SAARC: A Study in Regional Co-operation

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By
TENTU ANIL KUMAR

Centre for Political Studies
School of Social Sciences
Jawaharlal Nehru University
New Delhi-110067
India

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CERTIFICATE

This is to certify that dissertation titled " SAARC: A STUDY IN REGIONAL COOPERATION", submitted by Tentu Anil Kumar, in partial fulfillment of the requirements for the award of the degree of Master of Philosophy of this University, has not been previously submitted for any other degree of this or any other University. This is my original work.

Tentu Anil Kumar

We recommend this dissertation to be placed before examiners for external evaluation.

Prof. Sudha Pai

CHAIRPERSON

CHAIRPERSON
Cenrre for Poltical Studies
School of Social Sciencei-II
Jawaharlal Nehru University
New Delhi-110067

Prof. A.K Ray

SUPERVISOR

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For Aditi...

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INTRODUCTION

"To date South Asia remains a symbol of Eastern Promise-Golden Opportunities yet to be realized. SAARC may be the catalyst that helps to promote fulfillment of the dream" – this is what the official website[1] on SAARC posts as its motto.

We have not sought to melt our bilateral relationship into a common regional identity, but rather to fit South Asian Cooperation into our respective foreign politics as an additional dimension – expressed by the then Indian Prime Minister Rajiv Gandhi in his address at the inaugural plenary session of the SAARC summit in December 1985 at Dhaka.

The study entitled **SAARC – A Study in Regional Cooperation** comprehends the nature, structure and prospects of the South Asian Association for Regional Cooperation (SAARC in short).I would like to cover this in 4 parts.

- the first being – historical background and theoretical understanding of regionalism.

- Second the evolution and objectives of SAARC

- Third the structural laxities impending the functioning of SAARC

- Fourth contrasting SAARC with other regional organization.

- Conclusion part includes

    (a) Costs and Benefits of Cooperation

    (b) Grey Areas

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[1] _www.sarck.comdownloaded_ on 2 Feb, 2000.

(c) Expansion of SAARC

(d) SAARC 2000 and Beyond.

One of the most outstanding development in contemporary world politics-particularly after the second world war, has been the spurt of regional organizations of different parts of the world, both the developed and the underdeveloped. The unprecedented growth of regionalism underscores the fact that regional cooperation is a more fruitful way of tackling pressing problems of economic development, dependence, security and settlement of disputes.

Going into details of what constitutes a Region – traditionally regions are defined primarily in geographic terms example the European, the North and South American, African, Asian, etc. As there's an exemption to every rule – some regional organizations like the NATO (North Atlantic Treaty Organization) the COMECON (Council for Mutual Economic Assistance) the commonwealth etc. defy such geographic criteria. Therefore a region in International relations may consist of a group of States posessing common security or political interests or common-economic and social values and goals. Thus the word regional would mean, "pertaining to a region".

Regional organizations are international organizations limited to a region and are generally based on

(i) a formal agreement or treaty among its constituent governments.

(ii) posessing diplomatic forums and

(iii) assisted by an associated international bureaucracy.

The term "regional cooperation" covers any inter-state activity with less than universal participation designed to meet some commonly experienced need. While *Regional Integration* refers to a process of creating new type of social communities in the form of regional economic, political or military groupings. Joseph Nye has noted that "integration is a process leading to political community – a condition in which a group of people recognizes mutual obligations and some notions of a common interest".

Historical Background

Coming to the historical background on regional organizations – which are considered a relatively new phenomenon- but the idea and practice of regionalism is by no means a new one. As the great Indian authority on Statecraft, *Kautilya* had observed that "your neighbour is likely to be your enemy but the neighjbour of your neighbour is likely to be your friend".[2] Since ancient times it was common for a group of States in a particular geographical area to band together for the attainment of common objectives. The mutual security groupings existed even among the Greek city-states and among the small states of China, before Christ. The phenomena of regional groupings began with the emergence of nation-states in the 17th century.

Progress of Regional Cooperation

The 19th century presented several example of regional security groupings like the Holy Alliance and the Germanic Confederation. The period between the two world wars - saw a sporadic spurt in various organization mainly military pacts but hey substantially led to the future formation of organizations on a world scale for example the League of Nations, NATO etc. However particularly the post-second World War period saw that

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[2] Kant Kishore Bhargava: "India and SAARC", World Focus.

regional organizations of various hues and types began to proliferate in Europe and later among the newly emerging third world countries. The one major shift or the single most contributing factor that explains the mushrooming of regional organizations is that – in the earlier periods it was mainly diplomatic and military contingencies that gave rise to regional groupings, while in contemporary international relations the lack of self-sufficiency of the State in satisfying the basic needs of its citizens led to the growth of regional organizations. In a way Regionalism has also come to be regarded as constituting "*an important middle ground*" between "the individual nation and a federation of the world".

The idea that there is a complementarity not only in the similarities but also in the disparity have stimulated regional cooperation. Regional cooperation is thus a *multi-dimensional process*.

LITERATURE REVIEW

In this part I would like to bring about the books that helped me in forming a concrete and substantial idea about my dissertation. Due to space considerations it wouldn't be possible to list each and every book. Since it would be more appropriate if I bring about the books published in the last decade that revolutionized the conventional thinking on SAARC in particular, and other regional organizations in general.

SAARC 2000 AND BEYOND

This book edited by L.L. Mehrotra, H.S.Chopra, Gert. W. Kureck[3]- comprises 26 papers presented by eminent South-Asian academics, diplomats and political personalities as well as German scholars at an international seminar on "SAARC 2000 and Beyond", organized jointly by the India International Center (IIC), Jawaharlal Nehru University (JNU) and Konrad Adenauer Foundation at New Delhi from 22-24 March in 1995.

The three day seminar (basically which came out in the book form) deliberated with sharp focus on the mist critical political, economic and social issues relative to the transformation of conflictual dynamics into the dynamics of peace and development in the region. Inter alia it discusses, the following issues:

-impact of arms build up in South Asia on the process of peace and development,

-benefits of regional co-operation and costs of non-co-operation,

-poverty eradication in South Asia,

-collective efforts to improve the quality of life of the people of the region,

-strategy for interface between environment and development,

-regional co-operation in science and technology,

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[3] L.L.Mehrotra, H.S. Chopra and Gert. W. Kureck, Eds "SAARC 2000 and Beyond", (New Delhi, 1995).

-movement towards a single market for South Asia,

-the experience of the EU and ASEAN and their relevance to SAARC, and

-the SAARC Charter as a frame for regional co-operation, its effectiveness and the need for its review to meet emerging challenges.

The unique salience of this study lies in its sharp focus on the most critical of the political, social and economic issues relevant to the transformation of conflictual dynamics into the dynamics of peace and development in the region. Inter alia, it examines SAARC as a framework for regional co-operation, the interplay of adversarial politics that exacerbated conflicts and tensions in the region, in the past, and now in the post-Cold War era, how it has become imperative for the member states to cohere for peace and development in the region. It also deals with economic and social costs of conflicts and benefits of regional co-operation. It also focuses on alleviation of poverty and safeguarding minority communities and human rights. Finally, it considers the relevance of the ASEAN and the EU paradigms to strengthen SAARC and for turning it into an instrument of socio-economic transformation for bringing the region into the mainstream of global development. Thus the book has given valuable insights for developing my dissertation.

SAARC: DYNAMICS OF REGIONAL CO-OPERATION IN SOUTH ASIA

This book edited by B.C. UPRETI[4] is basically brought about in two volumes. Volume I deals with the nature, scope and perceptions of the regional organization SAARC, while Volume II highlights the areas and dimensions of co-operation. Going into details- Volume I of the book wherein the nature, scope and perceptions are dealt throws greater light on the pertinent and the million dollar question- why regional co-operation? makes an interesting study. The nature and scope of the SAARC are very clearly dealt with clearing most of the misconceptions arising about the scope of the SAARC. While Volume II- deals with areas and dimensions of co-operation. Its about the promotion and consolidation of the spirit of the SAARC. Here the author argues that the cost of non-co-

operation is too high a price to be paid than co-operation,. Thus he goes on to specify the areas and dimensions of co-operation. It turns out to be mainly an agenda and a vision of the SAARC. How effectively should SAARC overcome the initial turbulent phase to expand into different fields of co-operation like science and technology, environment, education, poverty eradication etc. The book certainly makes an invaluable reading on the topic of SAARC.

To sum up it would be more apt to remember what Dr. Karan Singh wrote in his forward to the book "SAARC 2000 and Beyond"[5]- "ultimately global society will develop as a result of the growth of these regional organizations and unions which would then form what Tennyson once called the **Parliament of Man-the Federation of the World**. Are we going to be the **prisoners of the past or pioneers of the future**, that is the basic question facing us today."

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[4] B.C. Upreti, "SAARC: dynamics of regional Co-operation in South Asia", (New Delhi, 2000).
[5] See forward in L. L.L.Mehrotra, H.S. Chopra and Gert. W. Kureck, Eds "SAARC 2000 and Beyond", (New Delhi, 1995).

Chapter I

Theoretical Study of Cooperation and Integration

The most conspicuous development in the field of international relations, beginning in the post-war period has been the proliferation of organisations for regional cooperation. The term region may be defined as a convenient geographical area controlled by sovereign governments whose interests in a particular subject are sufficiently compatible for them to be able to enter into multilateral cooperation. Regional cooperation is a term covering any inter-state activity with less than universal participation for certain common goals.

For centuries states have remained primary actors of the world system. State diplomats carried out most international interactions and dictated the course of world affairs.[1] But with tremendous improvements in both telecommunications and transport, new associations have established around the globe. People with common interests, heritage, culture and beliefs are interacting as never before. This idea is reflected in the works of *Bruce Rich*, "*Mortgaging the Earth*", (Boston, MA Beacon Press) 1994, Jessica Mathews, "The Age of New State Actor"[2], Foreign Affairs, (January/February 1997), *Werner Feld, Robert Josdun* and *Leon Hurwitz*, eds., "*International Organizations*', 3rd edition (Westport, Praegers Publication), 1994 and Segour Brown, 'New forces Old force and the future of world politics: Post War Edition; (New York, Harper Collin, 1995. Non-

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[1] http://www. Complex interdependence.com

[2] Jessica Mathew's, "The Age of New State Actor", Foreign Affairs, (January/February 1997)

Governmental Organisation (NGOs), Multinational Corporations (MNCs) and treaty organisations (SAARC,EU, ASEAN etc.) have formed because of the technological revolution.

COOPERATION A THEORETICAL FRAMEWORK

The focus of international-relation theory has always been the study of the causes of conflict and the conditions for cooperation. The study of political relationships, within or among states, encompasses conflict and cooperation.[3] Cooperation may occur as a result of adjustments in behaviour by actors in response to, or in anticipation of, the preferences of other actors. Cooperation can be negotiated in a bargaining process that is explicit or taxit. Cooperation may be the result of a relationship between a strong actor and a weaker party.[4] Hegemonic powers may provide stability that enhances the security and economic well-being of lesser states in the form of Pax Britannica of the nineteenth century or the more recent Pax-American. The hegemonic power provides a basis for mutual gains in the form of expanding markets of military protection.[5]

Cooperation has been defined as a set of relationship that are not based on coercion or compellence and that are legitimized, as in an

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[3] James. E. Dougherty and Robert L. Pfaltzgraff, Jr., "Contending Theories of International Relations" (New York, Addison Wesley Pub. 1997), p.418.

