

CIMUN VI

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Shanghai Cooperation Organization Background Guide



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Dear Delegates,

It is our distinct pleasure to welcome you to the sixth annual Chicago International Model United Nations. If this is your first time as a delegate at CIMUN, you will soon realize that this will be unlike any other conference that you have ever attended. All committees at CIMUN feature a fully-integrated crisis simulation, forcing delegates to think on their feet and work between multiple committees to solve challenging problems in a variety of forums.

From the General Assembly and Security Council to the Cabinets and Regional Bodies, all committees at CIMUN are vital participants in the crisis, and successful delegations will have to work as a team to coordinate their efforts to best promote their national interests, simulating the work of actual diplomats and politicians. As a result, this background guide and the committee topics you have been assigned are intended only as a starting point. It is much more important to be familiar with the “character” and vital interests of your country than to focus on specifics, as you will inevitably be placed in many situations where you will be forced to think outside of the box and make important decisions in real-time. To assist you with this challenge, we encourage you to take full advantage of our extensive Home Government and Simulations staff and the variety of other resources that will be available during the conference.

Additionally, CIMUN employs a much different philosophy than most other high school conferences. Instead of forcing delegates to work towards unrealistic compromises and pass “consensus” resolutions at any cost, we encourage you to faithfully represent your national interests and to always place your country’s strategic motivations, both public and covert, at the forefront, even if it means being confrontational. Our crisis has been specially designed to pit the interests of key players against each other in ways that will involve every country at the conference, and we strongly advise you to always keep your nation’s own interests in mind.

We will continue to post more specifics, updates, and research materials as the date of the conference approaches. Information on Position Papers and other requirements can be found on our website in the “Position Papers” section. If you have any questions, please do not hesitate to contact us or your committee dais. See you in December!

Sincerely,

Greg Young
Undersecretary-General of Simulations
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Tyler Doyle
Director of Present Day Simulation



SHANGHAI COOPERATION ORGANIZATION

Introduction:

The Shanghai Cooperation Organization is a mutual-security organization founded in 2001 by the leaders of China, Kazakhstan, Kyrgyzstan, Russia, Tajikistan, and Uzbekistan. The SCO is primarily concerned with issues of Central Asian stability and security, and describes the main threats it confronts as being terrorism, separatism, and extremism. Speculation, however, is growing that the organization's involvement in social development, economic issues, and resource collectivity is growing rapidly.

Often called the "NATO of the East," SCO is seen by many as a possible counterweight to the power and influence of the Western Bloc, especially as NATO expansion efforts continue to push East into former-Soviet territory. Though SCO claims not to be a traditional military alliance, the organization has led several joint military exercises, and has signed agreements with other regional groups to broaden cooperation on issues such as security, crime and drug trafficking.

Though the organization's members have a great deal of military power, the most promising area of cooperation in the eyes of most observers remains the economic sphere. Together, SCO member states control massive oil and natural gas reserves, and growing demand from the region, particularly in China, provides an enormous market. Proposals such as a joint energy exchange and an Inter-bank council are continuously circulated, and are met with trepidation by the West, as they fear the organization may transform into an OPEC-like oil and gas cartel. Ties between the organization's members, particularly Russia and China, have been rocky at times, but many see the SCO as the region's best hope to counteract the hegemonic influence of the West.

Topic 1: Membership Enlargement

In 1996, the Shanghai Cooperation Organization began as the Shanghai Five. Later in 2001, it became the Shanghai Cooperation Organization with the inclusion of Uzbekistan as a full member. The six members, China, Kazakhstan, Kyrgyzstan, Tajikistan, Russia, and Uzbekistan partook in a myriad of bi and multilateral agreements. With a concern for the safety of the Asian Pacific area, specifically the Central Asian region, the group focused on international terrorism, trafficking, extremism and national separatism precautions. With the international eye questioning the stability of Central Asia, the Shanghai Cooperation Organization has proven that there is a common position of the members on the maintenance of strategic stability and balance in the region. The organization has also turned a focus to the topics of trade and energy. With Central Asia being rich in energy, the members of the Shanghai Cooperation are looking for greater energy cooperation. Consequently, trade cooperation in the region proves to be extremely beneficial to all parties involved and ways to a free or semi free trade zone among the

