

# **ISSUE BRIEF**

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## **ANALYZING INDIA'S SCO DILEMMA**

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(Views expressed in the brief are those of the author, and do not represent those of ISSI)



India-China tensions are rising as, from global stage to regional forums and bilateral ties, their security dilemma is all too evident. The Eurasian platform, Shanghai Cooperation Organization (SCO), is another arena where their complex rivalry is evidently at play. Viewed from its contradicting and complex multilateral vectors, India stands out in the SCO family as well. It is the only Member state that does not support China's Belt and Road Initiative (BRI). It also criticizes BRI's flagship project which is a joint venture of Beijing and Islamabad: China-Pakistan Economic Corridor (CPEC).1 India has consistently shunned all BRI forums stating the issue of "sovereignty" and "financial viability" for doing so.2 In fact, New Delhi has been laying out a network of parallel economic corridors that aims to rival BRI and its offshoots. It is projecting its regional connectivity projects in SCO to counter Chinese influence and undermine CPEC. In the recent meeting of SCO's Council of Heads of Government (CHG) as well, India raised objection on BRI and did not support this regional connectivity project. Instead, New Delhi has projected the International North-South Transit Corridor (INSTC) and India-Middle East-Europe

C. Raja Mohan, "India and the SCO: All Is Not Well", *Institute of South Asian Studies (ISAS)*, July 10, 2023, https://www.isas.nus.edu.sg/papers/india-and-the-sco-all-is-not-well/

<sup>&</sup>quot;India to Skip China's Belt and Road Forum for a Third Time", *The Economic Times*, October 16, 2023, https://economictimes.indiatimes.com/news/economy/foreign-trade/india-to-skip-chinas-belt-and-road-forum-for-a-third-time/articleshow/104466383.cms

Economic Corridor (IMEC) as better and viable connectivity projects in the region.<sup>3</sup> This raises a question as to why India is part of the China-dominated multilateral forums if it finds itself opposing the Chinese initiatives.

## India in the 22<sup>nd</sup> SCO-CHG

The 22<sup>rd</sup> SCO-CHG was held in Bishkek, under the Chair of Kyrgyzstan, on 24-26 October 2023.4 The CHG is the second-highest body and attended by heads of government usually (Prime Ministers, though participation from India and Pakistan has usually been at the Foreign Minister level). This meeting was held to discuss economic cooperation among the member countries. It was attended by all Member states: Pakistan, China, Russia, Kazakhstan, Uzbekistan, Kyrgyzstan, Tajikistan, and India; and three Observer states, Belarus, Mongolia, and Iran.5 The SCO Secretary-General, Zhang Ming; Director of the Executive Committee of the SCO Regional Anti-Terrorist Structure (RATS); Ruslan Mirzayev; Chair of the SCO Council Board, Tribhuvan Drabari; and Chair of the SCO Interbank Association Council, Shri Padmanabhan Raja Shankar also participated in the event.

From the Indian side, External Affairs Minister Dr. S. Jaishankar attended on behalf of Prime Minister Narendra Modi. He stated that, in the SCO family, the emphasis should be placed on the interests of Central Asian countries and that "the Global South should not be saddled with unviable debts arising from opaque initiatives." While critiquing BRI, Dr. Jaishankar presented INSTC and IMEC as effective enablers of economic prosperity in the region. He also highlighted India's deep cultural and civilizational relations with the region, which, in his view, were a "template for greater economic cooperation." He urged the SCO family to prioritize India's connectivity linkages with the Central Asian states. The Indian news channel, *Wion*, captioned Dr. S. Jaishankar's remarks at SCO-CHG as a "veiled dig at China's BRI debt trap". Another Indian media outlet, *the Deccan Herald*, called it an attempt to "hit out at China-Pakistan connectivity projects." 8

Heena Sharma, "SCO Meet: Jaishankar Takes Veiled Dig At China's BRI Debt Trap, Exudes Confidence In IMEC Corridor", Wion, October 26, 2023, https://www.wionews.com/india-news/sco-meet-jaishankar-takes-veiled-dig-at-chinas-bri-debt-trap-exudes-confidence-in-imec-corridor-651439

Mariana Baabar, "Pakistan Assumes Chair of SCO CHG in Bishkek", The News, October 27, 2023, https://www.thenews.com.pk/print/1123268-pakistan-assumes-chair-of-sco-chg-in-bishkek

<sup>&</sup>quot;Joint Communique Following the 22<sup>nd</sup> Meeting of the Heads of Government (Prime Ministers) Council of the Shanghai Cooperation Organization", The Shanghai Cooperation Organization (SCO), October 26, 2023, https://eng.sectsco.org/20231026/Joint-communique-following-the-22nd-meeting-of-the-Heads-of-Government-Prime-Ministers-Council-of-963083.html

<sup>6</sup> Heena Sharma, "SCO Meet: Jaishankar Takes Veiled Dig at China's BRI Debt Trap".

