from the Karshi-Khanabad (K2) airbase in 2005, but that decision was purely a matter of bilateral U.S.-Uzbek relations. The SCO served as a convenient forum for Uzbekistan to couch its demands in a multilateral setting and demonstrate a measure of international support for its action, but the SCO was most likely the net beneficiary of that episode, having seen its status as an international organization enhanced to the point where it could successfully challenge the United States. However, if Uzbekistan’s demands had been made without the SCO’s summit as a backdrop, the result undoubtedly would have been the same.

The organization’s strength is proving to be its chief weakness as well. Its role as Russia’s and China’s instrument of control in Central Asia is likely to come into conflict with the region’s desire for greater integration in the international arena. The SCO’s success as a regional security and economic development organization will hinge on its ability to generate the will and resources that its members need to address the many pressing concerns they have. So far, the organization’s record is proving to be mixed at best.

**Nuisance or Threat?**

How consequential is the SCO from the standpoint of U.S. interests? Clearly, the organization’s influence in the region is considerable, and its biggest members—China and Russia—have the ability to undercut American initiatives there. But the SCO’s power to produce concrete results where they matter the most to its members—security and stability—is limited at best, and all its members have a strong interest in the success of the principal U.S. mission in the region, which is to secure Afghanistan.

Russia and China have a big stake in another American mission in the region: setting Central Asia on the path of long-term, sustainable security and development. However, both have strong reservations about the U.S.

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approach to achieving these goals and any expansion of U.S. influence in their mutual backyard. Indeed, in 2005, the SCO established an Action Plan to advance trade and economic cooperation among member states.

Notwithstanding its recent setbacks in Central Asia, most notably the withdrawal from the Karshi-Khanabad airbase and the upsurge in violence in Afghanistan, the United States continues to exert substantial influence over the region’s security. It does so despite the inherent challenge of operating in Afghanistan (which has no rail and very few paved roads), and the overall Herculean task of sustaining North Atlantic Treaty Organization (NATO) and coalition operations (International Security Assistance Force and Operation Enduring Freedom, respectively) half way around the world with no direct land or sea access to the country. Nothing illustrates the true global reach of the United States than its military operations in Afghanistan—a capability that is unique and beyond the grasp of Russia or China in the foreseeable future.

Without U.S. and other NATO member presence, Afghanistan has few prospects to return to stability and regain a measure of prosperity; it will threaten the security and stability of Central Asia. The ripple effect will not stop at Central Asia proper and is certain to reverberate into Russia and China—a fact that no doubt is well understood in both Moscow and Beijing.

**U.S. Interests**

For the United States, Central Asia’s importance derives primarily from its geographic proximity to Afghanistan; it has served as a stepping stone to the remote, land-locked country, which otherwise would be even less accessible to the United States and its allies. Central Asia itself is only marginally more accessible than Afghanistan, but that margin makes an important difference, one that proved crucial during the early stages of the military campaign against the Taliban in 2001. Airbases in Kyrgyzstan and, until November 2005, Uzbekistan have played an important role in facilitating U.S. operations in Afghanistan.

The loss of K2 left the United States dependent on its airbase in Manas, Kyrgyzstan, as an important base for supporting operations in Afghanistan. However, Kyrgyzstan, rocked by instability since the 2005 “Tulip revolution” that overthrew long-time president Askar Akayev, has proven a difficult partner. Intense negotiations with the government, which has demanded significantly higher payments from the United States for the use of the Manas facilities, resulted in a new agreement in July 2006.

But Central Asia is more than a stepping stone to Afghanistan. It is the heartland of Eurasia, the continent’s crossroads surrounded by every important continental power—Russia, China, India, Pakistan, and Iran. In the context of the U.S. global posture that puts a premium on unimpeded access and ability to deploy forces quickly, the crossroads of

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Eurasia is an important piece of real estate. Its control by a hostile power resulting in U.S. loss of access would be fraught with negative consequences for U.S. interests in several regions—from China to the Middle East.

