

China, Russia and Iran's Accession to the Shanghai Cooperation Organization (SCO) After Lifting the Sanctions

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Abstract. The nuclear deal and performing JCPOA (Joint Comprehensive plan of Action), have involved Iran's foreign policy as well as its economy in a new era of engagement; creating more political space and act in addition to regional and international cooperation. This agreement has had regional and global effects and dimensions, affecting all the regional coalitions and dynamics' insights. As a sample, change in Russia and China's approach to Iran full membership in Shanghai Cooperation Organization (SCO) can be noted. After eliminating the sanctions, they both have announced their consent on Iran's full membership in this organization, while acting as the main opponents before. The article intends to answer the question: "What's the purpose of SCO members, particularly Russia and China of Iran's full membership after elimination of sanctions?" A qualitative approach including all the related data in the survey showed that the members of SCO trend to accept Iran as an important trading partner, preventing it from tendency towards their west rivals.

Introduction

Shanghai Cooperation Organization (SCO) is one of the important organizations in commercial and economic exchange, including great countries such as China and Russia as the members. It has six permanent members as well as several observers, including the Islamic Republic of Iran. Iran has already brought up its demand for permanent membership several times, facing to the members' opposition specifically China and Russia. The Russian government had formally disagreed with Iran's membership; placed some conditions, one of which was being out of the chapter VII of the United Nations Charter and the Security Council resolutions of UN which deprived Iran due to the resolutions related to the nuclear issue. Rising the new government by Hassan Rohani in Iran and the nuclear deal with 5+1 group, accomplished by Mohammad Javad Zariff and consequently eliminating sanctions, has ended in changing the relations between Iran and the other countries [1].

The agreement led to developing the foreign companies' interest in participating in commercial and economic exchanges with Iran from one hand, and to making some actors such as Russia and China concern about forming some new issues such as the USA's influence in the region and Iran tendency towards West on the other hand. This has led to a change in their approach to accept Iran as the permanent member of SCO.

The main question considering all these issues is that: "What's the purpose of SCO members - emphasizing on Russia and China - of Iran presentation especially after elimination of sanctions?"

Some hypotheses related to the question are as follows:

1. Iran's membership in SCO can reinforce this organization and prevent Iran from tendency to the west.
2. Russia and China intend to go beyond a regional power taking advantage of Iran strategic and geopolitical situation in Middle East.

Change in Iran—West Relation after JCPOA

Final comprehensive nuclear agreement of Vienna formally called “Joint Comprehensive plan of Action” which was approved in 14 July, 2015 and many of the sanctions by the Security Council of UN, European Union and the USA against Iran were cancelled as a consequence. This led to an influx by so many European companies to invest in Iran. Capturing the opportunity, Iranian officials had trips to several European countries providing the preparation for the western companies and investors. Rohani, the president of Iran had a trip to Italy after 11 years, signing 14 cooperation documents worth about 17 billion dollars. Being one of the four strongest powers in Europe (after England, France and Germany) and a member of G8, Italy has occupied an important regional and global place due to commerce, trade and industry, providing Iran with a chance to visit the needs.

Rohani had a visit to his peer, Francois Hollande and 20 industrial owners, signing 20 cooperation documents such as buying 118 Airbus airplanes worth 23 billion Euro (25 billion dollars), shared investing of Peugeot-Citroen and Iran Khodro for a 400 million Euro (436 million dollars) investment during a 5-year period, and also signing a treaty with TOTAL Company for buying 150 to 200 thousands of Petroleum barrels per day. In addition after years, the first shipments of Iran Petroleum of 4 million tones destined to Europe and a new relation formed between banks and institutions in Iran with American - European partners.

Now many of the governments membered in the European Union are willing to enter the several billion dollar-economy of Iran, searching for new markets. Additionally it was heard that 28 members of the European Union have surveyed the ways to help Iran in joining to WTO (world trading organization). Although JCPOA is not a background for great transformations in the economic relations between Iran and USA because of no commercial relation and partial exchanges right now, undoubtedly implementation of JCPOA, and removal of sanctions provided a suitable opportunities for cooperation between Iran and European Union and it is highly expected to observe an increase in commercial exchanges with the USA as well as its more presence in the region.

Considering all these occurrences and situations, Russia and China intend to have a more active relation with Iran than before, preventing it from tendency to their west rivals. According to their national interests, there are different reasons for these two countries which will be explained separately.

