

China, Russia, Central Asia Union of Nations Expanding

by Mary Burdman

On June 14-15, the Presidents of six Eurasian nations held the founding summit of the Shanghai Cooperation Organization (SCO) in Shanghai, the greatest industrial and port city of China. This summit meeting, of China's Jiang Zemin, Russia's Vladimir Putin, Kazakstan's Nursultan Nazarbayev, Kyrgyzstan's Askar Akayev, Tajikistan's Emomali Rakhmonov, and Uzbekistan's Islam Karimov, was a turning point in Eurasian and world affairs, and has far-reaching potential, in the coming period, to shift the global strategic situation.

The six leaders focussed on two issues: their nations' security and territorial integrity; and economic cooperation. They discussed at length the problems of founding a new multilateral organization aimed at creating a reasonable international political and economic order, and opening that organization to other nations.

These are not idle words. Since 1996, the original "Shanghai Five" nations, now joined by Uzbekistan, have moved rapidly forward, from a mechanism for addressing unresolved border issues, to a regional organization which deals with security, defense, economic, and foreign diplomacy issues, and is well aware of its real, and potential, political and economic capabilities.

This awareness was demonstrated when Russian President Putin went directly from the Shanghai summit to meet U.S. President George W. Bush in Slovenia June 16. Putin came to the meeting with Bush in a confident state of mind, bringing with him a letter to Bush from Jiang Zemin, expressing strong opposition to U.S. plans for missile defense. This joint diplomacy, opposing a policy which has been at the forefront of U.S. international relations, showed up, very clearly, the miscalculations and weaknesses of the policies of the Bush Administration, in its pretensions to conduct the U.S. as the sole "hyperpower" in the world.

The Russian-Chinese dynamic will continue, when, in

early July, Putin and Jiang Zemin meet in Moscow, to sign the new Sino-Russian Treaty on Good-Neighborly Friendship and Cooperation, to consolidate their relations in the new century, and in face of the tumultuous world situation ahead.

There is no question, that the nations which have formed the Shanghai Cooperation Organization face enormous internal and external challenges. Since the end of the Soviet Union, Russia has undergone an economic debacle. China, still a developing nation, must develop economic security for the world's largest population, 1.26 billion people. The Central Asian republics are poor, isolated, and face a dangerous Islamic fundamentalist insurgency, directed out of Afghanistan, and supported by certain disreputable Anglo-American intelligence networks. Lack of development of vital resources, especially water and transport, is putting serious constraints on all the nations of the SCO.

Yet, at the same time, their potential is incalculable. These countries comprise three-fifths of the Eurasian land-mass and have 25% of the world's population. Russia remains the only nation capable of posing a strategic threat to the United States. China is also a nuclear power. The Central Asia nations, with vast resources, lie at the crossroads of Eurasia, the center of the world's land and population.

The potential "outreach" of the SCO is even greater. Russia itself is also a European nation, a member of the Russian-Belarus union and the Commonwealth of Independent States. Uzbekistan is a member of the "GUUAM," which it joined in 1999, in the context of the 50th anniversary NATO summit in Washington. This association, which also includes Georgia, Ukraine, Azerbaijan, and Moldova, was certainly set up under Anglo-American auspices, to create a raw materials-oriented "Silk Road" *without Russia or China*. Now, not only has Uzbekistan consolidated its relations with China and Russia, but, just in June, Ukraine President Leonid Kuchma clarified

Putin in Balkans Lays Down 'Anti-Owen Plan'

Russian President Vladimir Putin followed his June 16 meeting with President George Bush with an immediate and surprising visit to Belgrade, Yugoslavia, and then an unscheduled stop in Kosovo, where he visited Russian peace-keeping troops. The stop in the NATO protectorate of Kosovo, which is controlled by the Kosovo Liberation Army, could have been called "too dangerous" for the Russian President, but Putin made a point of going there from Belgrade, immediately after denouncing the KLA as the engine of the instability in the area, and also the NATO/UN push for the effective independence of Kosovo. Putin's "Kosovo mission" was a direct strike against the "New Berlin Congress" plan of Lord David Owen and Henry Kissinger, to redraw Balkan borders on strict racial-ethnic lines (see *EIR*, June 22, 2001).