[4] Joseph Grieco, Cooperation Among Nations (Ithaca: Cornell University Press, 1990).

[5] Helen Miluer, "International Theories of Cooperation Among Nations", World Politics, 44 (April 1992), especially 467-470.

international organisation such as the United Nations or the European Union.[6] State actors develop cooperative relationship within international organisations and within international regimes, defined as agreed rules, regulations, norms and decision -making procedures, within which states seek to resolve issues and around which actor expectations coverage. How and why states define their interests in terms that include participation in formal institutions at the international level or as part of international regimes, as well as coalitions and alliances, provides a major arena for theory building.

Cooperation may arise either from a commitment on the part of the individual to the welfare of the collectivity or as a result of perceived self-interest. The classical model for understanding the basis of cooperative behaviour in pursuit of self interest is found in the *Prisoner's Dilemma game* in which the two Prisoners, each held in isolation from the other, have an incentive either to cooperate or defect. If they cooperate, in the sense that neither confesses to the crime, both may be freed for lack of evidence. If one confesses in the hope of a plea bargain, the other will receive a heavier sentence than the other who confesses. Under what condition, therefore, does each have an incentive to cooperate with the other in pursuit of self-interest? This becomes a classic case among the member nations of various

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[6]   A.J.R. Groom and P. Taylor eds., "Framework for International Cooperation" (London: Pinter Publishers, 1990), p.3.

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Regional Organisations. Even to a larger extent they follow. *Jean Jarques Roussen's game of Stag Hunt* which sets forth a model in which the Stag is most likely to be captured if all participants in the chase work together in pursuit of their common goal.[7] If one or more participants defect, say to chase a rabbit, the stag is more likely to escape. Thus, with cooperative behaviour, the stag will be subdued, and all will benefit in the form of a good meal. In both the *Prisoner's Dilemma* and *The Stag Hunt*, the key to cooperative behavior lies in the extent to which each person believes that the others will cooperate. The problem may be illustrated by reference to the case of which two states maintain international trade barriers. If both remove such obstacles, each will benefit. If one nation gets rid of trade restrictions unilaterally, the other has an incentive to enter the new markets thereby provided while keeping its own domestic market closed to imports.

Of central importance for a *Theory of Cooperation* is the extent to which the incentives for, or benefits from, cooperation can be run to outweigh the incentives to act unilaterally. The frequent repetition of interactions, the development of greater communication and transparency between states in the form of exchange of information about the objects of cooperation, and development of every rudimentary institutions in which

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[7]   Robert Jervis, "Cooperation under the Security Dilemma, "World Politics 30, (2) (January 1978), p.167-214.

such cooperative patterns can be realized represent ingredients in a theory of cooperation based on self-interest in an archaic international system.[8]

Multilateralism

In any theoretical discussing of international cooperation encompasses relationships between two states or relationships among larger numbers of units, known as *Multilateralism*. Generally cooperative arrangements emerge frequently between two states, a major focus of international cooperation has been multilateral. According to *John Gerard Ruggie*, Multilateralism is defined as an "institutional form that coordinates relations among three or more states on the basis of generalized principles of conduct".[9] Thus the term multilateral so defined refers to generalized principles of conduct that may be expressed in a variety of institutional settings across a spectrum that includes international organizations, international regimes, and less concrete phenomena termed international orders, such as the open trading order of the late nineteenth century or in the era of the global economy of the late twentieth century. Accordingly, multilaterlism, cooperation among three or more actors may be based on a broad range of items or on specific issues. Cooperative action may take place within an institutional setting that is more or less formal, with greater

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[8] Geoffrey Garnett "International Cooperation and Institutional Choice", (Spring 1992), p.533-557.

[9] John Gerard Ruggie ed. "Multilateralism Matters: The Theory and Praxis of an Institutional Form (New York: CUP, 1993), p.11.

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or lesser numbers of agreed rules, accepted norms, or common decision-making procedures.

Integration:Political Community

Beyond the multilateralism of international organizations, international regimes, international actors lies the concept of political community and the process of integration by which regional entities are created. The pertinent question would be what conditions and circumstances contribute to the building of larger integrated entities beyond the nation-state at the regional or global levels?

Integration is defined as a process leading to a condition called *"Political Community"*. Integration theorists have emphasized the integrative process at the International level as primarily consensual or based principally on the development of shared norms, values, interests or goals. The evolution of integration beyond the nation-state is said to depend on perceived shared needs. If we begin from the basic assumption that global conquest as a basis for world order has proven impossible, it follows that the units of the international system will move toward *cooperative arrangements* as the basis for regional or global political community. ERNEST HASS[10] defines integration as a "process whereby political actors in several distinct national settings are persuaded to shift their loyalties,

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[10]   Ernst B. Hass, "The Uniting of Europe (Stanfrod, CA. SUP, 1958) p.16.

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expectations, and political activities toward a new centre, whose institutions possess or demand jurisdiction over the preexisting national states". If the present international scene is conceived as a series of interacting and mingling national environments, and in terms of their participation in international Organizations, then integration would describe the process of increasing the interaction and the mingling so as to obscure the boundaries between the system of international organizations and the environment provided by their national-state members.[11]

Another integration theorist *Karl W.Deutsch* referred to political integration as a process that may lead to a condition in which a group of people has attained within a territory a sense of community and of institution and practices strong enough to assure, for a long time, dependable expectations of peaceful change among its population.[12] Deutsche suggested that integration is a matter of fact, not of time.[13] He also maintained that political integration can be compared to power, for we recall that power can be thought of as a relationship in which atleast that actor would act otherwise (i.e. if this power were absent).[14]

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[11]   Ernst B. Hass, "Beyond the Nation-State", (Stanford, CA: SUP, 1964), p.29.

[12]   Karl W. Deutsch et al., "Political Community And The North Atlantic Area" (Princeton NJ: Princeton University Press, 1957), p.5.

[13]   Ibid., p.6.

[14]   Karl W. Deutsch, "The Analysis of International Relations, 2nd ed. Englewood Cliffs, NJ: Prentice - Hall, 1978), pp.189-199.

Implicit in theories of cooperation and integration, has been the need to explain such behaviour in a decentralized systematic setting in which, nevertheless, there are issues said to have an impact on all or several parts of the globe.[15] Therefore much discussion has been focused on the process by which integration takes place in a cooperative mode, and specifically in functional arenas in which the need for such cooperative behaviour is believed to exist. Such function transcend the capacity of the nation-state to achieve satisfactory solution by unilateral means. Therefore, states are said to have had an interest in cooperative relationships designed to find mutually acceptable solutions to common problems. The agenda of issues calling for cooperative action includes international trade, the environment, communications, migration, health, investment, transportation and ecology. In contrast to issues of political-military security, or what is termed *high politics,* of political concern to realist theory, this other agenda of issues is said to constitute *low politics.* Instead of focusing on the nature of conflict in an anarchic society, emphasis is placed on the circumstances in which states engage in cooperation in specific functions in which they have cooperative interests that cannot be addressed by the nation-state acting alone.

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[15]   A.J.R. Groom and Margot Light, "Contemporary International Relations: A Guide to Theory", (London: Pinter Publishers, 1994), pp.81-87.

James E. Dougherty and Robert L. Pfaltzgraff Jr. whose seminal work- *"contending Theories of International relations"*,[16] had opined that writers on integration have several features in common. All are concerned with the process by which loyalty or attention is shifted from one point of focus toanother. They sharean interest in patternsof communications and transactions within units to be integrated. In general, integration theorists hold that persons adopt integrative behavior because of expectations of joint rewards for doing so or penalties for failing to do so. Successful integration depends on people's ability to internalize the integrative process- that is for member elites, rather than external elites, to assume the direction of an integrative process. Integration theorists emphasize the effect of integration in one sector. On the ability of participating units to integrate in other sectors. Finally, it is broadly assumed that integration is a *multidimensional Phenomenon*[17] that encompasses the political, societal. Cultural, and economic dimensions, leading to a sense of *common identity* and *integrated community*

FUNCTIONALISM:-

Functionalism provides the essential basis for an understanding of much twentieth-century integration and cooperation theory. The work of

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[16] James E. Dougherty and Robert L. Pfaltzgraff Jr., "Contending Theories of International Relations", (New York: Wesley Longman Pub., 1997), p.421.

[17] Ibid., pg. 422.

DAVID MITRANY " A Working Peace System" [18] has greatly influenced

subsequent efforts to develop integration theory. According to Mitrany the

world of the twentieth century was characterized by growing numbers of

technical issues that could best be revolved only by cooperative action

across state boundaries. Such issues, whether within or among states, could

best be addressed by highly trained specialist ortechnicians rather than by

politicians. Mitrany believed that the emergence of technical issues would

lead first to the felt or perceived need for collaborative action, devoid of a

political or conflictual, content, and therefore assignable to technical experts

whose approaches were essentially based on apolitical considerations

Mitrany says, such pressing problems could be addressed outside the

politicized content of ideology solutions or nationalism.By emphasising

cooperation in order to find solutions according to a specific need or

function. Mitrany suggested, the basis would be created for a thickening

web of structures and procedures in the form of institutions. Successful

cooperation in one functional setting would enhance the incentive for

collobration in other fields.

According to Mitrany, it was essential, through a cooperative learning

process, to replace mutual suspicion with growing trust. Thus, functionalism

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[18]   David Mitrany, "A Working Peace System", (London: Royal Institute of International Affairs, 1943).

contained the basis for what Mitrany termed *ramification.*[19] In this sense he was convinced that the process by which such cooperation came about as a result of perceived need in one functional task would in itself contribute to a change in attitudes in favour of even greater cooperation over a widening spectrum of issues. Such a process would not only broaden and deepen the sectors of cooperation, but also diminish prospects for, and eventually eliminate was by a transformation in behavioral patterns from conflictual to cooperative.   From   functional   cooperation   wouldcome   necessary international institutions, in the form of organizations and regimes, based on multilateralism in   the terminology of many of Mitrany's intellectual successors.[20]

NEONFUNCTIONALISM

Neofunctionalism   represents   the   intellectual   descendant   of functionalism. Its principal contribution lies in the elaboration, modification and testing of hypotheses about integration. Much of the focus of neofunctionalist theory is placed on the role of political parties and interest groups and the extent to which political elites in the units to be integrated support or oppose integration. Neofunctionalist theory, within its European Union context, attaches major importance to an integrative process leading

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[19]   Ibid.

[20]   A.J.R., Groom and Paul Taylor, eds. "Framework for International Cooperation" (London: Pinter Publications, 1990), pp.125-138.

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ultimately to a federation or political Union.[21] Neofunctionalist writings include works by *ERNST HAAS, PHILIPPE SCHMITTER, LEON LINDBERG, JOSEPH NYE, ROBERT KEOHANE* and *LAWRENCE SCHEINEMAN* .

