

Committee: Shanghai Cooperation Organization

Topic: Enhancing Interconnectivity through the Belt and Road Initiative

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Committee Introduction

The Shanghai Cooperation Organization or SCO is an international organization of several nations including Russia, China, India, Kazakhstan, and many other countries. The organization also includes several dialogue and observer members. The main idea of the organization is to promote peace, democracy, and international cooperation between member states.

Formally known as Shanghai Five, the organization was founded in 1996 and renamed in 2001 with the addition of many new states. Many saw the SCO as the new United Nations of Eurasia. The SCO operates in the region and has seen many successes in solving key initiatives like anti-terrorism, political issues, drug trafficking, energy crisis, and many more.

The SCO plays an important role in the One Belt, One Road project (Also known as BRI), cooperating with the Chinese government's project of Belt and Road Initiative (BRI) with the aim of connecting several continents, starting from Europe to Asia and possibly Oceania, through maritime and train transportation. Many SCO members reassured their involvement in and commitment to the BRI project and aimed to develop and strengthen the global cooperation and trade network around the world.

Since the start of the BRI, with China mainly leading, many actions have been taken. The implementation of smaller projects like the Central Asia-China pipeline or the Astana International Financial Center (AIFC, Kazakhstan) proved to be successful and contributed much to the bigger project of the Belt and Road Initiative.

Topic Introduction

The Belt and Road Initiative managed by the Shanghai Cooperation Organization is a multinational infrastructure and diplomatic project that aims to increase international cooperation, trade, and cooperation between the nations of Asia and possibly Europe and America.

Since the start of the initiative, many minor projects within the BRI jurisdictions have proved to be successful in many ways. The Central Asia-China pipeline or the Astana International Financial Center (AIFC) and various security interventions have made the BRI and SCO very reliable and referred to as the United Nations of Asia.

Despite these successes, the SCO and BRI have been criticized for many actions and concerns. It proved to be an economic burden to many developing countries in the region such as Pakistan or India. Some experts have speculated that the involvement in the BRI project will bring these economies to the brink of collapse. The economic impact of the COVID-19 Pandemic and the Russo-Ukrainian conflict has slowed the progress of the BRI projects. Inflation was the effect of the war, which led to many economic issues within the organization and management of the project. Many members of the SCO like Pakistan are struggling to pay off the debts from China. With global inflation underway, these debts are more unsustainable and many nations have to lease off their land to pay debts.

In 2023, US President Joe Biden declared the project a “debt and noose agreement”.

China later denied all allegations made by the World Bank and other international institutions that researched China’s effect on the economies of Central Asia.

Key terms and definitions

The Belt and Road Initiative

China's led "Belt and Road Initiative" (Also known as One Belt, One Road/New Silk Road) is a proposed multi-continental super highway. Beijing unveiled the project in 2013 that aims to connect Asia, Europe, and Africa through means of highways, train infrastructure, and maritime travel(C. Wang 1). The B.R.I garnered international support from 146 states and 32 international organizations who have agreed to sign cooperation agreements.

The BRI's 5 "strategic priorities"

After the unveiling of B.R.I., Beijing set out "strategic priorities" that the initiative seeks to satisfy. Beijing stresses that these strategic priorities should be completed with "green" energies/production. Beijing also seeks to promote an "ecological civilization" (A civilization in which agriculture, industries, infrastructure, etc should be exercised concerning the environment and earth's well-being) with the efficient and eco-friendly use of resources and building techniques.

Policy coordination

The coordination and harmony of different states to achieve standardization of infrastructure quality between different states and regions disregarding terrain(s) and funding.

Infrastructure connectivity

Ensuring all infrastructure whether it be highways, train tracks, or maritimes means are connected properly and safely.

Unimpeded trade

Securing trades within the BRI stays safe and arrives in good condition.

Financial integration

Closely connecting/linking the economy of different states with the construction of the B.R.I.

People-to-People bonding

To connect people and cultures from different states and encourage cooperation between member states of the B.R.I agreement.