Central Asia has generated a good deal of interest in the United States and elsewhere because of its hydrocarbon reserves. Important as they are in the context of Eurasia, as well as for select U.S. commercial interests, these reserves are of relatively low significance in the global energy context or from the standpoint of U.S. energy security.

Central Asian oil deposits, located primarily in Kazakhstan but also in smaller quantities in Turkmenistan and Uzbekistan, are projected to generate less than 5 percent of the global oil supply once full production is achieved. The landlocked region will eventually be serviced by three pipeline routes—through Russia, to China, and across the Caspian to the recently completed Baku-Ceyhan pipeline to the Eastern Mediterranean. Given the limited volume of Caspian oil and its proximity to major markets in Europe and Asia, little, if any, of it is likely to reach U.S. markets. Nonetheless, as a nontrivial producer, Central Asia will contribute to global energy security through supply diversification.

Central Asia is also home to significant deposits of natural gas with major fields located in Turkmenistan, as well as in Uzbekistan and Kazakhstan. However, Central Asian natural gas is a prisoner of the region’s geography and limited export routes that make it hugely dependent on Russian gas pipelines. Because of Russia’s self-interest and control over export pipelines, Central Asian gas can reach only a handful of markets. This was amply demonstrated during the January 2006 gas crisis involving Russia, Ukraine, European customers, and Central Asian producers. The latter found themselves at the mercy of the Russian government, locked into less lucrative markets.

This situation is unlikely to change because industry analysts widely expect Russian gas production from existing fields to decline in the years ahead. Russia’s Gazprom has not been able to attract investment in volumes necessary to bring new fields online. The unmistakable implication of this is that the gap between Russia’s demand for gas—

for domestic consumption, as well as to satisfy its export commitments in Europe—and its available supply is unlikely to be closed by domestic production alone. Russia will need Central Asian gas to meet these obligations. The bottom line with regard to Central Asian gas therefore is clear: its role in U.S. energy security is likely to be even less than that of Central Asian oil.

Preventing state failure and uncontrolled spaces in Central Asia has been an important U.S. interest before and especially since the start of the war on terror. U.S. policy in this regard has followed three major avenues: political reform as a means to broader political participation and more stable political regimes; economic reform as a means of sustainable development, prosperity, and stability; and security assistance as a means of countering key threats to the region, including traffickers, terrorist groups, and illegal armed formations.

Significant as they are, especially with Afghanistan certain to remain one of the top items on the national security agenda for the foreseeable future, long-term U.S. interests in Central Asia are that of a global power. In other words, they are regional in nature and as such do not rise to the top tier of U.S. national security agenda, dominated by global concerns, except in unusual circumstances. Central Asia is nonetheless important to the United States as a function of its interests in the neighboring regions and global security concerns.

Central Asia appears more important to the other two major powers—Russia and China—as a matter of both their regional and global concerns. Besides Afghanistan itself and the five post-Soviet Central Asian states, Russia and China have been the biggest beneficiaries of the U.S. military campaign against the Taliban and the ensuing stabilization and reconstruction effort. While uncomfortable with the fact of the U.S. military presence in their shared strategic backyard, the two Eurasian powers accepted it and took advantage of its consequences—a more stable Afghanistan and Central Asia.

Russia: On the Rebound?

Neither China nor Russia has ever truly welcomed the U.S. presence in Central Asia or facilitated it significantly. Neither was willing to combine its efforts with those of the United States on behalf of regional security and stability. As the former imperial power in Central Asia, Russia especially held that its interests would be well served by “balancing” U.S. presence in form, if not in style. It deployed a token air contingent to Kyrgyzstan and touted the SCO as a security organization poised to counter U.S. presence as the key factor in regional security affairs.