ERNST HAAS examined the European coal and steel community(ECSC) and postulated that the decision to proceed with integration, or to oppose it, depended on the expectation of gain or loss held by major groups within the unit to be integrated. It seems more reasonable to focus on the interests and values defended by them as far too complex to be described in such simple terms as the desire for *Franco-German peace* or the *will to a united Europe.*"[22] Haas assumed that integration proceeds as a result of the work of relevant elites in the governmental and private sectors, who support integration for essentially pragmatic reasons such as the expectation that the removal of trade barriers will increase markets and profits. Elites anticipating that they will gain from activity within a supranational organizational framework are likely to seek at similarly minded elites across national frontiers.

Moreover, actors relate that their interests are best served by a commitment to a larger organization, learning contributes to integration. Haas advances the corollary: "Integrative lesson learned in one functional

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[21]   Ibid., pp.138-150.

context one applied in others, thus eventually supplanting international politics."[23] Crucial to integration is the "gradual politicization of the actors purposes which were initially considered 'technical' or 'noncontroversial'."[24] The actors become politicized, Haas asserts, because, in response to initial technical purposes, they agree to consider the spectrum of means considered appropriate to attain them. Therefore, Haas suggested that expert managers of functionally specific national bureaucracies, joined together to meet a specific need, are likely to be the most effective carriers of integration.

Effects of Spillover In Integration

Central to HAAS work is the *concept of Spillover*".[25] Or what Mitrany called the "*doctrine of ramification*". In his examination of the ECSC, (European Coal and Steel Community) Haas found that among European elites directly concerned with coal and Steel, relatively few person were initially strong supporters of the ECSC. Only after it had been in operation for several years did the bulk of leaders in trade Unions and political parties become proponents of the community. Moreover, such

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[22] Ernst B. Haas, The Uniting of Europe, op.cit., 13.

[23] Robert Pfaltzgraff, Jr, Britain Faces Europe 1957-1967, p.48.

[24] Haas and Schmitter, International Political Committees: An Anthology (New York: Double Day, 1966), p.262.

[25] Ernst B. Haas, "Beyond the Nation-State (Stanford, CA: SUP, 1964), p.98.

groups, as a result of gains that they experienced from the ECSC, placed themselves in the vanguard of other efforts for European integration, including the European common market. Thus, there was a marked tendency for persons who had experienced gains from supranational institutions in one sector to favour integration in other sectors. "Earlier decisions spill over into new functional contexts, involve more and more people. Call for more and more interbureaucratic contact and consultations, meeting the new problems which grow out of the earlier compromises".[26] Thus there was an expansive logic that contributed to spill over from one sector to another. The process is one whereby the nations upgrade their national interests in a larger integrative setting.

The integration experience of western Europe in the 1960s led *Haas* to modify further the spill over concept. Similarly *Phillippe Schmitter* has suggested that the spillover concept must be modified, refined, and qualified in a typology of strategic options available to actors. These include, besides spillover, *spill around* - that is, an increase in the scope of functions performed by an integrative organisation but not a corresponding growth in authority; *a buildup* an increase in decisional autonomy and authority of an integrative organization, without entry into new issues areas; *retrenchment* increases in the level of joint arbitration while reducing the authority of an

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26   Ernst B. Haas, "International Integration: The European and The Universal Process", International Organisation, XV (Autumn 1961), p.372.

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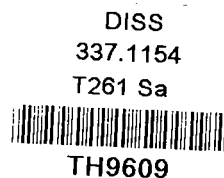
integrative organisation; and *spill back* - a retreat both in scope of functions and authority of an integrative organisation to a previous situation. *Schmitter* hypothesizes that "successive spillovers or package deals" encompassing new issues, as well as less conspicuous forms of spill-around, may provide the basis for major strides toward political integration.[27]

Joseph Nye And Neofunctionalism

Building on the work of Haas and of Mitrany before him, several scholars have made an effort to refine neofunctionalist theories of integration. Among them is Joseph Nye[28] whose contribution lies in developing a neofunctionalist model based on "process mechanisms" and integrative potential. Nye suggested that neofunctionalist literature contains seven "process mechanisms" around which he reconceptualizes and reformulates neofunctionalist theory.

1. **Functionalist Linkage of Tasks of the Concept of Spillover**

Nye hypothesizes that "imbalances created by the functional interdepence or inherent linkages of tasks can be a force pressing political actors to redefine their common tasks.[29] However, such redefinition of tasks

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[27]   Philippe C. Shmitter, "A Revised theory of Regional Integration", International Organization, 24 (4) (1970), 846.

[28]   J.S. Nye, Peace in Parts: Integration and Conflict in Regional Organisation (Boston Little, Brown, 1971), pp.56-58.

[29]   Ibid., p.65.

does not necessarily lead to an "upgrading of common tasks. The experience can also be negative.[30] Thus, if the linkage of tasks can cause spillover, it can also provide *spill-back.* Nye's observation on this point may be applicable to the E.U., (European Union) where elites and interest groups benefited in the earlier stages of integration, but with economic growth, they later became reluctant to take additional integrative steps when growth rates dropped off.

2.   Rising Transactions

Integration is hypothesized to be accompanied by an increase in transactions, including trade, capital movement, communications, and exchange of people and ideas. Political actors in a scheme for regional integration, faced with heavy demands on common institutions resulting from an increasing volume of transactions, may choose to deal with them on a strictly national basis, or they may decide to strengthen the common institutions. According to Nye, "Rising transactions need not lead to a significant widening of the scope (range of tasks) of integration, but to intensifying of the central institutional capacity to handle a particular task".[31]

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[30]   Ibid., p.66.

[31]   Ibid., p.67.

3. Deliberate Linkages and Coalition Formation

Here, Nye focuses on spillover, or what he terms *accentuated spillover*, in which "problems are deliberately linked together into package deals, not because of technological necessity, but because of political and ideological projections and political feasibilities".[32] Drawing heavily on the experience of the EU, Nye points to the efforts of politicians, international bureaucrats, and interest groups to create coalitions based on linked issues. Although such efforts may promote integration, they may have a negative effect if, for example the political fortunes of a group supporting integration, or an issue identified with integration, decline. The extent to which integration can be broadened in appeal is a function of the extent to which a coalition in favour of integration enjoys widespread public support.

4. Elite Socialization

Nye cites numerous examples of the growth of support for integration arising from elites who have participated actively in an integrative scheme. The extent of which national bureaucrats become participants in regional integration will determine the level of their socialization - deemed important because national bureaucrats are said to be wary of integration because of the possible loss of national control. However if the other process

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[32] ibid., p.68.

mechanisms considered by Nye do not facilitate integration, the socialization of elites, especially bureaucratic groups in favour of regional integration may serve to isolate the elites from the mainstream of attitudes and of policy in their home countries.

5. Regional Group Formation

Regional integration is said to stimulate the creation, both formally and informally, of nongovernmental groups or transnational associations viewed in the context of both the EU and others settings, such as central America and Africa, Nye asserts, such associations remain weak. Only the more general interests are aggregated by such groups at the regional level, whereas the more specific interest remain within the purview of national-level interest groups.[33]

6.   IDEOLOGICAL- Identitive Appeal

The establishment of a sense of identity represents a powerful force in support of regional integration. According to Nye, "The stronger the sense of permanence and the greater the identitive appeal, the less willing are opposition groups to attack an integration scheme frontally."[34] Under such conditions, members are more likely than other-wise to tolerate short-term losses, and businesses are more likely to invest in the expectation that they

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[33]   Ibid., p.73.

[34]   ibid.

will benefit, on a continuing basis, from the presence of a large market. However the existence of national integrative institutions may satisfy a " weak popular sense of regional identity."[35] The growth of regional-identitive appeal within same groups may serve only to increase the opposition of insecure nationalist leaders and private-sector groups, especially if the perceived gain from integration at the regional level are uncertain.

7.   INVOLVEMENT OF EXTERNAL ACTORS IN THE PROCESS

To a greater extent than earliest Neo-functionalist theory, Nye posits the importance of external actors and their active involvement in his neofunctionalist model as part of the process mechanism. He notes the importance of outside governments and international organizations, as well as nongovernmental actors, as catalysts in regional integration schemes.

Central to Nye's neofunctinalist model is what he terms *integrative potential-* that is, the integrative conditions stimulated by the process mechanism. Here, he sets forth four conditions that are said to influence both the nature of the original commitment and the subsequent evolution of an integrative scheme.

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[35]   Ibid., p.73.

1. *Symmetry or Economic Equality of units:-*

It matters not so much whether there exist core areas for integration or whether the prospective participants are relatively equal in size. Instead, a relationship is said to exist among trade, integration and level of development, measured by per-capita income. Nye hypotheses, "It almost looks as if the lower the per capita income of the area, the greater the homogeneity in size of economy must be."[36]

2. *ELITE VALUE COMPLEMENTARITY*

Nye acknowledges that the extent to elite groups within integrating entities think alike is of considerable importance. In fact, he suggests that the higher the level of elite complementarity, the more likely the prospects for sustained impetus towards regional integration. However he holds also that elites have worked together effectively on a transnational basis may subsequently embrace divergent policies that are not conducive to integration.

3. *EXISTENCE OF PLURALISM:-*

Functionally, specific diverse groups are said to enhance the likelihood of integration. Here, Nye points to a major difference between the west European experience and that of the Third World, where such groups

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[36]   Ibid., p.80.

are relatively absent. According to Nye, "The greater the pluralism in all member states, the better the conditions for an integrative response to the feedback from the process mechanisms."[37]

4. CAPACITY OF MEMBER STATES TO ADAPT AND RESPOND:-

This factor is said to depend vitally on the level of mutual responsiveness within the political units to be integrated into a larger regional entity. The higher the level of domestic stability and the greater the capacity of key decision makers to respond to demands within their respective political units, the more likely they are to be able to participate effectively in a larger integrative unit.

Finally, four conditions are likely to characteristic the integration process over time.

(1) Politicization------- the means by which problems are resolved and competing interests are reconciled.

(2) Redistribution--- with the crucial issue being the phasing of the changes in status, power, and economic benefits among groups within the integrating unit,

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[37]   Ibid., p.82.

(3) Redistribution of alternatives--- the extent to which, as the integrative

process proceeds, decision makers face pressures to increase the level

and the scope of integration.

(4) Externalization---- the extent to which members of an integrating unit

find it necessary to develop a common position on issues in order to deal

with nonmembers.

A neofunctionalist model such as that developed by Nye provides a

framework for comparing integrative process in more developed, and less

developed regions of the world. In summary, micro regional economic

organizations have strengthened functional links that in turn have improved

relationships among members. Macroregional political organizations have

played a constructive role in controlling interstate conflict among members,

although such organizations were unsuccessful in cases of primarily internal

conflict- a serious limitation, Nye admits, in light of the importance of such

conflict in the late twentieth century.[38]

KARL DEUTSCH:- TRANSACTIONS AND COMMUNICATIONS-

Among the major contributors to the theory of integration was *Karl*

Deutsch, who attempted to study the process by which political communities

are formed, with his major emphasis in his work on the development of

indicators based in communication patterns and transaction flows. *Deutsch*

drew on the mathematician *NORBERT WIENER'S* writings of Cybernetics and on Talcott Parson's wok on general systems. Deutsch quoted the following passage from wicner:

"The existence of social science as based on the ability to treat a social group as an organisation and not as an agglomeration. Communication is the cement that makes organizations. Communication alone enables a group to think together, to see together and to act together. All sociology requires the understanding of communication".[39]

Communications among people can produce either friendship or hostility, depending on the extent to which the memories of communications are associated with more or less favourable emotions. Nevertheless, in Deutsch's scheme, political systems endure as a result of their ability to abstract and to code incoming information into appropriate symbols. The building of political units depends on the flow of communications within the unit, as well as between the unit and the outside world.