Russia

It seems that Russia has several different reasons for supporting Iran to be a full member of SCO. One refers to the relations between Russia and the USA. As far as the two countries had a proper level of relations, Russia prevented Iran from getting the membership, due to this worry that Iran’s anti-west policies placed SCO in front of NATO, while this policy experienced a sudden turn after all the changes occurred by America; one of which was Ukraine issue and the USA endeavor to launch the Missile defense systems in the Eastern Europe.

Ukraine Issue

The turning point of Russia’s foreign policy and closeness to Iran refers to the Ukraine issue which had a great effect on Russia’s relations with the other countries. The issue backs to the political accidents and transformations dated on 2013-2014 during the President Viktor Yanukovich’s removal, and Arseniy Yatsenyuk came to power. The Ukraine accidents formed firstly with protests of November 2013 and the USA’s support of protesters and their requests, grounded for a challenge in Russia and US relations.

Russian leaders put the emphasis on the historical importance of having relation with Ukraine as well as the determining role of geopolitical on Russia’s European and global significance. Meanwhile USA had always been focused on decreasing Russia maneuver ability in Europe by supporting the requests and policies of the west wings. In fact the complex military and political conditions in North Eurasia and the Ukraine crisis as well as Russia interferences and the sanctions

against it, made the new situation for reinforcing inter - countries relations so much significant. Also signing the cooperation document of Ukraine, Moldova and Georgia with the European Union as the first phase of membership in this organization, not only has shook the EU availability to its geopolitical goals in the society of commonwealth countries, but also has complicated Russia's geopolitical condition in the western part. In this way Russia has a more serious look at the south and east, having no other way except paying more attention to the eastern countries; SCO, developing it and accepting more members.

Launching Missile Defense Systems in the East Europe

Since 2002, the US has tried in order to launch the missile defense systems in the east Europe. In this year some informal dialogue initiated in Poland and Czech Republic for surveying the possibility of stabling systems in these two countries, while the real dialogues based on a certain plan to establish a radar system for interceptor Missiles reported in summer 2006 in Poland [2].

In 2007, the announcement of the dialogues between the USA from one side and Czech and Poland from the other, was the start of new crisis between Russia and the USA from point of which made so many politicians and experts get worried about initiating a new arms race between the two powers. Russia's reaction to the plans was shown in different ways. The severe unprecedented critics of Putin during the 43rd security conference of Munich against the US behaviors, was mainly because of Russia's concern about the changes in the strategic balance between the two countries which would be caused as a consequence of launching these Missiles systems.

In this conference which was held in February soon after revealing the US plan, Putin announced that the developing design of Anti-Missile defense systems to Europe is not only helpful, but also offensive: "Plans to expand certain elements of the anti-missile defence system to Europe cannot help but disturb us. Who needs the next step of what would be, in this case, an inevitable arms race? I deeply doubt that Europeans themselves do." [3]

The answer to the US actions was not only ended with verbal critics, but also covered other different aspects, some of which were replying in the format of an offer containing the plan of shared use of Gabala Radar Station in the republic of Azerbaijan, suspending Russia's membership in the treaty on Treaty on Conventional Armed Forces in Europe (CFE) and taking off the strategic bomber aircrafts.

Although Obama's government finally put aside Bush Missile defense system in 2009, it unveiled the new one which was faced to Russia opposition. The US and NATO claimed that the new system has been designed to cope with the threats of Ballistic missiles and weapons of mass destruction originated from the Middle East.

Although the change in the US approach stopped the establishment of the missile system, it sounded the alarm for Russians over the spread of the US influence in their strategic regions. Meanwhile, Iran was to be of great significance additionally to the Central Asia. The significance was doubled by losing the Russia's influence on Iraq since the bureaucratic military construction and elites in Iraq were completely matched with Russia's interests. The US Intervention in Iraq destroyed the system of Baath Party and formed its military bureaucracy according to the American model. This was a serious failure for Russians. On the other hand, the transformation in the Middle East as well as the Syria crisis during the last years brought up the international role of Russia; the regional balance and the attention to Iran as a more serious issue in the politic literature. In other words, due to the different crisis in the region and Iran's strategic location along with the borders of south Russia and the former Soviet republics, Tehran ties is of great importance to Russia.

Russia is trying to develop its relation with the Islamic countries as a device to decrease the foreign support of separatists in some of its Muslim republics, preventing from Chechnya crisis to become an Islamic issue. In this way, Russia needs a trustworthy partner among the Islamic countries, which do exactly matches with Iran as a regional power influencing the globe by its highlight situation in the geostrategic region of Middle East and the Islamic world.