countries are constantly being addressed. Although the Shanghai Cooperation Organization is young, only eight years old, they have made significant strides in their target areas. The Shanghai Cooperation Organization also has strength in numbers. The member states occupy a territory of around 30 million square kilometers, which makes up three fifths of the Eurasian continent. Together they have a population of 1.5 billion, which makes up a quarter of the earth's population. With the power and prominence of the organization slowing growing, other states have shown a keen interest in gaining membership in the body. The benefits of having new members are abundant, but each potential member brings with it new responsibilities and new angles.

Currently, the Shanghai Cooperation has four observer states: India, Iran, Mongolia and Pakistan, with Afghanistan participating as a guest. All four of the observers are being encouraged to pursue membership. The SCO has also signed memoranda of understanding with ASEAN and the Commonwealth of Independent States, providing even more candidates for membership, but not all candidates are always enthusiastically accepted. In 2005, the United States applied for and was denied observer membership. Some say that the United States' motives for applying for membership lie in their fear of being excluded from such a body with two member states as powerful as China and Russia. The United States would also certainly like to take part in the sustainable energy that is present among the member states of the SCO. This application for membership from the United States is an example of why such careful consideration must be taken in accepting members. All members must meet the strict criteria of the group, and the member states must be extremely careful not to accept a member merely because of the advantages they see in having such an alliance. If new members are let in without being behind the stated goals of the body, it will demean the legitimacy of the organization as a whole. For this reason, the body has postponed the acceptance of any new membership, but continues to recognize the importance of expanding. The stated goals of the Shanghai Cooperation Organization are as follows, "strengthening mutual confidence and good-neighborly relations among the member countries; promoting effective cooperation in politics, trade, and economy, science and technology, culture as well as education, energy, transportation, tourism, environmental protection and other fields; making joint efforts to maintain and ensure peace, security and stability in the region, moving toward the establishment of a new, democratic, just and rational political and economic international order". These goals cover a number of areas, all of which must be of interest to any country that would potentially obtain membership.

Currently, the four observer states show the most promise and potential for becoming permanent members of the Shanghai Cooperation Organization in the future. Iran is currently seeking membership. Experts say Iran is trying to secure friendship with other vital players in Central Asia, such as Russia and China, in order to become a vital player along with them. While the benefits of having Iran in the SCO include a chance to resolve the nuclear crisis and allow Russia and China to have a larger in hand in the Iran's foreign policy, Iran has a reputation of being unreliable. Certainly Iran will have no problem accepting the mutual assistance guarantee that would provide protection from attack, but unfortunately for Iran, it looks as if the Shanghai Cooperation Organization may see Iran as too risky for membership.

Pakistan has also applied for membership in the organization. Pakistan has potential to serve as an energy corridor for the SCO member states, and due to location and history

in the region, it is hard to keep Pakistan out of an organization such as the Shanghai Cooperation Organization that deals with the Central Asian area. Before the attacks on the United States in 2001, Islamabad threw its support behind the Taliban. Due to this support, Pakistan was denied observer status. After the attacks on 9/11, Pakistan abruptly denied further support for the Taliban and joined the “fight against terrorism”. Along with Iran and India, this action led to their acceptance as observers in the SCO. Keeping Pakistan as an observer or eventually bringing them in as a member has been seen as a show of force by Russia and China, because if they were to join, the SCO would have 5 nuclear powers in one united body.