Russian interests in Central Asia are relatively easy to discern. They are a product of geography, history, economics, and culture, which add up to a powerful rationale for Russia to keep a close eye on the region. Concurrent with the downturn in U.S.-Uzbek relations in 2005, Russia has assumed a more active posture in Central Asia, seeking to minimize U.S. presence—political, economic, and especially military—and reestablish itself as the preeminent regional actor. A series of high-level visits, including Russian-Uzbek summits and declarations, were clearly designed to send the message that Russia was back and resurrecting the 2005 SCO declaration calling on the United States to commit to a schedule for withdrawing its troops from Central Asia was reportedly adopted at Russia’s strong urging.

Besides the imagery of Russia returning to its former position of influence in Central Asia, Moscow has demonstrated little in the way of improved capabilities for projecting power into the region or securing its interests there by other means. In fact, Russian actions have revealed even less by way of a clear vision of Russian interests in Central Asia or a strategy for realizing them. Most if not all Russian actions appear to be tactical in nature with little consideration for their long-term consequences. Russian participation in the SCO falls into that category.
Russia has a strong interest in keeping Central Asia stable and free of radical elements. Given the long and unsecured border Russia shares with Central Asia, Moscow’s concerns about unrest in Andijon, explosions in Tashkent, or Tajikistan’s civil war are easy to understand. Besides stability and security, Russia has important economic interests in Central Asia. The region’s economy is still closely intertwined with Russia’s as a legacy of Soviet central planning. Although the 15 years since the Soviet breakup have seen significant changes to that legacy, much of it is still in place as a matter of tradition, geography, transportation arrangements, and technology.

Transportation issues remain especially important in Russian–Central Asian relations, though much more as a matter of Central Asian interests in Russia than vice versa. Central Asian exports of energy and other goods move to markets through Russian pipelines, railroads, and ports. But that too has given Russia an additional economic stake in Central Asia as a trading partner.

Energy trade recently has emerged as an especially strong Russian interest in Central Asia, whose gas exports have figured prominently in Russian gas trade with Ukraine and the rest of Europe. The prospect of a significant shortfall in Russian domestic gas production and the importance for Russia to sustain its own lucrative gas trade with Europe make control of Central Asian gas flows a special concern for Moscow. The ability to control gas exports could prove decisive to Russia’s relations with Ukraine, which relies heavily on a mix of Russian and Central Asian gas, as well as Europe, which relies on long-term contracts with Russia to supply gas to its environmentally conscious consumers.

Besides gas, Russia is keenly interested in one other key import from Central Asia—its people. Despite the economic recovery over the past 7 years, the Russian population has been declining by as much as 750,000 people annually. The demographic crisis and its impact on Russian population statistics as well as on the country’s economic outlook were acknowledged recently by President Vladimir Putin in his annual address to the Federal Assembly and the nation. Economic growth has generated strong demand for labor, which Russia has satisfied in recent years by importing hundreds of thousands, possibly millions, of migrant workers from the former Soviet countries, including Central Asia. While the exact statistics on migrant labor are difficult to come by, media reports suggest that this traffic has developed into a two-way dependency—Russia on migrant labor from Central Asia, and Central Asia on migrant workers’ remittances from Russia.

No list of Russian interests in Central Asia is complete without at least a passing reference to the fate of ethnic Russians in that region. Although many are reported to have moved back to the Russian Federation, as many as 7 million still remain. No Russian government will be able to ignore their fate in the event of significant disturbances in the region.

**the challenge of China’s rise as a superpower is the single most difficult issue on Russia’s foreign and security policy agenda**

Last but not least among Russian interests in Central Asia is the issue of China. The challenge of China’s rise as a superpower is the single most difficult issue on Russia’s foreign and security policy agenda. Central Asia is but one theater in which Russian interests are bound to be challenged by the ever-expanding Chinese economic, political, and security footprint. Russia’s foreign policy community has only begun to grapple with this issue, but signs of future tensions are already appearing in Russian policy discussions and newspaper reporting. The future of Central Asian gas flows and control of oil fields have already emerged as contentious issues between Russia and China.