Therefore it can be said that the unilateral action of the US and NATO's eastward expansion has worried Russians to be secluded internationally, leading it to pay more attention to Iran. Russians

consider a turn to unity - alliance among the countries in the region and creation of mass security instead of NATO. In this condition, the nuclear deal and the possibility of the US influence in the region can affect Russia interests. In other words, the more crisis between Russia and NATO, the more possibility for Iran to be the permanent member of SCO. In fact the US policies due to expand NATO to the East, specially extend it to Ukraine during the last decade of 21st century as well as the European cooperation in this regard, provided necessary infrastructure for the US influence in strategically vital areas of the regions belonging to Russia. As forming Ukraine crisis and fall of the Ukraine's pro-Moscow government has made in line with this goal. So, the blur relation between Russia and the West which originated from the recent events would accelerate rotation of Russia to the East.

Since Iran can be mentioned as an obstacle against the United States, therefore, Russians try to keep their status as a great power by measures such as developing relations with Iran. As an organization which mainly controls by Russia and China, it would be of Russia's favor to give the permanent membership of SCO to Iran. In the new policy, Russia tries to develop its economic relation and leading the energy conduits towards the East in addition to expanding its political influence based on approaching more to the East and strengthening constructions such as BRICS, SCO, the Collective Security Treaty Organization and the Eurasian Union.

Russia hopes to develop its political relations by opening the new horizons to bilateral economic exchanges with Iran. As the Russian officials believe, there is a hope that Joint Comprehensive plan of Action would open a new horizon to the economic relations and specially trading exchanges between Iran and Russia. Signing a treaty for constructing two new nuclear power plants with Tehran was done in this regard. Meanwhile, China's new innovation due to establishing the Silk Road as well as the meeting among the heads of European Union and their position against Russia has made Russia look at Iran as a new significant alliance through SCO. It should be noted that the meeting of BRICS heads in Fortaleza (Brazil) in 2014 which initiated a form of struggle against the global monetary system made Russia and China more determined to do the process of accepting Iran in their group.

China

In addition to Russia, China- as a key player in SCO- revealed its tendency to Iran's full membership after the nuclear deal. China has its own particular reasons for this orientation some of which can be noted in the categories of economy, energy and security:

The economic notes refers to a plan so called as "a belt - a road" which in 2013 was expressed by Xi Jinping, the president of China; he declared that 40 billion dollars have been allocated to accomplish it. The main objective of this policy was the development of the western regions of China. The plan contains constructing and revivifying "the silk way" in the format of "the new silk road" connecting China to "Eurasia" and "The middle East" through a trillion dollar investment. China desires to develop goods exchange and trading with Iran, as the junction point in this road. This is why Xi Jinping has described Iran as one of the most significant countries within the "silk road strategy"; a strategy which is considered to be a super ambitiously one for China to infiltrate in its western markets.

Actually, Iran and China are two biggest commercial partners for each other; not only buying billion dollars of petroleum per year from Iran but also importing more than 23 percent of non-petrol exports of this country. Iron ore, Methanol, Chrome ore, decorative and building stones, minerals, chemical and petrochemical products are the biggest parts of export from Iran to China. In this way the two countries have decided to reinforce the economic relation due to a strategic cooperation determining to increase their exchanges from 52 billion dollars in 2014 to 600 billion dollars in ten years and even more during the future 25 years thereafter.

After the nuclear deal and removal of sanctions, meanwhile it was expected to see the leaders of non-partner countries to enter Iran for investing and compensating all the lost opportunities before, China was again the first ones to come and Xi Jinping's trip was a sign of Chinese understanding of Iran significant commercial place and the necessity for protecting and consolidating China's

situation in this country. On the other hand, China is decisively competing with the USA; trying to overtake it economically. Xi Jinping's trip to Iran and then to Egypt and Saudi Arabia, in which China was committed to strategic cooperation with Iran, paying a 50 billion dollar help to the Middle East and also taking part in constructing a refinery for S. Arabia, clearly defines Chinese high struggle to meet the goal.