<sup>7</sup> Ibid

Anirban Bhaumik, "At SCO meet, India subtly hits out at China, Pakistan on connectivity projects", *The Deccan Herald*, October 26, 2023, https://www.deccanherald.com/india/at-sco-meet-india-subtly-hits-out-at-china-pakistan-on-connectivity-projects-2743811

The drift of India's engagement at the Eurasian forum has been noted by International Relations (IR) experts as well. Vice President of Observer Research Foundation (ORF), Professor Harsh V. Pant calls India's strategy of countering China at SCO forums as "walking the tightrope." 9 Similarly, Professor for European Studies at Jawaharlal Nehru University, Gulshan Sachdeva argues that New Delhi finds itself at the crossroads in SCO, as it is not comfortable in aligning its activities with China. 10 In fact, India's dilemma originates from its foreign policy objectives, which are in contradiction with its neighbor and important regional player, China. The same dynamic is at play in SCO as well.

#### India and SCO: A Combination of Contradictions?

This is not the first time that India has opposed BRI at the SCO platform. In fact, from the very outset, India joined SCO with the intent also to counter BRI and CPEC. It is in line with India's multilateral policies, which have been mentioned in the state documents. In 2017 when India formally became a Permanent Member, the Indian *Lok Sabha* released the document explaining the factors and motives behind joining SCO. Titled "The Shanghai Cooperation Organization (SCO) and India", the document states:

"Being a full member of the SCO, India would be in a position to plan its policy to effectively deal with China's ambitious initiative of "One Belt, One Road" and "China-Pakistan Economic Corridor (CPEC). In this regard, the contraction of the International North-South Transportation Corridor (INSTC) can prove to be of high significance for India." 11

In the same document, India highlighted several benefits of joining the SCO:

- Iran-Pakistan-India (IPI) gas pipeline would see further progress;
- SCO can act as a guarantor to the successful implementation of Turkmenistan-Afghanistan-Pakistan-India (TAPI) pipeline;
- Deepening ties with the Central Asian states in terms of trade, commerce, energy resources, and regional connectivity linkages;
- Russia's support for India's bid to join SCO as a permanent member would lead to closer
   India-Russia cooperation; and

Harsh V. Pant, "Walking the SCO tightrope" Observer Research Foundation (ORF), Jun 13, 2023, https://www.orfonline.org/research/walking-the-sco-tightrope/

Gulshan Sachdeva, "India's SCO Dilemma", *The Deccan Herald*, July 6, 2023, https://www.deccanherald.com/opinion/sco-china-india-central-asia-sco-summit-dilemma-1234417.html

Smt. Neelum Sethi et al, "The Shanghai Cooperation Organization (SCO) and India", Lok Sabha, July 2017, https://loksabhadocs.nic.in/Refinput/New\_Reference\_Notes/English/The\_Shanghai\_Cooperation\_Organiz ation.pdf

 Membership of India would strengthen India's position as a promoter of a multilateral global order."12

India's vision SCO is in itself a mix of contradictions. On the one hand, India wishes to avail itself of the opportunities offered by this Eurasian club but, on the other hand, it is not willing to create a framework of cooperation with some member countries, especially China and Pakistan, which are its neighbors as well. In actual, India missed various chances to use SCO as a medium of creating possibilities for regional cooperation and integration. This became more evident in the year 2022-2023 when India assumed the presidency of SCO. In the SCO Council of Foreign Ministers (CFM), held on 4-5 May in Goa, India was criticized for not giving peace a chance in South Asia while Foreign Minister of Pakistan, Bilawal Bhutto Zardari attended the event in-person. A former aide to India's Former Prime Minister Atal Bihari Vajpayee, Sudheendra Kulkarni underlined that the External Affairs Minister needed to capitalize on the chance to engage in a constructive talk with his Pakistani counterpart in the SCO-CFM. He particularly criticized how India's same myopic and inflexible approach stymied the SAARC processes. Dr. Maleeha Lodhi noted the same while underscoring that India aspires to use Afghanistan as a space against Pakistan instead of finding ways to move towards cooperation and regional integration. 14

Noting India's foreign policy challenges and dilemmas, a leading expert at ISEAS-Yusof Ishak Institute, Singapore, Joane Linn aptly commented that it would not always be possible for New Delhi "to straddle all sides and sit on the fence on the key issues." 15 It particularly applies to India's multilateral foreign policy postures while it situates itself as a pragmatic 'transactional' player in the changing global order. India is a part of many partnerships and arrangements with the U.S. and its allies. Its closer alignment with the Washington camp has also raised apprehensions in Moscow. This complex dynamics of major-power politics became visible in SCO as well. During the April 2023 SCO Defence Ministers meeting, Russian Defence Minister Sergei Shoigu vehemently criticized all the military and political alliances of the U.S. and its allies, such as QUAD16 He said that these processes

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<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

Maleeha Lodhi, "Troubled Ties", *Dawn*, April 17, 2023, https://www.dawn.com/news/1748106/troubled-ties

Joanne Linn, "India and Multi-Alignment: Having One's Cake and Eating it Too", *AsiaLink*, February 21, 2023, https://asialink.unimelb.edu.au/insights/india-and-multi-alignment-having-ones-cake-and-eating-it-too