Deutsch was concerned with the relationship between communications and the integration of political communities.[40] Countries are "Clusters of population, united by grids of Communication flows and

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[38]   Ibid., pp.172,198-199.

[39]   Quoted in Karl W. Deutsch, "The Nerves of Government (New York: Free Press 196r), p.77.

[40]   Karl W. Deutsch, "Nationalism and Social Communication (Cambridge, MA: MIT Press, 1953), p.96.

transport systems, and separated by thinly settled or nearly empty territories."[41] Peoples are groups of persons joined together by an ability to communicate on many kind of topics; they have complementary habits of communication. Generally, boundaries are areas in which the density of population and communications decline sharply. Diverse peoples become integrated as they become interdependent. "Wherever there is immediate interdependence, not for just one or two specialized goods or services but for a very wide range of different goods and services, you may suspect that you are dealing with a country.[42] *Interdependence among nations is far lower than interdependence within nations.* In fact, measured by foreign trade, Deutsch concluded that most countries were less interdependent in the mid-twentieth century when he wrote than they were in the nineteenth century, because trade, as a percentage of GNP (Gross National Product) had declined.[43]

Deutsch and his associates set forty two kinds of security communities: *amalgamated* in which previously independent political units had formed a single unit with a common government; and *Pluralistic*, in which separate governments retained legal independence. The integration process that was studied was found not to be unilinear in nature. The

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[41] Karl W. Deutsch, "The Impact of Communications" in Abdul Said ed., "Theory of International Relations: The Crisis of Relevance" (Englewood Ciffs, NJ: Prentice Hall, 1968), p.75.

[42] ibid., p.76.

[43] Ibid., p.84-90.

essential background conditions do not come into existence simultaneously, nor are they established in any special sequence. "Rather it appear to us from our cases that they may be assembled in almost any sequence, so long as all of them come into being and take effect."[44]

ALLIANCE:COOPERATIVE RELATIONSHIPS

In the self-help systems described by classical realist and nonrealist theory, states cooperate with each other in formal and informal arrangements - in alliances or coalitions - in order to enhance their security against actors perceived to pose a threat. Such *cooperative relationships* extend to other levels of analysis. At both the international and the domestic levels, groups are formed to enable their members to achieve a shared objective. Because such groups are disbanded when the objective for which they were created has been attained, they are far less enduring than the political communities, the formation and structure of which are of concern to writers. Alliances are designed to facilitate the attainment of goals by as *Robert L. Rothstein* suggests "introducing into the situation a specific commitment to pursue them; to a certain extent, it legitimizes that pursuit by inscribing it in a treaty, and it increases the probability that the goals will be pursued because

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[44]   Karl W. Deutsch, "Political Community and the North Atlantic Area".

the alliance creates a new status which makes it more difficult for the parties to renege on each other."[45]

According to *Robert E. Osgood,* an alliance is a "latent war community, based on general cooperation that goes beyond formal provisions and that the signatories must continually estimate in order to preserve mutual confidence in each other's fidelity to specified obligations."[46] Thus alliances have usually been formed in international contexts in which conflict, or the threat of conflict, is present.[47]

Among the theorists of alliance behaviour, in the forefront are *George Liska* and *William Rikes.* In their theoretical frameworks, Liska and Rikes are similar in several respects. First, they agree that alliances or coalitions, disband once they have achieved their objective, because they are formed essentially "against, and only dirivatively for, someone or something."[48] Although a sense of community may reinforce alliances or coalitions, it seldom brings them into existence. In forming alliances to achieve some desired objective, decision makers weigh the cost and rewards of alignment. A decision to join an alliance in based in perception of rewards in excess of

[45] Robert L. Rothstein, "Alliances and Small Powers" (New York: Colombia University Press, 1968), p.55.

[46] Robert E. Osgood, "Alliances and American Foreign Policy (Baltimore) : John Hopkim Press, 1968), p.29.

[47] See Introduction in Francis A. Beer, ed., "Alliances: Latent War Communities in the Contemporary World (New York: 1970).

[48] George P. Liska, "Nation in Alliance: The Limits of Interdependence" (Baltimore: John Hopkim Press, 1962), p.12.

costs. Each country consider the marginal utility from alliance membership, as contrasted with unilateral action. Ultimately, the cohesiveness of an alliance "rests on the relationship between internal and external pressures, bearing on the ratio of gains to liabilities for individual allies.[49]

According to *Liska,* nation join alliances for *security, stability* and *status.* In Liska's theory, a primary prerequisite for alliance cohesion is the development of an alliance ideology. The function of alliance ideology is to provide a rationalization for alliance. In performing this function, ideology "feeds on reflective memory of the past and outlines a program for the future.[50]

Balance of Power

In Riker's framework, the formation of one coalition contributes to the formation of an opposing coalition. When one coalition is on the verge of victory, neutral actors often join the weaker of the coalitions to prevent the stronger from attaining hegemony. If neutral members do not align themselves with the weaker side, some members of the leading coalition must shift to the weaker of the two coalitions if the system is to regain equilibrium. *Equilibrium* is the likely result of the existence of two *quasi permanent* blocking coalitions." Or the presence of such coalition that "play

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[49]   Ibid., p.175.

[50]   Ibid., p.61.

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the role of balances if a temporary wining coalition sets the stakes too high."[51] In establishing his own rules for equilibrium, Riker draws on those set by *Kaplan* in his balance-of-power system.[52] Moreover, in relating alliances or coalitions to balance -of-power, Liska and Riker incorporate into their theories ideas found in realist international- relations theory.

CRITICISM:-

(1) PROBLEMS OF CONCEPTUALIZATION AND MEASUREMENT

As a theory of cooperation, integration lacks both a commonly accepted definition and a series of agreed indicators as a basis for measurement. It is pertinent to note that integration theorists have disagreed about the relative importance of such phenomena as *supranational elites, international structures, intergovernmental action,* and *domestic Political factors* as catalysts for integration. In the absence of basic definitional and conceptual consensus, it is hardly surprising to find discord about the indicators by which integration could be measured. Some writers emphasize transaction flows such as trade and communications as indicators of integration. In the absence of adequate theory, the question remains whether a rise in transactions precedes, reinforces, results from or causes integration.

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[51] Dina A. Zinnes, "Coalition Theories and the Balance of Power", pp.351-368.

[52] Robert D. Kaplan, "The coming Anarchy", The Atlantic Monthly (February 1994), 44-76.

According to Haas, "the question of when these conditions are present is vital when we try to device a rigorous theoretical framework to explain the causes of integration."[53] It is not surprising that integration studies using such indicators as a basis for measurement, have reached different conditions about the status of and prospects for integration.

(2) Limitations Of Functionalism And Neofunctionalism

Functionalist theory has been the object of several kinds of criticisms and modification, especially by neofunctionalists. Among the alleged deficiencies of functionalism are the following:

(1) that it is difficult, if not impossible, to separate the economic and social tasks from the political.

(2) that government have shown themselves unwilling to hand over to international authority tasks that encroach on the political.

(3) that certain economic and social tasks do not spill over into the political sector, and

(4) the road to political integration lies through political acts of will, rather than through functional integration in economic, and social sectors.[54]

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[53] Ernst B. Haas, "The Challenge of Regionalism", International Organisation, XII (Autumn, 1958), p.445.

[54] James E. Dougherty and Robort L. Pfaltzgraff, Jr., op. Cit., p.449.

The extent to which there is a causal experience between integration in one sector and spilover to another sector (the expansive logic of sector integration) remains to be seen.

In another critique of functionalism, *Charles Pentland* concluded that, at least in light of the western European experience since world war II, there is little evidence to suggest that technology and economic growth, in a shrinking world, by themselves will produce integration through functional cooperation. "The relation between functional need and structural adaptation, central to the theory, is "necessary only in the sense of being an ideal or norm, not in the sense of predetermining the direction of change."[55] Moreover, political influences and pressures have proven to be of major importance in shaping the integrative process in Western Europe. There has been little or nothing that is nonpolitical in nature in the European integration experience since world war II.

THE DEVELOPMENT OF THEORIES OF INTEGRATION AND COOPERATION

Although functionalism and neofunctionalism have provided dominant theories that have shaped integration studies, more recent work has emphacized the interplay between *supranational institutionalism* and *intergovernmental institutionalism*. Although entities beyond the nation-

state in the form of *international regimes*, such as the EU, (European Union) shape intergovernmental policies, states remain the principal actors of the international system. Therefore, bargains between the states founded on conceptions of convergent national interest provide the indisputable basis for building supranational institutions, based not so much on the transfer of sovereignty to a new central authority as on its pooling or sharing by governments that remain powerful engaged in the management of supranational institutions. Convergent national interest forms the basis for interstate bargains. In support of this proposition, it is suggested that the EU (European Union) has evolved a supranational decision-making process that is the result of agreements, or bargains, reached at the inter-governmental level. Thus the focus of integration in its supranational neofunctional dimension has often contended with an emphasis or an intergovernmental, neorealist perspective. In other respects as well, integration is a *multidimensional phenomenon*. According to Joseph Nye, there is a need for integration to be broken down into economic, political, and legal components, which in turn might be divided into subtypes, each of which would be measured. "Rather than allowing us to talk about integration in general and confusing terms, this *disagregating* will tend to force us to make more qualified, and more readily falsified, generalization with the *ceteris paribus* clauses filled n, so to speak, and thus pare the way for more

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[55] Charles Pentland, "International Theory and European Integration" (London: Faber and Faber,

meaningful comparative analysis than that provided by the general schemes used so far."[56] The result is a theory that brings together in comprehensive fashion the key assumptions and factors that shape the integrative process leading to *political Community*. Such a theory would cast light on how, why, and when groups are formed in order to create enduring communities, as well as immediate coalitions and, as a result, would form a basis for cooperative strategies and solutions to common problems.

1973), p.98.

[56] Joseph S. Nye, Jr., "Comparative Regional Integration: Concept and Measurement", XXIII, International Organisation, (Autumn 1968), 858.

Chapter -2

GENESIS OF SAARC: OBJECTIVES AND INSTITUTIONAL FRAMEWORK

HISTORICAL BACKGROUND

Regionalism started to develop in the early 1960s, first in Latin America and later in other parts of the developing world. In the 1970s a series of global economic crises, touched off by the first oil price adjustments, hit many developing countries very hard. The turbulent world economy of that period proved to be a great incentive to regional cooperation efforts in the Third world. the crisis clearly demonstrated that national economies were closely interdependent. At the same time developing countries being mostly small to medium-sized with weak economic structures, felt vulnerable to the deteriorating international environment. Hence they inclined to seek more autonomous means or greater self-reliant patterns of development. When national self-reliance policy was found difficult to persue self-reliance on a regional basis seemed to be an acceptable alternative. This idea was incorporated into the new international economic order.