In Belgrade on June 17, where he pledged continued Russian oil and other energy supplies to Yugoslavia, Putin presented a comprehensive Balkan plan based on cooperation among the area's countries and on the respect of their national borders and sovereignty. Putin warned that "the stability of the region is seriously endangered" by terror-

ism, and proposed a regional conference to reaffirm the inviolability of borders and the territorial integrity of these countries. The guarantor of the agreement would be the UN Security Council. Putin told Russian reporters, it would be "extremely dangerous and destructive" to discuss redrawing borders. Yugoslav President Vojislav Kostunica added, "This conference would once and for all put an end to the practice of attempts at redrawing state borders and the wars in the Balkans." A Macedonian source enthusiastically told *EIR*, that Putin's proposal "was the anti-Owen plan."

Putin laid great emphasis on relieving pressure on the Macedonian government "to meet the demands of extremists. Stability in the region is seriously threatened, above all from national religious extremism and intolerance, the main source of which today is in Kosovo. We must do everything to disarm the terrorists." The Yugoslav President added that, not only southern Serbia and Macedonia, but now also Greece, are threatened by Albanian KLA guerrillas seeking a "Greater Albania."

And on the same day that Putin made his proposal, Macedonia received a supply of weapons from Russia, including some of the most modern fighters and helicopter gunships, delivered after several acts of sabotage had held them up in Bulgaria. They give Macedonia a fighting chance: Its efforts to confront the logistically and technologically superior armaments of the KLA forces have been blocked by repeated interventions of "the international community."

More recently, the focus on economic cooperation has grown. At Dushanbe, Kyrgyz President Akayev proposed construction of a unified transportation network, and more rapid joint development of energy sources.

Now, these proposals are being activated. When the nations returned to Shanghai for this year's summit, they brought in Uzbekistan as a full member. The leaders signed the "Declaration of the Establishment of the 'Shanghai Cooperation Organization'" and the "Shanghai Covenant on Cracking Down on Terrorism, Separatism, and Extremism" on June 15. The Declaration stated that "the human race wants peace and development." The Shanghai Five nations "have demonstrated the enormous potential for countries with different civilization backgrounds and traditional cultures, to achieve coexistence in harmony and cooperation in unity, through mutual respect and mutual trust." Now, their policy is for "building a democratic, just, and rational international political and economic new order." There are to be yearly summits and regular meetings of the SCO heads of government. The Declaration especially commended the "Shanghai Spirit," of "mutual trust and respect for diverse civilizations, and quest for common development," as a "precious wealth"

for all the nations. This "will become the guiding principle for the mutual relationships between member countries of the Shanghai Cooperation Organization."

Association Will Further Expand

The SCO is an open organization. It "wants all forms of dialogue, exchange and cooperation with other countries and international and regional organizations," and will "admit other countries as new members." The nations give "special importance to safeguarding regional security," and are now committed to "draw up outlines for long-term multilateral economic and trade cooperation."

In his welcoming speech, Jiang Zemin stated that the great contribution of the Shanghai Five had been to initiate a new type of "cooperation security." Now, with the "deep-rooted contradictions for world peace and development" and growing threats of terrorism and separatism, "various countries and regions are accelerating their steps of regional cooperation, which is an important trend in the development of modern international relations." Establishing the SCO marks "an historic step" by the "six good neighbors," he said. The cooperation among the neighbors, has not only

increased their “happiness,” but also regional and world peace and stability.

The leaders also signed the Shanghai Covenant, which “laid the legal foundation for jointly cracking down on terrorism, separatism and extremism.” They agreed to speed up the creation of an anti-terrorism organization based in Bishkek. In 1999, the nations had set up the “Bishkek Group” of the heads of law-enforcement agencies and special services, to combat cross-border crimes. It will now have a permanent headquarters. In May, the CIS Collective Security Treaty states, of Russia, Kazakstan, Kyrgyzstan, Tajikistan, Belarus, and Armenia, set up a joint rapid-reaction force of 2,000 soldiers from Russia, Kazakstan, Kyrgyzstan, and Tajikistan, to meet separatist incursions. China has also agreed to send soldiers to its SCO neighbors at their request.