Rajat Pandit, "QUAD, AUCKUS Attempts to Contain China: Russia", *The Times of India*, April 19, 2023, https://timesofindia.indiatimes.com/world/rest-of-world/quad-aukus-attempts-to-contain-chinarussia/articleshow/99856653.cms

are a premeditated plan of the U.S. and its allies to enlarge the ambit of the North Atlantic Treaty Organization (NATO) and curtail the otherwise inevitable coming of the multipolar world.17

In the same meeting, China-India disagreement also surfaced. The Chinese Defence Minister first urged all its counterparts to build a security architecture around the lines of Beijing's Global Security Initiative (GSI)<sub>18</sub> – to which India hardly agrees. The Indian Defence Minister, Rajnath Singh, stated that restoring peace along their disputed border is the "key to developing their bilateral ties" <sup>19</sup> whereas the Chinese Defence Minister responded that the overall situation at the border area is "largely stable." <sup>20</sup> These two statements are indicative not only of their unresolved border disputes but also of the undeniable undertones of India-China competition that run deep in their bilateral ties as well. Indian statements and engagement in international relations further endorse this perspective. Recently, while talking to a British journalist, EAM Dr. S. Jaishankar acknowledged, <sup>21</sup> "China's rise is a reality" but "India's rise is an equal reality."

## Walking on Eggshells?

Given that, it becomes clear that New Delhi intends to be treated at par with China and, at times, more of a priority, but definitely not a "China plus" – as stated by its External Affairs Minister.22 However, pursuing this goal becomes somewhat difficult when it comes to an organization, which has been founded by China. Not only this, China enjoys influence in the SCO and, in the emerging world order, SCO is being perceived as an expression of Sino-Russian partnership. Therefore, in this context, it seems difficult for India to pursue its independent status of more than a so-called 'China plus' is difficult as far as SCO is concerned. On these pragmatic accounts, India confronted many challenges in SCO. One such challenge emerged when India had to host the top decision-making body of SCO, the Council of Heads of States (CHS) in August 2023; it failed to arrange the Summit physically. The event was planned to be held in New Delhi but later on it was rescheduled to be convened virtually. As *The Hindu* reported, the decision to host the Summit to be convened virtually came as a surprise as rescheduling of the Summit was conveyed in July 2023 to the SCO Secretariat

<sup>17</sup> Ibid.

<sup>&</sup>quot;China to Cooperate with Other SCO Countries on Security Architecture: Defense Minister", CGTN, April 28, 2023, https://news.cgtn.com/news/2023-04-28/China-to-cooperate-with-other-SCO-countries-on-security-architecture-1jnquzy2ISc/index.html

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>&</sup>quot;The Rise of China is a Reality, but....,EAM S Jaishankar Reflects on India-China Relations", *Live Mint*, November 16, 2023,

https://www.livemint.com/news/world/the-rise-of-china-is-a-reality-but-eam-s-jaishankar-reflects-on-india-china-relations-jaishankar-in-london-xi-jinping-11700105320140.html

through an "urgent letter" by SCO National Coordinator, Ms. Yonja Patel.23 There was no reason stated as to why the Summit was held virtually and that too on a short notice. However, Indian diplomatic sources cited three factors for rescheduling the Summit:

- i. The Chinese side did not confirm the physical participation of President Xi Jinping in the event;
- ii. In-person participation of Russian President Vladimir Putin in India at a time while the Ukraine conflict continued could have dented Indo-U.S. partnerships; and
- iii. The Indian government was not willing to interact with Pakistan in any dialogue.24

While portraying itself as a pragmatic transactional yet 'non-aligned' member of SCO, India seems to be contradicting the very axioms of global and regional geopolitics. It appears that India only wants to maximize its gains in SCO by raising the stakes in its favor instead of working towards charting a mechanism for regional cooperation. Observing the same, the RANDS cooperation expert, Derek Grossman was of the view that India is not going to cooperate with China on major issues and it will become a trouble for China.25

## Conclusion

From the above discussion, it is quite evident that India is using SCO forum to counter Chinese influence and antagonize Pakistan. It has been pointed out by many scholars as well that, by not aligning its interests and foreign policy objectives with China to a reasonable extent, it is unlikely that India is going to reap the benefits of a Eurasian regional integration project. It is especially true when one of the initiators of this project is China itself. However, by seeking to counter China, antagonizing Pakistan, and not siding with Russia, it is very difficult for New Delhi to make progress in the SCO region. This approach will curtail India's future prospects of growth in the Eurasian region. In fact, New Delhi finds itself uncomfortable aligning its foreign policy objectives with the Eurasian cooperation – the objective of SCO. By doing so, it is projecting itself as an 'irritant' or a 'spoiler' in SCO.

Suhasini Haider, "Government Drops Plans to Host SCO Summit in Delhi, Will Now be in Virtual Format", *The Hindu*, May 30, 2023,

https://www.thehindu.com/news/national/india-to-host-sco-summit-virtually/article66913235.ece lbid.

Derek Grossman, "China Will Regret India's Entry into Shanghai Cooperation Organization", The RAND Cooperation, June 9, 2017, https://www.rand.org/pubs/commentary/2017/07/china-will-regret-indias-entry-into-the-shanghai-cooperation.html