B.R.I Infrastructures Projects:

The B.R.I Infrastructures Projects is a series of structural projects invested in and implemented by the organizers (mainly China) that aims to physically connect 3 continents through maritime, railroad, and highways.

Background Information

B.R.I Project

In 2001, the Shanghai Cooperation Organization was established to replace the former Shanghai Five. Intending to promote global cooperation and trade In 2013, Chinese Premier, Xi Jinping announced the creation of the Belt and Road Initiative during an international visit to Kazakhstan.

The BRI project aims to connect nations in the region both politically and economically. The plan is to develop a multinational infrastructure to connect continents and regions through the maritime and railroad network.

The project left a big impact on the world. Significantly boosting the economy around the globe. Although Chinese workers and construction companies do most projects, the Chinese government claims that more than 400,000 job opportunities for unemployed workers and helped more than 40 million people out of poverty.

Besides the main BRI project, many minor projects have been introduced such as the CPEC (China-Pakistan Economic Corridor) or the Central Asia-China. Through the CPEC, hundreds of miles of highways and many solar factories were built in Pakistan which modernized the country.

Although effective at some point, there are many concerns surrounding the initiative.



Diagram of the B.R.I - Hong Kong South China Morning Post

Past Actions

People's Republic of China

Since the announcement of the project in 2013, more than 140 countries have agreed to lend China the money they needed for the project. In particular, 1 trillion dollars has been sent to China for the project, with much coming from the World Bank and European Union as well as several other countries.

After raising many environmental concerns, the Chinese government reassured that more sustainable and green energy will be produced in order to execute this project smoothly and as environmentally clean as possible. They pledged to shift from investing in coal to more sustainable energy sources.

China has also pushed forward to the CPEC or China-Pakistan Economic Corridor, a smaller-scale project that proved to be more effective and focuses on developing and building the baseline of the project enhancing the ability of Pakistan to further support China in the long run of the BRI project.

Islamic Republic of Pakistan

Being one of the member states of the SCO, Pakistan was the starting member of the BRI project. Due to the stances of the Pakistani government in the international community, Pakistan has become a great ally of the Chinese government.

However, like other member states, Pakistan is currently in trouble due to the massive debt to China and the worsening economy. Furthermore, in 2018, a few Pakistani terrorists attacked the consulate of China derived from the economic loss by the BRI project. Five people including both Pakistani and Chinese have died, leading to a vague ambience between the two nations.

United States of America

While China and the members of the SCO were in the process of the construction of the BRI routes, in 2022, the United States government created a new cooperative organization named PGII (Partnership for Global Infrastructure and Investment) which includes nations such as the UK, UAE, Israel, India and Italy. The PGII focuses on funding infrastructure projects in developing nations and investing in further development.

Since both PGII and the SCO, along with the BRI project, have similar goals, these two organizations are competing against each other in the international society. Currently, through the PGII, the United States is planning a new economic corridor between India, the Middle East, and Europe.

Russian Federation

Since the beginning of the Russo-Ukrainian War, with the armed attack of the Russian forces, the Western powers have set economic sanctions against Russia. Due to the pressure done by the Western nations, the dependence on the relation of the Chinese government has increased over the past few years.

Furthermore, the Russian government started to actively participate in the BRI project, seeing the benefits Russia could gain both economically and diplomatically. In 2023, During the third BRI Summit Forum held at the Great Hall of People in Beijing, China, Vladimir Putin, the current president of Russia, announced that the Russian government evaluates the current process of the BRI as being successful and could participate has a key role in the construction.

Key Issues

Financial Shortage

Currently, the BRI operation is facing a severe financial shortage. In the Southeast Asia region, there are a total of 24 main routes that need to be constructed in order to fulfill the leading goal of the B.R.I. 8 routes, meaning a third of the total amount of main operations are completed. However, the main problem of the current situation is the rest of the planned routes. 5 routes were abolished

Furthermore, members of the SCO have faced many financial difficulties and have to borrow money from China. This effectively increases the national debt of these nations and multiple nations have to lease off their land to pay debt to China which is questionable since the BRI project is to help these countries develop.