Kazakstan’s Nazarbayev said, “The threat facing Central Asia today is a threat facing the whole of Eurasia. The cradle of terrorism is Afghanistan.” Afghanistan, he later noted, is the source of 70% of the world’s heroin, and the drug trade is used to train and arm terrorists. The region of the SCO nations, he said, “has immense natural and human resources, as well as a huge potential for conflicts.”

The momentum of the SCO nations will continue. Nazarbayev said that the SCO must rebuild the Silk Road (the Eurasian transport land-bridges) and develop economic and trade relations. Cooperation must expand to humanistic and environmental security, a vital issue in the large region where three years of severe drought threatens both agricultural and industrial production. To expand economic relations, especially construction of transport infrastructure, Nazarbayev invited the member prime ministers to meet again in Almaty this September, on concrete long-term economic and trade cooperation for the period of 2001-2010.

Concretely, Kyrgyzstan’s Transport Minister Kubanychbek Dzjumaliyev announced on June 19 that, during the summit, he and his Chinese and Uzbek counterparts had signed a memorandum on construction of the long-proposed Shanghai to Paris rail line. This means building a rail link from Kashi in Chinese Xinjiang to Bishkek, through some of the highest mountains in the world. From the Fergana Valley (the common nexus of three of the Central Asian Republics), the rail line will ultimately be linked to Western Europe. Costs are high, between \$1-\$2.3 billion, and financing has yet to be finalized. However, Dzjumaliyev said, construction would begin now, on a concession basis. In addition, China is ready to launch, in July, construction of the Qinghai-Tibet Railway, which, eventually, would greatly expand the possibility of Chinese trade with South Asia, especially India.

Other meetings are on the agenda: SCO cultural ministers will meet in Beijing later this year, and disaster relief departments will meet in Russia in Spring 2002.

At Shanghai, the SCO defense and foreign ministers also met. The defense ministers issued a joint communiqué on June 14, calling the organization a “good example of a new kind of regional military cooperation.” In a clear response to

the Bush Administration’s frantic promotion of its “missile defense” program, the communiqué stated that the “Anti-Ballistic Missile (ABM) Treaty signed in 1972 is the cornerstone for global stability and an important condition for the disarmament process.” Also, Chinese Vice Foreign Minister Zhang Deguang announced on June 14 that “on missile defense,” the SCO nations “agreed it would have a negative impact on the safeguarding of world strategic balance and security.” Russian Foreign Minister Igor Ivanov confirmed that Russia and China have regularly consulted about U.S. missile defense plans and that their views “fully coincide.”

Russia-China Relation Is Central

The core of the SCO is the growing relationship between Russia and China. Putin and Jiang met on June 14, before the summit began, in the first of three meetings this year. In the meeting, Chinese Foreign Ministry spokesman Zhu Bangzao reported, “Putin reiterated Russia’s principle and stance on the missile defense issue. Jiang expressed the view that China will continue to support Russia’s efforts in maintaining global strategic stability.”

In an interview with Chinese press before the summit, Putin stressed their developing economic ties. Russian-Chinese trade has risen dramatically: In the first quarter this year, it was up 65.7% over a year ago, worth \$2.39 billion. While Russian military sales to China are a big factor, Russia also exported metals and chemicals, in exchange for consumer goods. In 2000, trade had already risen 40% to the highest level in the history of Soviet- and Russian-Chinese trade. Putin emphasized the two nations’ great potential for cooperation in energy, high technology, and space. Noting China’s rapid economic growth, Putin said that Russia’s leading task is to make the greatest efforts to raise its own rate of economic development.

After the SCO founding summit, Putin described the international importance of this regional association: “We are confident that the example of good relations among neighbors and a mutually advantageous partnership across the wide space from Europe to the Pacific Ocean, which the countries of the Shanghai Cooperation Organization are demonstrating, will be positively received by the world community.” The six nations’ leaders agreed to formally register the SCO’s status with the United Nations.

The six Presidents agreed that the second summit of the SCO will be held next Summer in Putin’s hometown, St. Petersburg—a special gesture to Putin, proposed by Jiang Zemin.

The potential that the new SCO represents in world strategic affairs, was perhaps best indicated by Putin’s statement as he left Shanghai to meet George Bush. The Russian President said that he wanted a “peaceful, predictable, and cooperative” relationship with the United States. China has given him strong backing for this, Putin said: “The Chinese leader also asked me to make it clear to Bush, about our positive relations with China as well, and that I will do.”