The idea to forge regional groupings was rooted in the belief that some of the fundamental problems of trade and economies found in most of the developing countries like foreign exchange and balance of payment problems, commitment to rapid development and industrialization etc could be partially solved with regional cooperation especially in the light of economic predominance of the west and increasing protectionist tendencies

in the developed countries. Regionalising also frequently helped in forging politically united stands on international issues and for the security of the region. Regional organizations were becoming the best insurance for the security of developing countries against superpower interference.[1] These was therefore, a clear need for them to organize themselves to deal with those vital international economic issues collectively in order to secure a better leverage vis-a-vis developed countries or other interest groups. A growing awareness of interdependence among the independent states, an imagination of a nation that its own interests are combined with those other nations in similar conditions, that there is a complementarity not only in the similarities but also in the disparity and recognition of an amenable explanation of sovereignty have stimulated the process of regional cooperation.

The basic thrust of this chapter is to study the growth of interdependence in South Asia through the agies of SAARC, (South Asian Association for Regional Cooperation) the specific issues of this format would be with respect to know the objectives, it's institutional framework, functioning methods and mechanisms along with the common transnational concerns of constituent states in this region; namely economic cooperation,

[1]   Delh, Amfinn T., Regional Organisation and Order in South-East Asia" (New York, Macmillan, 1982).

socio-cultural cooperation, cooperation based on the issues of human development.

ORIGIN OF SAARC

The initiative for the formation of SAARC came from Bangladesh President Zia-ur-Rehman who during his state visits to neighbouring states during 1977-80 mooted the idea of organizing co-operation for common good of the people of the region. In *November 1980*, working paper on *'Regional Cooperation in South Asia*[2] was prepared by Bangladesh which was circulated among the countries. The working paper stressed the vast potential for regional cooperation that exists and the consequential that this will bring collectively and individually, to the countries of the region. In the preliminary exchanges among the countries of the region it was stressed that the proposed regional cooperation should not only reflect the spirit of mutual trust, understanding etc. but should be clearly based on the principles of:

1. sovereign equality
2. territorial integrity
3. non-interference and
4. mutual benefit

The cooperation was envisaged to grow "step by step in the economic, social and cultural spheres".[3] It tentaiely identified the following

[2] Babani Sen Gupta, "Regional Co-operation and Development in South Asia", (New Delhi: South Asia Publishers, 1986)

[3] Ibid.,

eleven areas in which beginning could be made by the member counties for mutual cooperation:

1. Telecommunications
2. Meteorology
3. Transport
4. Shipping
5. Tourism
6. Agricultural Research
7. Joint ventures
8. Market Promotion
9. Scientific and Technical cooperation
10. Education and Technical cooperation and
11. Cultural cooperation.

The other countries of the region supported the Bangladesh proposal on the basis of calculations of mutual benefit and considerations of national interest. A regional approach to problems was thought to be more effective then pure bilateral or international approaches.

However, India and Pakistan had reservations. Pakistan feared that by setting up a regional forum on South Asia, India would be able to consolidate and legitimize its existing regional domination. India, too thought that the move was conceived by the smaller neighbours to contain India's influence in the region. However, considerations of global and regional balance of power, among others, induced India to join SAARC. It is also pertinent to note that both India and Pakistan insisted on certain

preconditions like the avoidance of bilateral and controversial issues from the purview of SAARC and the possession of veto by each member state.

In addition, the deteriorating international economic climate for South Asia resulting from the break-down of the North-South dialogue induced South Asian leaders to think of ways and means to cope with their economic plight. The Bangladesh proposal was in line with the urges for South -South cooperation in economic, technological and cultural spheres. No south Asian country could therefore, object to these proposals. It was these consideration that led totheeventualformation of SAARC at the Dhaka summit of the Heads of Stateand Governments of the seven South Asian countries viz-*Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan* and *SriLanka* on 8 December, 1985 "This marked the practical manifestation of the determined will and united efforts of the government and peoples of the countries in the region for creating an institutional framework for mutually beneficial regional cooperation.[4] SAARC happens to be the world's newest regional grouping. The Association represents more than one-fifth of humanity and has common problems of hunger, poverty, malnutrition, illiteracy and underdevelopment. "The rationale of SAARC, unlike the case of European community or ASEAN (Association of South East Asian

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[4] Krishna Gopal, "Geo-Political Relations and Regional Co-operation: A Study of South Asia, (New Delhi, 1996) p. 137

Nations) does not lie in any shared external threat perceptions.[5] In fact, when late President Zia-ur-Rehman of Bangladesh first mooted the idea, the stress was on the need for solving the problems òf poverty and underdevelopment.

The South Asian region, however, suffers from a number of non-military threats, twelve elements could be identified that constitute the multifaceted and intertwined crisis in South Asia, they are:

1. deep-seated poverty

2. rapid population increase

3. low per-capita income growth rate

4. high unemployment and underdevelopment

5. unsatisfactory human development

6. inadequate supply of skilled human resources

7. environmental degradation

8. sluggish private sector

9. inefficient public sector

10. slow growth of non-agricultural economy

11. high rate of energy deficiency and

12. internal ethnic conflicts (which receives external support)[6]

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[5]   Arif A. Waqif, "Costs and Benefits of Regional Co-operation in South Asia" in L.L. Mehrotra, H.S. Chopra and Gest W Kureck, eds, " SAARC 2000 and Beyond," (New Delhi, 1995), p. 366.

While external security threats do not exist in case of South Asia, both the requirements of internal development and the effects of adverse external economic environment are likely to fervor the strengthening of South Asian regionalism.

OBJECTIVES AND PRINCIPLES

The importance of some kind of institutional arrangement, in a regional cooperation, needs no elaboration. In South Asia there was hardly any pre-existing institutions or functional network at the non-governmental level either in the field of trade, or in socio-economic-cultural relations among these countries that could facilitate cooperation.[7] In such a situation, it is only the governments of the cooperating countries, which can provide some arrangements, either through direct participation or by giving patronage, and encourage the non-governmental agencies. In view of these glaring shortcomings the SAARC adopted a charter, which envisaged its basic objectives and principles they are as laid down in its charter (Art.1) [8]:

(a) To promote the welfare of the peoples of South Asia and to improve their quality of life;

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[6] Ibid., p.366

[7] Krishna Gopal, op. cit, p.170

[8] SAARC charter, December 7-8 1985, Dhaka.

(b) to accelerate economic growth, social progress and cultural development in the region;

(c) to promote and strengthen collective self-reliance among the countries of South Asia;

(d) to contribute to mutual trust, understanding and appreciation of one another's problems;

(e) to promote active collaboration and mutual assistance in the economic, socio-cultural, technical and scientific fields;

(f) to strengthen cooperation with other developing countries;

(g) to strengthen cooperation among themselves in international forums on matters of common interest; and

(h) to cooperate with international and regional organisations with similar aims and purposes.

These objectives, it may be noted, reflect a non-political (functional) orientation and low level co-operation in South Asia:

To achieve the aims and purposes, the following principles were adopted:

1. "regional cooperation shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other states and mutual benefit"

2. such " cooperation shall not be substituted for bilateral and multilateral cooperation but shall complement them."

3. Moreover, such " cooperation shall not be inconsistent with bilateral and multi-lateral obligations."

Referring to the modes of decision-making at all levels it was stated that:

a. decisions at all levels shall be taken on the basis of unanimity and

b. bilateral and contentious issues shall be excluded from the deliberations.[9]

THE INSTITUTIONAL FRAMEWORK

Institutionally, the decision of far reaching significance in the development of SAARC was the frequency of the summit and ministerial meetings, as suggested by the charter. The leaders at the first meeting in Dhaka decided in favour of a council of Ministers and a Secretariat, certifying their enduring commitment to organisation. In February 1987, the SAARC Secretariat came into being with a secretary general and four

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[9] Ibid.,

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directiors. The SAARC council of Ministers was yet to be formed, but the foreign ministers of the member states are its de-facto members.

The organisational structure of the SAARC has developed a four-tier structure. At the lowest level were the Technical committees of experts and officials formulating programmes of action, and organising seminars and workshops. Next was the *standing committee* of Foreign Secretaries to review and coordinate the recommendations of the Technical committees, which was to meet at least once a year. Above this was the foreign *Ministers' conference*, also to be held at last once a year to grant political approval to the recommendations of the standing committee. At the apex was the *summit meeting* to be held annually to give political significance to SAARC.

(A) MEETING OF HEADS OF STATE OR GOVERNMENT: SAARC SUMMIT

It is the supreme policy-making organ and meets ordinarily once a year. The heads of states of governments should meet once a year or more often as and when considered necessary by the member states according to Article III.

(B)COUNCIL OF MINISTERS:

Consisting of the foreign ministers of the member countries, the council of Ministers meets ordinarily twice a year and is concerned with the formulation of policies, review of programme of co-operation etc. Article IV (2) was very clear that "the council of ministers shall meet in regular sessions, as often as possible. Extraordinary session of the council may be held by the agreement among member states."[10]

It was charged with the function of general policy making of the association, review the progress of cooperation under the Association. It might also consider the establishment of additional mechanism under the association as deemed necessary[11]

(C)   STANDING COMMITTEE

Comprising of the foreign secretaries of the member countries, the standing committee is concerned with overall monitoring and co-ordination of programmes of cooperation, mobilization of resources, identification of new areas of cooperation etc. It meets as often as deemed necessary but at least twice a year.

The standing committee was charged with:

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[10]   Ibid.,

[11]   Krishna Gopal, p. cit., p. 174

a) "Approval of projects and programme and modalities of their financing.

b) Determination of inter-sectoral priorities.

c) Mobilisation of regional and external resources.

d) Identification of new areas of cooperation based on appropriate studies."[12]

While the standing committee was under obligation to submit periodic reports to the council of ministers and make reference to it as and when necessary, for decision on policy matters, the standing committee was authorised to set up" Action committee in case of such projects which involved more than two but not all the countries.[13] (Article VI). The standing committee was expected to provide necessary support service for the meetings of foreign ministers and the meeting of heads of state or government.

(D)   TECHNICAL COMMITTEES

Technical committees comprising representatives of member states had been set   up in each area of cooperation, with the responsibility of implementing, coordinating and monitoring programmes of cooperation. According to Article VI of the charter, the technical committees comprised

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12   SAARC charter, December 7-8, Dhaka.

13   Ibid.,

Addition   of representatives of all member states. The term of reference of the technical committee were:

a) "determination of the potential and the scope of regional cooperation in agreed areas;

b) formulation of programmes of action and preparation of projects;

c) determination of financial implications of the sectoral programmes of action:

d) formulation of recommendations regarding appointment of costs;

e) implementation and coordination of sectoral programmes of action; and

f) monitoring the progress of implementations.[14]

It was deemed that the technical committee should submit the periodic reports to the standing committee. The technical committee might also use additional mechanism and modalities, if it felt necessary. It included the meetings of experts in the field and contacts amongst recognised centres of excellence in the region.[15]

(E) ACTION COMMITTEE

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[14]   SAARC Chaster, December 7-8, Dhaka.