India has not applied for membership, but has an observer status. Having both Pakistan and India serving as observers in a geo-political body is important in maintaining the balance between the two countries. Making India a member of the Shanghai Cooperation Organization would be beneficial due to its size and location, as well as its sustainable energy capabilities. Unlike Iran and Pakistan, India has not pursued membership. Due to its working relationship with the United States and the Bush administration, India had previously taken a very ignorant position toward the Shanghai Cooperation Organization, and now that they are struggling with the Obama administration’s Afghanistan and Central Asia policy, they have begun to change their outlook toward the SCO. The SCO members see benefits in eventually having India as a member, including the benefit of having another group (besides ASEAN) with both Pakistan and India as members.

Other countries such as Mongolia and Nepal have been in the mix for possible membership in the SCO. Other members of the Commonwealth of Independent States, ASEAN, and ex-soviet countries are also potential candidates for observers status. As a country in disarray, Afghanistan has reached out to the SCO for assistance and currently participates on an ad-hoc basis as a guest observer, but full membership is unlikely at this time due to their close ties with the US and NATO, who currently have troops on the ground within their country. Debate and exploration are still very much required before any decisions are made on whom to invite in as members or observers, or if any further membership is really beneficial to the six member nations of SCO.

Topic 2: Securing Sustainable Energy Resources

Central Asia and the SCO member states are extremely rich in energy. A study in 2008 reported that Russia, Iran, and Kazakhstan, along with Turkmenistan and Kazakhstan, make up 45 percent of the world’s proven natural gas reserves. As the world scrambles to secure sustainable ways in which to keep their countries up and running, the Shanghai Cooperation Organization scrambles along with it. The alliance between the six member states and the potential cooperation of the four observers could prove to be extremely beneficial for securing these much sought out energy sources. In 2007, the former President of Russia, Vladimir Putin called for an “energy dialogue” and an “energy group”. The members of the SCO agreed that the creation of a “unified energy market” for gas and oil exports would be a sufficient way to secure resources, however other options must be available. For China and Russia especially, as they look to fuel their economic expansion, the friendship with Uzbekistan, Kazakhstan, and Kyrgyzstan is of the utmost importance seeing as they are so rich in energy. So rich that experts, especially those with viewpoints

from the Western world, are concerned that such a friendship and alliance of an actual SCO gas cartel would be dangerous. David Wall, a regional expert at the University of Cambridge's East Asia Institute, told the Washington Times in 2006 that such a cartel "would essentially be OPEC with bombs."

These plans for such a market are not yet stable. The most collective statement came from the Secretary-General of the SCO, Bolgat Nurgaliev, who remarked:

"SCO states are ready to participate in energy cooperation. In fact, they are natural partners because of proximity and complementarity of resource base. The Member States of SCO do not see a problem in the interdependence of their strategic interests and are configured to comply with established procedures and regulations. In addition, in the Central Asian region, a unique gas and oil infrastructure operates in the Central Asian region, there is no unique single grid, being the joint development of oil and gas fields, and construction of pipelines. Energy efficiency, conservation, development priorities and long term energy policy are of key interest to SCO countries. Of particular concern is the question of the role and place of SCO states global energy security. Priority is given to various scenarios for world energy markets, energy policies of major groups of countries and development strategies of the leading companies, predicting the prices of oil, gas, coal, uranium and other existing sources of energy."

What can be gathered from this statement is that not only is the SCO looking to indeed work as a collective group in securing gas and oil, but also in other sources of energy. Still, any steady plans have failed. Many say this is due to the fact that both Russia and China have and are currently securing their own sources of sustainable energy, such as an oil pipeline from the Caspian Sea to China, and agreements between Russia and Central Asian neighbors to build gas pipelines. Their competitive efforts may slow or halt any extensive SCO energy cooperation. For China especially, the demand for energy is high, and it simply cannot compete with the resources that Russia has. For China to try and lessen the dependence other countries have on Russia for the sake of gaining any upper hand they do not already have could prove to be extremely detrimental to the progress the SCO has the potential to make in unifying their energy resources. China has been throwing out huge loans in the way of member states such as Uzbekistan and Kazakhstan in order to form a pipeline that would flow in to China. Other countries still worry that China would begin to meddle further in to the internal affairs of countries that agree to cooperate with the demands for energy that China makes. The price of oil and gas, and any other resources that could serve as sustainable energy is one of biggest advantage a unified SCO market would have, and if China and Russia choose to ignore the opportunity it could soon pass.