Due to energy, it should be noted that China is in real need of Iran's energy sources. Asian newspaper - the "Financial Times" - announced in a report: "Iran would exchange its petroleum with Yuan, while the two countries trading cooperation would develop and renewed due to the ending of "Possible Military Dimensions" (PMD). China needs to purchase Iran's petrol and the need will grow even larger by developing its industry and increasing the population at the same time. In addition, due to the closeness to Iran, China considers Iran as the best way to access its requirements of Hydro carbonic energy. The tubes carrying energy from Iran has to travel only through Afghanistan to arrive in China. So, undoubtedly Iran is the most important valuable way of transmitting energy.

The report by China Customs shows that, due to the dependence on importing the Middle East petroleum, this country would be one of the greatest buyers of Iran's petrol during the next ten years. The report adds that China buys Iran's petrol to billions of dollars per year and it is expected to go over after the removal of sanctions. So as the China National Petrol Company, the petrol company of "zhuhai zhenrong company" and the "Sinopec" group have announced that by removing the sanctions, some of the bilateral differences between the two countries would be solved and they will have cooperate in great petrol and gas plans thereafter. In this way developing their commercial and energy cooperation as well as permanent membership of Iran in SCO would open the multilateral communication channels in the relations. By the same reasoning the permanent membership will bring the relation of Tehran and Beijing out of a mere bilateral one.

Due to the security concerns, it should be noted that China's strategic benefit contains suppressing the power of the US in Asia and Oceania. Since the Soviet Union collapse, the US presence in the central Asia region had been a matter of concern for China. China considers the US effort to shape allies with the Asian countries as a threat for its military and economic status.

This subject got more offensive and controversial after the US military presence in the region under the title of "fighting against terrorism". The nuclear deal and the speculation of security cooperation between Iran and the USA, led China to develop its relation with Iran, preventing any possibility of the US presence and interference in the region security. The policy of the United States since the cold war and then collapsing the Soviet Union system, the accidents of September 11, which made the US as the only superpower in the region, has shown that the US interests are severely linked with the Middle East issues; so, Iran can play a win - win game with the US to have a role in the regional changes and this would increase the possibility of Iran and America alignment in solving the region problems.

In this regard, more the presence and influence of America in China's security area or the alliance with its old allies, the more serious will be China's look at Iran as a close friend by accepting it as a permanent member of SCO. In other words it can be said that China is going to keep its least influence in the region by activating SCO more than before.

Conclusion

Shanghai Cooperation Organization was formed by China and Russia accompanying with some of the other region countries in order to keep the balance of power with the west authority over the world system. Its two important members - China and Russia - were opponent to Iran's permanent membership before the nuclear deal. Achieving the agreement and removing the sanctions, their approach changed and the tendency to accept Iran as a permanent member was greatly increased, although any of which reasons were different. Russia was mainly concerned with the political and security notes which included the possibility of influence and presence of the US in the region. After Ukraine crisis and launching the missile defense system in the east Europe, Russia considered the US as a threat to its own national interests; thus looked at the nuclear deal as the Americans'

trump card to influence the region resulting in Russia's isolation in the world. Thus Russia trended to reinforce its relations with Iran in the format of SCO, making it a stable organization role-playing as a rival to NATO too, since Iran is of great significance as a connecting bridge between the Middle East and the Central Asia.

Russia knew that any development in relations between Iran and the European countries would decrease its own importance as a security and commercial partner to Iran; particularly, considering the fact that Russia has already abused Iran as a mere tool to meet its own goals and gaining points from the west. Now Russia tries to be sure that can have Iran under its influence again and keep the status by following its membership in SCO.

Although some political and security notes had been effective in China's decision for supporting Iran's permanent membership, the issue of energy and economy are in higher position. China has some plans such as the "new silk road" as its most significant policies to turn into a super economy power. Therefore China wills to develop the exchange of goods through spreading commerce and trade with Iran as a unique connecting point in this way.

Although China has already had a great economic relation with Iran before lifting the sanctions, it considers increasing commercial and economic exchanges more and more so that they can surpass their European rivals in Iran's market. In addition, China requires a huge amount of energy mainly petroleum, which necessitates buying from Iran to the level of billion dollars, expecting an increase in their energy cooperation even more after the removal of sanctions. Thus permanent membership of Iran in SCO can be helpful to develop the bilateral economic relations as well as multilateral cooperation.

This is in the case that China's energy security is depending more and more on the Middle East and the Persian Gulf has been a part of China's security. From the energy point of view, the energy security, finding markets for goods exporting and services, investment in the region and also suppressing the US presence in the region can be of high attention. Therefore, China has to reinforce its relations with Iran and supporting its membership in SCO, leading to decrease the authority of the US in the region.

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