[15]   Kant Kishore Bhargava, Promotion and consolidation of the spirit of SAARC in L.L. Mehrotra, Chopra, Kweek ed., SAARC 200 and Beyond,. (New Delhi: 1995), p. 367.

Article VII of the charter enlisted that the standing committee might set up. "Action Committees", comprising member states concerned with implementation of projects involving more than one but not all the member states.

THE SECRETARIAT

Besides the above mentioned five-tier institutional framework, the charter suggested a Secretariat for the Association, (Article VIII) and as per the decision of the council of ministers of the member states, a permanent secretariat was established in KATHMANDU in 1987 with a Secretary General and other staff, for monitoring, coordination and implementation of the SAARC programmes.

FINANCIAL ARRANGEMENTS

Article IX provided for the financial arrangements mentioned below:

1. The contribution of each member state towards financing of activities of the association should be voluntary.

2. Each technical committee should make recommendations for the appointment of costs of implementing the programme proposed by it.

3. In case sufficient financial resources could not be mobilized within the region for funding activities of the association, external financing

from appropriate sources might be mobilized with the approval of or by the standing committee".[16]

GENERAL PROVISIONS

And finally, Article X contained the general provisions as given below:

1. Decisions at all levels should be taken on the basis of unanimity.

2. Bilateral and contentious issues should be excluded from the deliberations.

The flow chart of the institutional framework of SAARC is depicted in diagram 1A.

The SAARC had identified issues of common concern in the subcontinent and had set up an integrated programme of Action (IPA) this is central to whole SAARC process. Twelve areas were agreed under the Integrated programme of Action and each area was under the responsibility of the relevant technical committee.

"In response to the need emphasised at successive Summits to further consolidate and streamline integrated programme of Actions activities aimed at bringing tangible benefits to the people of South Asia, a comprehensive set of guidelines and procedures were adopted in 1992 for the rationalisation of SAARC activities".[17]

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[16] Krishna Gopal, op.cit., p.174.

[17] Lakhan Lal Mehrotra, "Towards A South Asian Community", (New Delhi, 1997), p.57.

Diagram 1A

Institutional Framework of SAARC[18]

Meetings of Head of States or Governments
(Consisting the Head of States or Governments of Member States)

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Council of Ministers
(Consisting of the Foreign Ministers of the Member States)

↓

Standing Committees
(comprised of Foreign Secretaries of the Member States)

↓

Technical Committees (comprised of representatives of all member states)	Secretariat (Headed by the Secretary General to be nominated by the government of member states on retortion basis	Action Committees (Comprised of member states concerned with the implementation of particular projects)

The Technical Committees are:

1.   Agriculture (TCO1)

2.   Communications (TCO2)

3.   Education and Culture (TCO3)

4.   Environment (TCO4)

5.   Health and Population Activities (TCO5)

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[18]   Krishna Gopal, op.cit., p.181.

6. Meteorology (TCO6)

7. Prevention of Drug Trafficking and Drug Abuse (TCO7)

8. Rural Development (TCO8)

9. Science and Technology (TCO9)

10. Tourism (TC10)

11. Transport (TC11)

12. Women and Development (TC12)

Some of the other agencies operational under the SAARC are:

1. SAARC Educational Programme (SEEP)

2. SAARC Youth Volunteer Programme (SYUP)

3. South Asian Dialogue of the Independent Group of South Asian Cooperation (IGSC)

4. Coordination Group for Studies on South Asian Perspectives (CGSSAP)

5. Coalition for Action on South Asian Cooperation (CASAC)

6. SAARC Chamber of Commerce and Industry (SCCI)

7.   SAARC Law Association of Management Development Institute of south Asia (AMDISA)

8.   South Asian Federation of Accountants (SAFA)

9.   South Asian Media Association (SAMA)

10. Committee for Studies on Cooperation and Development (CSCD)

11. Association of Speaker and Members of Parliament (ASMOP)

12. SAARC Audio-visual exchange programme (SAVE)

13. SAARC scheme for Promotion of Organised Tourism

14. SAARC Visa Exemption Scheme

15. SAARC Chairs, Fellowships and Scholarships Scheme (SCFSS)

Thus it can be seen that a multitude of agencies and associations collaborate under the agies of SAARC to concertedly address the common concerns of South Asia. The SAARC has transgressed into a wide array of fields from its basic premise of addressing poverty and underdevelopment in the subcontinent. One of the most promising initiatives has been in the field of economic cooperation and human development.

Formation of SAARC And World Reactions

Besides the South Asian countries, the significance of the SAARC summit was also appreciated with varying notes in the other part of the world. Among the major external powers the United *States, China* and *Japan* welcomed the formation of SAARC, with greater enthusiasm, while Soviet Union favoured with a low profile.

The then Chinese Premier *ZHAO ZIYANG*[19] hailed the Dhaka summit as an event of great significance in the south Asian region. In a telegram to Bangladesh Presdient Ershad, he said, "China is delighted to see that, thanks to the joint efforts of seven countries, gratifying progress has been made in the South Asian Regional cooperation initiated by Bangladesh". SAARC, according to the Chinese premier, was in the interest of the peoples of all the South Asian countries, for it was deemed to bring peace in the region, Zhaao wished the summit a splendid success.

China has been making statements, in favour of SAARC since 1976, probably assuming that it would draw India away from the Soviet Union and thereby reduce Soviet influence in South Asia. China's attempts to encourage India's smaller neighbours to initiate *collective bargaining* with India on mutual interests was evident during the various visits exchanged

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[19]   Krishan Gopal, op.cit., p.168.

between China and the South Asian neighbours since 1977. Following the Soviet Military presence in Afghanistan, China was all the more vocal in its support for the proposal. The Chinese leader *Hua Guefeng* opined that SAARC was aimed at opposing "external interference and aggression[20] and safeguarding security in the region. The then U.S. President *Ronald Reagan* in his message to the Summit chairman, expressed his country's willingness to stand ready 'to provide appropriate assistance at your requisite in launching programmes of regional cooperation.[21]

After the Soviet move in Afghanistan, the United State's references to the relationship between security and cooperation (regional '*cooperative security framework*) in South Asia acquired an urgent tone. The US subscribed to the Chinese view that regional cooperation in south Asia would curb Soviet influence and contain India. While the Soviet Union was concerned about the designs of the US and China behind the move for SAARC, and responded favourably in line with its policy towards third world countries.

R.J.L. Hawke then Prime Minister of Australia in a message to the first SAARC meeting in Dhaka stated that his country believed in the values of regional cooperation. The United Nation Secretary General *Javier Parez de Cueller* wished "every success" to the first regional Summit of SAARC in

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20   Ibid., p.169.
21   Ibid., p.169.

Dhaka. In his message to the Summit chairman, the UN secretary General

had declared, in an optimistic note, that the Summit would open, a new era

of progress' in South Asia and help reduce regional tensions'.

Chapter 3

Structural Laxities: Integrational Problems in SAARC

SAARC has now existed for the past sixteen years (1985-2001). However, the record of the organization has not been very encouraging mainly due to some inherent structural laxities leading to the problems of integration. The creation of SAARC has not, meant that the South Asian states have suddenly developed a greater propensity to cooperate and forget conflicts.

Conflicts and dimensions have largely overshadowed the imperatives for cooperation in South Asia. The South Asian Association for Regional Cooperation (SAARC) is widely viewed to have registered more rhetoric and setbacks than tangible cooperation.[1]

However, the regional cooperation has certain constraints due to intra-regional differences and tensions and conflicts, which have been partly due to divergent extra-regional connections. In fifties the external linkages in this region reflected a pattern that was more of a South Asian version of central balance with Pakistan tied up with the US and India learning towards Soviet Union. With the shifting demands of their own strategic and political necessities the integrational alignments of the major powers kept changing. Such changes also impinged on their relationship pattern with the rest South Asian Countries.

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[1] Iftekharuzzaman, "Institutional Sources of Conflict and Opportunities for Cooperation under the Aegis of SAARC" in D.D. Khanna ed., "Sustainable Development: Environmental Security, Disarmament and Development Interface in South Asia", (New Delhi: MacMillan India Ltd, 1997), p.105.

Like any other Third World region, South Asia faced same difficulties like lack of necessary intra-structural facilities,[2] such as communication, information, transportation and banking facilities and payment arrangements for regional intra-actions as well as poor foreign exchange position in the path of any meaningful regional cooperation. There are also sharp differences in regard to political systems. These systems have variations ranging from parliamentary democracy to *military dictatorship and to monarchical systems.*

There are also divergence in their *security* and *strategic perceptions.* This is partly due to historical reason and partly due to present *power-structure* in the region. India stands out as a predominant power in terms of site, population, resources, military or otherwise among the countries of the region and have common border with all except Maldives. The *Indo-Centric* factor of the region is partly responsible for all bilateral issues between India and its neighbouring countries.[3]

South Asian conflicts are also related in a measurable degree with the region's *economics, resources* and *ecology.* Issues related to sharing of resources are increasingly taking prominent place in furthering *conflicts* and *regional instability* in South Asia. South Asia is typical of regions where

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2   Krishna Gopal, op.cit.,p.282.

3   Ibid., p.281.

multiple countries depend on, and use, several important shared resources. The problem is graphically demonstrated and particularly in case of water as the same river systems originating from the Himalayan basin are shared by more than one country leading to some of the longest standing upstream downstream conflicts related to use and withdrawal of water.[4]

Some of the major impending factors to the integration of South Asian States that would be generalized are:

a. Threat of war

b. Secessionist struggles associated with ethnonationalism.

c. Threat to the environmental balance of South Asia.

On the other hand a set group of issues can be seen similar to all the South Asian states that makes security vulnerable, they are:

a. Structural vulnerabilities.

b. Low degree of national integration and problems of State formation.

c. Weak economies and economic underdevelopment".[5]

In this milieu the relevant question arises what is the role available to regional cooperation to mitigate the national security concerns or

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[4]   Iftekharuzzaman, op.cit., p.110.

integrational problems in South Asia. How could regional cooperation be enlarged to achieve this objective? Linked to this issue is the question of emplacing confidence-building measures, especially belonging to the non-military genre, in South Asia. Does *Track-II Diplomacy* have significance for there purposes? Does the private sector have a role in fostering confidence building measures? Can non-governmental agencies ameliorate a regional ambience which the State machinery finds difficult to attain? These questions would be discussed in this chapter before analysing the adverse factors affecting the process of regional cooperation in South Asia viz.:

a. Regional Imbalance and Indocentrism

b. Ethnic Tensions

c. Divergent Political Perceptions.

d. Mutual Distrust.