In the years to come, balancing China’s growing influence in Central Asia is likely to be an important and increasing interest of Russia’s—one that Russia is likely to share with the countries of Central Asia, whose ability to deal with China on their own is limited at best. From the standpoint of both Russia and its Central Asian partners, the SCO could play a useful role as force multiplier for dealing with China and constraining its influence in a subtle way. Perhaps this is a sign of a future Russian strategy in the region, which could eventually combine elements of cooperation and competition with both China and the United States, while forging alliances with local regimes in Central Asia. This, however, would require Russia to muster the kind of intellectual and material capabilities that it has yet to demonstrate.

Despite an extensive list of important interests and considerable resources available to policymakers to advance those interests, Russian policy in the region cannot be even remotely considered a success. With few exceptions, it has been driven by near-term, tactical considerations at the expense of long-term interests and with no regard to the question of sustainability of Russian policy or the status quo in the region.

For example, the Russian tendency to abuse its control of gas pipelines and squeeze its Central Asian trading partners for maximum short-term concessions on price has undercut Russia’s long-term interest in securing access to Central Asian gas supplies. Turkmenistan has been seeking alternative routes to Afghanistan and China; Kazakhstan has made a commitment to the Baku–Ceyhan oil pipeline. All understand full well that they have to depend on Russia, and all resent this situation.

One interpretation of Russian policy toward the SCO is that Moscow uses the organization to reconcile its short-term interest in securing access to Central Asian gas supplies. Turkmenistan has been seeking alternative routes to Afghanistan and China; Kazakhstan has made a commitment to the Baku–Ceyhan oil pipeline. All understand full well that they have to depend on Russia, and all resent this situation.

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China: Rising Hegemon

China, while taking a lower profile than Russia with respect to a military and security presence in the region, has continued to expand its economic ties to Central Asia. But along with economic ties, it has begun to acquire political weight and recognition that it lacked in the region during the previous decade. The 5 years since the original U.S. deployment to Central Asia have seen China’s emergence as the rising economic power in the region formerly dominated by Russia.

China’s interests in Central Asia, while manifested most clearly in the economic sphere, are highly unlikely to be limited to trade, investment, and energy flows.

China’s interests in Central Asia pale in comparison to its interests in the East: Taiwan, relations with North Korea, Japan, the United States, and a whole host of neighbors in Southeast Asia. With its strategy for securing its western provinces evidently resting on the domestic pillars of economic development and ethnic assimilation, Beijing appeared content to leave Central Asian security to Russia and the United States, while expanding its economic ties in the region. The fruit of that expansion has begun to show in recent years, as China emerged as a major player with regard to Central Asian energy. It is close to completing an oil pipeline from Kazakhstan to Xinjiang; it has signed an agreement to build a gas pipeline from Turkmenistan to China; and it has acquired stakes in Caspian oil fields.

Membership in the SCO has served China well, giving it a major voice in Central Asian affairs without antagonizing Russia and alarming regional leaders, while keeping the United States at bay. However, beneath this low-key, patient approach to the region lies the same lack of strategic direction seen in Russian policy toward Central Asia. While reaping the benefits of U.S. security assistance to Central Asia in the short run and letting Russia play the “heavy” role in the regional tug of war with the United States, China appears to heed the same policy of adhering to the political status quo as Russia with no questions asked about the future. This reflects China’s longstanding policy of noninterference in the internal political affairs of other countries. This policy has been welcomed by the authoritarian leaders of other SCO countries and enshrined in various SCO summit declarations as a rallying cry against more forceful democracy promotion activities of the United States and its allies. As the 2005 SCO summit declaration contended: multilateral cooperation, which is based on the principles of equal right and mutual respect, noninterference in internal affairs of sovereign states, nonconfrontational way of thinking and consecutive movement towards democratization of international relations, contributes to overall peace and security, and calls upon the international community, irrespective of its differences in ideology and social structure, to form a new concept of security based on mutual trust, mutual benefit, equality and interaction.