Environmental Concerns

Since the start of the initiative, many have started to question the BRI's environmental impact. Including increasing greenhouse gas emissions. Many countries like Kenya and Vietnam have opposed the use of coal mines to respond to the massive effects of climate change.

Since several members of the BRI project prioritize the economic development of the country, and due to the current unsettled situation of the ongoing construction, there is no space to address any kinds of environmental concerns. The Western nations are constantly warning about the actions of the BRI project.

Establishment of the PGII

As mentioned above, PGII, meaning Partnership of Global Infrastructure and Investment, was established in 2022 and spearheaded by the United States. The main goal of the organization is similar to the SCO, supporting developing nations for proper infrastructure and developing the economy as a whole. Currently, the member states are trying to create a new economic corridor, directly challenging the actions of the SCO, following along with the BRI project.

Discussion Questions

The Question of Financial Shortage

As mentioned before, the BRI project is facing serious challenges on budget, leading to the reduction of the original plan. Since most planned projects, including the 8 main routes of the Southeast Asia region, are in a situation of cancellation, the member states will have to create a new solution for this phenomenon. The solution can include a fund, an investment system, or financial support from wealthy nations.

Furthermore, due to the fact that most member states of the SCO are currently in massive debt to the Chinese government. This disadvantage can be used maliciously in international society, meaning that other nations, including other countries not associated with the SCO, will have to devise a solution to prevent the prejudice of the member state's rights.

The Question of the Imbalance of the International Society

According to the plan of the BRI project, all ongoing projects and routes end up in the Chinese territory. If the construction of the BRI project succeeds, there will be a massive change in the international society whether in economy or diplomatic power.

If China becomes overly powered, meaning to take over the Asian region politically and economically, there will be a great loss in the Western power. The United States and the Western countries will have to find a way to cope with this situation. This can be done in a way that includes creating a new organization spearheaded by the Western powers or supporting the member states that are in debt to China.

The Question of Cooperation with Member States

In 2023, the Italian Republic, being the only European nation participating in the BRI project, decided to withdraw from the BRI project. Even though the Italian government announced that the choice had nothing to do with other Western powers, there have been movements in the international community that can be critical to SCO.

As mentioned above, many of the member states are in debt to China while not having any profit from the BRI system. Since the BRI route construction hasn't been completed, it may be natural not to have any financial profits yet. However, because of the fact that the BRI project is done on a large scale, the main leaders of the SCO, which includes China and Russia, will have to find a way to support the member states that are in hardships.

The Question of Establishing New Partnership

Due to the worldwide inflation, followed by the COVID pandemic, members of the BRI project, including China, have lost vast amounts of budget. This phenomenon has led to a great reduction of the entire BRI construction. Furthermore, the Chinese government has officially announced that they will be reducing the amount of investment in the route construction. The BRI members will have to seriously think about a new solution that could combat inflation and carry on the operation.

Gathering new member states can be a way to settle the current situation. The Chinese government, following along with other members of the BRI project, will gain benefits from cooperating with new members. The new members can be Western countries which then can create a new route starting from Europe to the end of Asia, or even the United States. The movements of the SCO don't always have to be hostile to the Western power, especially in a situation where most nations are all having a hard time due to the aftermath of the pandemic.

The Question of Sustainability

Despite the massive profit that the BRI project could bring in the future, currently nearly all member states are having a hard time coping with the construction. As mentioned before, COVID has worsened the situation, and the Western powers, including the United States, have created their organization combating the SCO.

Some citizens of the member states are showing aggressive movements against their government due to the ongoing construction done in their country not only because of environmental issues but because of the huge amount of money the government is spending on the project. Since the situation is getting worse as time goes by, the members of the BRI project will have to discuss whether to carry on the project by finding and creating new measurements that will help to finish the construction or will have to reduce the scale of the project. The member states are consistently getting into debt to China and there is no other way than succession in order to solve this problem.

Citations

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