1.   South Asian Conflicts: Power And Security Conflicts

Several typologies of International conflicts combining issues of conflicts, status of conflict parties and systematic characteristics are

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[5]   Manoj R., "Complex Interdependence and National Responses in South Asia", (New Delhi: JNU Dissertation, 1999), p.18 of Chapter II.

available. *Butterworth*[6] for example proposed the following *typology of regional conflicts.*

    a)   inter-state cold war

    b)   internal cold war

    c)   general inter-state

    d)   colonial and

    e)   general internal

Following Butterworth, *Bloomfield and Leiss*[7] suggested more or less a similar classification:

a)   Conventional interstate (Kashmir, Sino-Indian borders)

b)   Unconventional inter-state (no parallel in South Asia)

c)   Internal with external input

d)   Primarily internal and

e)   Colonial (Goa)

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[6]   Butterworth R.L. "Managing Inter-State Conflict, 1954-74: Data with Synopses" (Pittsburg, Pittsburg University Press, 1976).

[7]   Bloomfield L.P. Amelia C. Leiss, "Controlling Small Wars: A Strategy for the 1970 (London: Penguine Press,1969)p.301-302.

In the context of South Asia, four types of issues have been identified:

a)   Territorial

b)   Ideological

c)   Ethnic and

d)   Security related[8]

Power and Security related conflicts are not new in the region. In fact, the religious, territorial and ideological issues of conflicts, at least between India and Pakistan, were viewed in *power-security* terms by the elites of respective countries. The power-security related conflicts in south Asia originate mainly from divergence in national role conceptions and security perceptions of South Asian nations in relation to India, the biggest and most powerful of the lot. The general pattern has been: what was viewed by Indian elites as Indian pre-eminent position in the 'natural hierarchy' of power structure of the region,[9] was viewed by its neighbours as an attempt at domination on the part of India. Attempts at redressing the imbalance in the power relation have, in turn, been viewed by India as *Anti-India postures*. The role conceptions of the neighbours, in the like manner, has contributed

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[8]   Babani Sen Gupta (ed) "Regional Cooperation and Development in South Asia (New Delhi: South Asia Publishers, 1985) pp.248-49.

[9]   Ashok Kapur, "Indian Subcontinent: The Contemporary   Structure of Power   and Development of Power Relations", Asian Survey, July 1998, pp.693-710.

to antagonism. Thus, Pakistan's security relations with the USA in the late 1950s and 1960s and another spell in the 1980s, and its religious and geopolitical links with the Middle East have been important determinants of India-Pakistan relations. Similarly Srilanka's diversification of foreign relations including the possibility of military links with the West, Nepal's role conception as a buffer state between China and India, encapsulated in its plea for a 'Zone of Peace' status, and Bangladesh's, Islamisation as well as diversification of foreign policy, have at one time or other, been important factors in respective dyadic relations vis-a-vis India. These were also reflected in bilateral conflict management. (see Appendix I)

Divergent Security Perceptions

South Asian regional problems and conflicts have their own dynamics and most, if not all of these are created within the region, by its history, its geo-politics, its economics and ecology. The troubles of the region of South Asia, its endemic tensions, mutual mistrusts and occasional hostilities are essentially the products of the contradiction of Indian's security perception with that of the rest of the countries of the region.[10] India's neighbours tend to perceive threats to their security coming primarily from India which for its part considers its neighbours as an integral part of its own security system.

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[10]   Iftekharuzzaman, "Emerging Strategic Trends in South Asian", (Bliss Journal, Vol.13, no.3, July 1992), p.344.

India : The Big Brother and her small Neighbours

The Indian trust for regional dominance is clearly drawn from New Delhi's defence and security perception inherited essentially from that of *British India, a continental Security Strategy.* Contrary to the realities of post-colonial period, this old conception of Indian defence and security strategy has been regarded in India as a pride heritage of the *Indian colonial past.*[11] The Nehruvian vision of India was a 'Closer Union', a consideration of independent states with common defence and economic possibility.[12] A unity of South Asian defense and strategic frame as has been traditionally perceived in India or as still perceived in some modified form,[13] has rendered the smaller states of the region into *virtually buffer status.*

The regional image of India is that of a nation which should receive habitual obedience from its neighbours. The stated strategic doctrine of India conceives the country's defence perimeter not at the boundaries of India but at the outer boundaries of its regional neighbours,[14] and this has come to be known as the Indian version of *Monroe Doctrine*. The essential theme of the doctrine is that *South Asia is to be regarded as an Indian backyard.* The critical factor is a combination of the comprehensive power potential of the

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[11]   K.M. Pannikar, "Problems of Indian Defence", (Bombay 1960) p.23.

[12]   Quoted in S.D. Muni, "South Asia", in Mohammad Ayoob (ed), "Conflict and Intervention in South Asia, (London, 1980), p.48.

[13]   Pran Chopra, et al. "Future of South Asia, (Maunilan, Dhaka: 1986), pp.13-17.

[14]   Partha S.Ghosh, "Conflict and Cooperation in South Asia (Dhaka, UPL, 1989), p.221.

country with a great-power-psyche nourished by the Indian political elites and politico-strategic thinkers. The reference point for India in relation to its international posture is clearly the type of role assumed by great powers. India under such perception is to be viewed as a dominant country in the region just as the US, Soviet Union and China in their respective areas.[15]

It is more than coincidental that the doctrine appeared in renewed prominence in Indian writings at the height of Indian involvement in the ethnic crisis in Sri Lanka. The doctrine, it is claimed, is a product of a series of conversations between the incumbent and opposition political forces so that it reflects an Indian national concensus.[16] Operationally the *Indo-Sri Lanka Accord of July 1987* accompanying the controversial Indian Peace keeping forces (IPKF) operations in Sri Lanka and the Maldives Operation of November 1998 have been viewed to be real life test cases for the Indian Doctrine.[17] Indeed, the doctrine provided the conceptual *raison d'etre* for Indian military moves in SriLanka and the Maldives. Because of its role in these two neighbouring states India emerged as an interventionist and the proverbial *Big Brother* regional power. New Delhi confidently manifested that it would not have any hesitation in physically intervening in internal developments of a South Asian State if such intervention was regarded as

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[15] K. Subramanyam, "Regional Stability and Security in South Asia", Strategic Analysis, (New Delhi: May 1984), p.101.

[16] Bhabani, Sengupta, "The India Doctrine", India Today. 31 August 1983.

within India's means and promoting Indian national interests.[18] The reason attributed is *Cultural Affinity*. Cultural affinities between India and it's neighbours in South Asia, particularly with the people just across it's borders, have often a tendency to create situations which lead to India's involvement in the internal affairs of it's neighbours like the above mentioned Sri Lankan and Maldives cases.

The differences between India and Bangladesh over the Chakma refugees from the chittagong hill tracts provide another example. The disturbances in the Indian state of Assam due to the influx of people from Bangladesh over a period of time also illustrates the same point. The reaction of the people in Pakistan to the outbreak of communal riots in India, which is unfortunately not infrequent, and the resentment caused by them in the Indian political circles are, of course, a class apart.

Divergences in The State System

The divergences in the state systems[19] in South Asia further add to the south Asian conflicts scenario. India, being a democratic country naturally sympathizes with the democratic forces in other South Asian countries most of whom are under autocratic regimes of one kind or other.

[17] For details on the Accords see, Iftekharuzzaman and Humalun Kabir, "The Indo-SriLanka Accord:An Assessment", Bliss, vol.8, no.4, Oct.1987 and Ifterkharuzzaman", Maldives: Small, Beautiful and Vulnerable", Dhaka Courier, 18-23 November, 1988.

[18] Bhabani Sengupta, "Maldives Confirms India's lead role in South Asia", Dhaka Courier, 18-23 November, 1988.

[19] Krishan Gopal, op.cit., p.271.

The later, therefore, perceived in Indian policies and predilections a serious threat to their survival and are not all keen to foster an unfettered flow of Indian newspapers and other publications into their countries. It is not surprising that anti-Indianism, as a plank of official propaganda, has a tendency to grow in every South Asian Country, after the overthrow of a democratic regime. The differences between India and Pakistan on the role of religion in the state further add to the problems created by the dominance in their state structures.

Indo-Pakistani Rivalry

The two principled states in the region, India and Pakistan were born locked into a complicated rivalry. The post-independence political leadership of both the countries had different and conflicting organizing ideologies for their respective states and also different notions on the desirable regional order. In relation to the desirable regional order to quote *Haward Wriggins*, "both India and Pakistan were concerned about 'autonomy', but they had different conceptions of what that implied. For Indian leaders, the autonomy of India required that the whole South Asian region be free of outside influence; an expansive conception of Indian autonomy. In contrst, autonomy of Pakistan required that India does not dominate Pakistan's freedom of action. That required seeking support from outside the region.. unwilling to play under blither to elder brother India,

Pakistan stressed the sovereign equality, of states despite difference in size of capacity".[20]

On one hand, the historically arbitrary borders, lack of natural frontiers and territorial disputes between India and Pakistan further complicated the *Structural rivalries*. On the other hand, "structural weakness of the ruling classes in these states, rooted in the patterns of socio-economic change during the colonial rule, made them incapable of presenting a strong, non-sectarian organizing ideology of the state based on broad political ideals or a strong concept of nation cutting across ethnic boundaries".[21] They present political ideologies to address only sectoral interests for their own narrow political advantage. Once in the helm of affairs, those sectoral ideologies got identified with the state.

When we turn to the conflict in the regional state system, it is still the Indo-Pakistani conflict that sets the tempo for the insecurity system in South Asia Security of the region depends largely onthe good relations between the two countries. In order to sum up the complex and multi-dimensional elements involved in the Indo-Pakistani conflict, it is appropriate to quote *Shelton Kodikara*: "Conflict and rivalry between India and Pakistan has

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[20]   W.Howard Wriggins, F.Gregory Gause II, Terence P. Lyan and Erelyn Colbert, (eds), "Dynamics of Regional Politics: Four Systems on the Indian Ocean Rim, (New York, 1992), p.96.

[21]   Gamini Keerwella, "Political Framework of Regional Conflict and Cooperation in Post Cold war South Asia", in D.D. Khanna, ed., "Sustainable Development: Environmental Security, Disarmament and Development Interface in South Asia, (New Delhi, 1997), p.83.

remained the core problem of inter-state relations in South –Asia since the partition. Basic to this conflict is the perennial *Hindu-Muslim antagonism* which erupts as inter-state rivalry in diverse forms. Some of the old causes of dispute, such as division of assets and sharing of river waters have, indeed been satisfactorily resolved, but others such as mutual allegations of interference in each others internal affairs, rivalry in arms build-up and nuclearization have cropped up.[22]

Post-Cold War Changes

One of the questions that emerges in the present situation is, to what extent has the end of the cold war changed the Indo-Pakistani rivalry? It is true that the pattern of *extra-regional alignments* linked with this rivalry forged under the *cold war polarization* has changed. However, the issues that are at the rest of Indo-Pakistani rivalry have not changed in any fundamental way.[23] Nevertheless, the end of the Cold War has created a new atmosphere to adopt a new approach to riot-issues of rivalry.

Extra-Regional Linkages: The De-Stabilizing Factor

There are debates as to the factors providing input to the region's security situation causing destability. The extra-regional linkages are considered one such important factor. Moreover, the external linkages are not necessarily

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[22]   S.D.Muni op.cit., p.48.