Neither China nor Russia has been willing to sign on to the long-term vision put forth by the United States, which has always included political and economic liberalization as the twin pillars of sustainable regional security order. Since the beginning of the war on terror, political and economic reforms took on new urgency as an integral element. That in turn has led to stepped-up tensions between the United States on the one hand and Russia and China on the other. The former is more convinced than ever before...
that its emphasis on liberalization is the necessary precondition for long-term stability in the region. The latter, joined by regional governments, have rejected that vision and opted for the status quo without putting forth an alternative to the U.S. approach. The result has been an impasse.

**Democracy and Stability: Collusion or Collision?**

U.S. elevation of democracy promotion into an existential struggle for victory over terrorism and an essential foundation for peaceful relations among states has put it squarely at odds with China and Russia, both of whom have approached the task of combating terrorism as a matter of defeating specific organizations and strengthening regimes currently in power. They see noninterference in internal political affairs as the key to regional peace and cooperation. A free hand in dealing with internal threats of terrorism, separatism, and extremism is viewed as necessary to maintain stability.

Neither Russia nor China has developed a long-term vision for combating terror or a model for sustainable development in Central Asia. Both Russia and China have sought to undermine U.S. efforts to promote political and economic liberalization in Central Asia, having evidently determined that these efforts posed a threat to their influence and the region’s stability. The Chinese eschew any “good governance” conditionalism on their foreign assistance, partly because cooperation without conditions is a Chinese comparative advantage in increasing Beijing’s influence. Moscow has reacted to the idea of U.S. democracy promotion even more vigorously. Russian policymakers have perceived U.S. initiatives as a challenge to the Kremlin’s power and authority not only in neighboring countries but also in Russia itself. They even felt compelled to articulate their own doctrine of “sovereign democracy,” which treats foreign support for domestic democratic movements and nongovernmental organizations as a form of external meddling in the internal affairs of Russia and its neighbors.

China and, increasingly, Russia under Putin have stressed that economic development is key to long-term political stability. Russian and Chinese leaders have maintained that authoritarian rule can be useful in promoting economic development. This claim grows out of China’s and Russia’s respective paths toward economic modernization in the last 15 years. It is also supported by development patterns of some countries in East and Southeast Asia. However, China’s and Russia’s approach to long-term stability in Central Asia, emphasizing economic development at the expense of political liberalization, does not stand up to scrutiny. There is no evidence to suggest that they have encouraged economic reform in any of the Central Asian countries.

Central Asia—with the notable exception of Kazakhstan, where economic development owes much to its oil wealth—has not followed in the footsteps of the so-called Asian Tigers who pursued a combination of internal economic reforms, trade liberalization, and foreign investment, even as they moved more slowly on political reforms. Economic development has stalled in most of Central Asia; authoritarian rule has led to further corruption and done little to cure poverty and underdevelopment. Thus, the Russian and Chinese strategy of economic development first and political liberalization second does not seem to be working in Central Asia and appears dangerously close to an ad hoc policy of going along with incumbent regimes as long as they are friendly.

Moscow and Beijing appear to equate stability with good relations with a particular local leader or regime. They invest heavily in the status quo, which forces them to adopt a reactive, rather than proactive, approach to Central Asian security, and which in turn leaves them dependent upon events on the ground. Considering the influence that Russia and China have, and are likely to have, throughout Central Asia in the future, their reactive posture and reliance on local regimes make it difficult for the United States to reduce its own exposure to local instabilities.

**Toward a New Strategy**

Geography alone, to say nothing of history, economics, and culture, means that a successful U.S. strategy for Central Asia requires efforts aimed at bringing Russia and China along.

Central Asia is the key to regional peace and cooperation. Moscow and Beijing appear to equate stability with good relations with a particular local leader or regime. They invest heavily in the status quo, which forces them to adopt a reactive, rather than proactive, approach to Central Asian security, and which in turn leaves them dependent upon events on the ground. Considering the influence that Russia and China have, and are likely to have, throughout Central Asia in the future, their reactive posture and reliance on local regimes make it difficult for the United States to reduce its own exposure to local instabilities.