Topic 3: Piracy in the Indian Ocean

Piracy is defined as an act of robbery on the high seas, and currently the international trading community is seriously threatened by these acts. Specifically, the piracy in the Indian Ocean off the Somali coast has more than doubled in the past two years. In the most recent attacks, these reckless pirates have pursued anything from luxury

cruise ships, freighters, or tankers. The pirates are usually fisherman looking for a large ransom to be paid. Somalia has been suffering from internal conflict for decades, leaving the government unorganized and unreliable. The Somali beaches are isolated. The Somali people are fraught and acquainted with the war torn world. The lawlessness of Somalia and the conveniently popular international trade route have made the Indian Ocean and the Gulf of Aden easy targets. The Gulf of Aden route is so popular that around 16,000 ships a year navigate this route on their way to the Suez Canal. Most of these ships are transporting oil from the Middle East and goods from Asia to Europe and North America. For these ships to change their routes would be expensive and delay arrivals by weeks. This is an extremely important situation for the Shanghai Cooperation Organization to address.

The average Somali pirate is between twenty and thirty. There are an estimated five pirate gangs with a total of one thousand armed men. The pirates of Somalia are usually ex-fisherman or ex-militia giving them a wealth of knowledge towards maritime operations and weaponry. After the tsunami of 2004 that hit Somalia and surrounding land, these fisherman are desperate for jobs and money. As they go on the hunt at sea, they are in close contact with central associates ashore who are negotiating the ransoms and seeking further information about the ships coming in to the area. Also, due to the damage caused by the tsunami, Somalia has no coast guard, making it exponentially easier for the pirates to move and stay in contact with their bases. The UN has called on Russia, Europe, and the United States to help put in place a "UN-sponsored coast guard".

Many experts say that these pirates are being underestimated as far as how much they are capable of, and the fact that the large ransoms they request continue to be paid is a huge problem. It is often cheaper to pay the million dollars rather than having a large oil freighter's or other ship's cargo at risk. The ransoms continually being paid are making the rates of these attacks go up faster and faster. Another solution must be found to prevent and end the attacks. Not only do these ransoms further hinder the world's recession, but also the millions of dollars that have been paid for ransoms are going to weaponry, GPS systems, and other expensive tools to increase the success of the raids, resulting in a self-perpetuating system. The money that countries have paid in ransoms are also feeding local wars in Somalia, which have been directly connected with groups listed as terrorists organizations, including Al-Shabaab. Seeing as the prevention of terrorism and extremism is one of the main goals of the Shanghai Cooperation Organization, it is imperative that the problem is addressed.

Aid that the UN and other UN sponsored groups have been sending to the suffering Somali inland area has recently been blocked by the dangerous atmosphere these pirates are creating. The Somali government has openly asked for help in getting the aid in to the country saying they cannot do without it. Currently, NATO countries and members of the European Union have been accompanying aid in and putting ships in the Gulf of Aden. This has slightly begun to deter the attacks, but a much stronger force will be needed in order for the attacks to come to any end or even decrease the high risk of increasing prices and terrorism.

As recently as last year, the Somali government asked Russia to assist them in combating these pirates, when a Ukrainian ship was attacked and 33 Soviet made arms were held hostage for a \$20 million dollar ransom. Russia responded and released the statement saying force would be an extreme measure to take, however they are very

concerned with the problem.

It is extremely important that the issue of Piracy in the Indian Ocean be discussed in depth. A naval presence by international ships may not serve as a deterrent for long. It is crucial that this committee discuss possible solutions for stopping piracy where it starts: on the ground. The problem will not stop until Somalia's government is centralized and stable. It is also important to see what measures can be taken against these pirates to combat the threat they pose to both international trade and international safety.