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Central Asian independence and sovereignty. But it cannot afford to remain blind to regional realities and ignore key actors in regional affairs. Nor should U.S. respect for Central Asian independence and sovereignty come at the expense of U.S. security interests. Those regional realities are such that China and Russia will remain significant actors in Central Asia for the foreseeable future. U.S. policy in Central Asia is bound to be more complicated if Russia and China are not, at least tacitly, on board. Therefore, a deliberate effort to reach out to them would be an important element of a successful U.S. strategy for the region.

More dialogue between the United States and China/Russia could be useful concerning competing views on the balance between economic development and more representative political institutions. This dialogue could complement ongoing discussions between the United States and China on foreign aid and the balance between conditional programs that produce more growth and stability and unconditional programs that produce immediate political influence.

One further result of changing Central Asian politics has been the rise of the SCO. The organization serves a useful purpose for the countries of Central Asia by providing them with a common forum with Russia and China. Membership in the SCO provides a major breakthrough or a fatal flaw. The United States was previously rejected in its attempt to join the SCO as an observer? The United States was previously rejected in its attempt to join the SCO as an observer. Should the United States attempt again to join the SCO as an observer? The United States was previously rejected in its attempt to join the SCO as an observer?

U.S. policy must remain respectful of Central Asian independence and sovereignty. It is unacceptable for regimes to use the principle of sovereignty as a shield behind which they feel free to engage in activities that pose enormous threats to their citizens, neighbors, or the rest of the international community. The U.S. position with regard to the SCO could be instrumental to American efforts to

U.S. reluctance to engage Moscow and Beijing in discussions about the region left the five Central Asia countries free to exploit the differences among the major powers. The list of potential drawbacks of U.S. involvement in the SCO includes the possibility of another rejection of U.S. application for an observer's status; the limited opportunities that such a status (if acquired) would confer upon the United States; and potential conflicts between the SCO charter and other U.S. treaty obligations. None of these appear as either a major breakthrough or a fatal flaw. The organization's importance to China and Russia, as well as to Central Asia, suggests that this issue merits serious consideration. A U.S. decision to pursue an observer's status with the SCO would send an important signal to all concerned that the United States views the organization seriously and recognizes its value to its members.

The U.S. position with regard to the SCO could be instrumental to American efforts to
engage China, Russia, and Central Asia in a discourse about the future of the region, its near-term prospects, and long-term outlook. But it does not need to be more than that—a mere instrument of U.S. outreach to the key actors in Central Asia. A dialogue with China and Russia about Central Asia could lead to a more cooperative stance on the part of both Beijing and Moscow, as well as a better future for the region itself.

Even without observer status, the United States could seek to engage the SCO on a wide range of issues of concern to both the United States and SCO members. These consultations could include representatives of the United States, European Union (EU), and NATO/Partnership for Peace (PFP). For example, they could include consultations on:

- Anti-terrorism cooperation and information exchanges with Central Asian governments.
- U.S.–EU–Russia–China cooperation with Central Asians on enhancing border policing and customs procedures. This could help foster and safeguard trade, economic cooperation, and energy transit as well as help in countering terrorist activities, drug trade, and other illegal trafficking that undermine security and stability.
- PFP humanitarian and peacekeeping activities/exercises in Central Asia. These have included the Russians and could be opened to the Chinese. They could even become joint PFP/SCO activities if SCO really develops this cooperation.

Also, the United States has helped build a United Nations Center for Peacekeeping Training in Mongolia, which is an SCO observer. Central Asians could be invited to train together at this center to develop regional peacekeeping capability.

A dialogue on how enhanced governance and economic reforms could heighten long-term stability and security in the region, as a way to convince Russia and China that these Central Asian regimes need to undertake internal reforms.

Ultimately, the SCO is neither a paper tiger to be ignored nor a strategic heavyweight to be countered aggressively. By virtue of its political influence, it poses a challenge to U.S. interests, but one that in all likelihood can be managed at a relatively small cost. If successful, U.S. efforts to engage the SCO in a series of cooperative ventures could minimize the organization’s negative impact on U.S. interests and contribute to the security and stability of Central Asia.