[23]   Gamini Keerwella, op.cit., p.93.

and always are with security orientation. The linkages are built-up to expand arena of economic as well as commercial inter-dependence.

External linkage and its security implications have been viewed from different angle in our region. The Indian security community has been duly sensitive to and unusually articulate in condemning external linkage.[24] The viewpoints held by rest of the South Asian countries are entirely different. The Indian perspective obviously grown out of her desire to play a pivotal role consistent with its acknowledged power potential in the region.

India, to be sure, perceives itself as a power whose influence transcends the regional perimeters. The Indian ruling elite has always nourished a concept that India was destined to play a major role in global affairs- a role that was commensurate with its size, geo-political location, historical experience and power potential.[25] While the smaller neighbours of India could do little but be in discomfort, Pakistan has always been striving for a parity. The two-nation theory as the ideological basis for the creation of Pakistan and India was viewed to imply that after independence, the two states would not only have juridical equality, but also equality in terms of power.[26] Thus, the Indian ambition for a major power role and Pakistan's search for parity with India contributed not merely to the involvement of extra-regional powers in

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[24] M. Abdul Hafiz, "South Asia's Security: Extra Regional Inputs", Bliss Journal, vol.10, no.2, 1989.

[25] S.D. Muni, op.cit.

[26] S.D. Muni, op.cit., p.48.

South Asia, but also fueled the continued arms race including procurement of all sorts of sophisticated weaponry by the two powers along with their nuclear aspirations.

The South Asian policies of the external powers, particularly the United States and China, further add to tensions in the region. Being unhappy with India's foreign policy, based on it's an independent view of world affairs and seeking to restrict the role of external powers in South Asia, as far as possible, they have consistently sought to limit India's role in South Asia by bolstering up the anti-Indian sentiments of the ruling elites in the various South Asian Countries.[27] Although, this policy has been operating in almost all the South Asian neighbours of India, Pakistan provides it's classic example. Pakistan, has had great value for the United States. This value has increased in recent years because of the developments in Iran and Afghanistan and newly emerged Central Asian Nations. But there always had been an Indian factor behind the South Asian policies of the United States. The same is true of China. In some historical roots and legacies, the problem associated with the transfer of power and policies of the post-colonial political leadership accentuate structural vulnerabilities of the regional state system.

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[27]   Krishna Gopal, op.cit., p.272.

Threat of War

"South Asia scales the chart of top arms importers in the Third World that engages the attention of world military powers toward a region which for their critical strategic purposes has receded to obscurity recently".[28] One of the major concerns of the conventional security problem in South Asia is the threat of war. India and Pakistan have gone into large-scale wars with each other three times since independence in addition to recurrent small, skirmishes along their common borders. The Sino-Indian war of 1962 reminds that the threat of war in South Asia is wide ranged. It must be noted that the threat of war constitutes not only the conventional military aggression but also the proxy wars and the show of force without declaring war. But the conflict between Indian and Pakistan has led to a series of skirmishes and nuclearization of the subcontinent. "Conflict and rivalry between India and Pakistan has remained the core problem of inter state relations in South Asia since partion.[29] Even in the changed context of the post cold war era South Asia in still poinsed is danger as the threat of war still seems to be pertinent.

ARMS RACE AND *NUCLEAR PROLIFERATION*:

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[28] Daruba Kumar, "Remaking South Asia: Major Trends and Imperatives", Bliss Journal, vol.13, no.3, July 1992, p.323.

[29] Shelton U. Kodikora, "Introduction" in Shelton U. Kodikora, ed., "South Asian Strategic Issues: Sri Lankan Perspective, (New Delhi, 1990), p.10.

Pakistan's security linkage with the US, for the first time, brought in sophisticated arms in the region. During the period 1955-62 Pakistan had an unbroken record of obtaining large scale military assistance from the U.S. in response India stepped up the production of her own indigenous weapons.(With Soviet Union's aid) Thus ensued an arms race which ultimately had a great deal to do with the region's security environments. In an atmosphere already charged with interest and suspicion it continued to generate tension, highly militarized the domestic politics and created temptation often to use military option.[30] The race became intensified with the Sino-Indian Conflict of 1962 and close on its heels the Indo-Pak war of 1965 further reinforced the thinking line of the Indian Strategists who orchestrated their efforts to build up the theme of "India's will to power".

Both India and Pakistan are categorized as "de facto nuclear weapons states" with both either possessing nuclear weapons or believed to be able to produce them.[31] Both also belong to the category of countries reported by western governments as seeking chemical weapons capability or suspected of possessing such weapons, although governments of both have denied the intention to acquire these weapons.[32] Both are believed to be in possession

[30] M. Abdul Hafiz, op.cit., p.151.

[31] Bobert S. Mc Namara in World Bank, Proceedings of the World Bank Annual Conference on Development Economics, 1991 and 1992, pp.114-5.

[32] Ibid., p.116.

of ballistic missiles[33] while India is in the advanced stage of production of

'Prithvi' and 'Agni' with Pakistan countering it with its version called

'Ghori'. India is the largest producer of major weapons among the

developing countries. Between 1954 and 1984 it accounted for 31 percent of

total production of major weapons by developing countries ahead of Israel

and South Africa which produced 23 and 9 percent respectively. By contrast,

all ASEAN (Association of South East Asian Nations) countries taken

together produced only 2 percent.[34] All these are indicative not only of the

complexities in the South Asian Strategic scene, but also of the drainage of

resources from key development sectors like poverty allievation and Rural

development programmes in which all South Asian countries are in endemic

shortage.

ETHNIC TENSIONS:

The secessionist struggles associated with *ethno nationalism* and

other armed opposition to political institution and authority form   the

informal category of threat. Ethnic tensions have been endemic in South

Asia. These have also been Indo-Centric. Whether it is a question of ethnic

Tamils or   Assamese - Bengali tensions, or Hindu-Muslim riots. India

willingly or otherwise due to its core geographic position and ethnic,

religious pluralism, has been involved. Domestic ethnic tensions have a

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[33]   Aaron Karp, "Ballistic Missile Proliferation", Quoted in McNamara, op.cit., p.118.

spill-over effect across state boundaries. Almost all the SAARC Member states except Maldives, are beset with ethnic conflicts. This is not one sided. "Both state and anti-state are two sides of the same vicious cycle of violence.[35] In Sri Lanka the bloody war related to separatist struggle for the Tamil Elam has been continuing for more than a decade. In India, vicissitudes of separatist struggles in Kashmir, Gorkhaland, Punjab, Mizoland, Nagaland and Manipur have taken periodic turns. Pakistan is not strictly free from separatist movements. Baluchi and pushtun movements seem to be dormant now, but the Mohajir movement and the Sindhis demand for Sindesh is a challenge to reckon with. In Bangladesh there are the Chakma rebels of the CHT (Chittagong Hill Tracts) Indeed, the enarmity of South Asia's cross-national ethnic and religious problems makes one pessimistic about the possible success of regional cooperation and organization. Ethnic tensions, within the region cut at the very roots of regional cooperation.

ENVIRONMENTALLY RELATED THREATS:

Another range of threat that have escaped the conventional politico-militaristic definition of national security are environmentally related threats viz. droughts, floods, storms, deforestation, soil-erosion and siltation, land degradation, sea level rise etc. In South Asia more people are affected by

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[34]   Michael Brzska and Jhanas Ohlson (eds.), Arms Production in the Third World, Quoted in, MCNamara, op.cit.,p.121.

such environmental-related threats than by those of politico-militaristic origin. The implications of these threats are particularly serious in view of the fact that South Asia is predominantly agricultural. The gravity of these threats should be viewed against the *background of factors* such as the

a) high population density,

b) pervasive poverty in society

c) absence of any safety net (when they are affected)

d) dire need for extensive resource utilization for developmental goals.[36]

Environmental security concerns, maintenance of the local, regional and planetary biosphere as the essential support system on which other human enterprises depend. It is the biosphere that provides mankind with the space in which they live, the materials that supply their needs, and condition suitable for their life processes. As *Mohammed Kassas explains* "the biosphere is of finite dimensions, all of it within human reach."[37]

As a continnum the environmental security is concerned with two inter related segments, namely environmental protection and sound resource utilization. "the issues of environmental security include those which fall

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[35] Gamini Keerawela, op.cit., p.87.

[36] Ibid., p.88.

[37] Mohammed Kossas, "A Biosphere Perspective" in Arthur A. Westing ed., "Disarmament, Environment, Development and their Relevance to the Least Developed Countries (Geneva, 1991), p.7.

within the aggregate of the climate, ecological, social and cultural conditions that influenced the life of a nation. The issues that generated environmental concerns are overpopulation, deforestation, soil erosion, floods, droughts, pollution and damp are diverse and have grave social, political and security implications for the subcontinent."[38] *Shaukat Hassan* writes that, "The demand of man on the natural environment will determine how habitable South Asia will be in the coming decades, which in turn will shape the security perceptions of the societies there. This relationship is already affecting the degree of population displacement, the direction of the ecological refugee flow within and between states."[39] Thus one of the major and formidable threat to national security vis-a-vis the integration process in SAARC comes from the ecology of the region.

WEAK ECONOMIES AND UNDER DEVELOPMENT:

Finally the most profound category of structural laxities can be linked to weak economies and economic under development throughout the SAARC member countries (See table 1).

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[38] Shaukat Hassan, "Environmental Issues and Security of South Asia", Adelphi Paper 262. (London 1991), p.7, Quoted in G. Keerawala, op.cit.

[39] Ibid,2.

Table 1

Economic Indicators in South Asia

COUNTRIES	GNP per capital US$ 1997	External Debt (As % of GNP-1996)	Official Development Assistance (As % of GNP 1996)
Bangladesh	270	30	3.9
India	390	22	0.6
Maldives	260	56	19.4
Nepal	210	26	8.9
Pakistan	410	39	1.4
Sri Lanka	800	41	3.6
South Asia	390	-	1.1

Source: World Development Report 1998/1999.

South Asia postulates more then 50% of the world's absolute poor. The major challenge that South Asia destined to confront for sometime to come is how to grapple with the problems of under development. "More than half of the population in these countries suffer from malnutrition and live in absolute poverty, a large number of the poor are farmers and landless labourers, a great propartion of the labour force are unemployed, a very large number of people are illiterate and live in bad conditions – more than

the third of the population live in rural areas and their livelihood depends on agriculture."[40]

The balance of payment problem and financial equilibrium between imports and exports are the key indicators in this regard. South Asian states are highly dependent on external sources for investment and to settle balance of payment problems. As a result these countries are very vulnerable to external economic pressures. Circumscribed by the structures of underdevelopment and dependency, the bargaining power of South Asian States vis-a-vis international financial agencies such as the World Bank (WB) and the IMF (International Monetary Fund) is low. The structural adjustment programme (SAP) and conditionalities attached to aid and loans are reflective of this vulnerabilities in other words, There is much concern in this region over the security implications of the implementation of 'structural adjustment package' of the World Bank and the IMF for both the state and society at economic and political levels."[41] The social and political implications of poverty in South Asia is reflective of the position in which the South Asian states stand with respect to trade, production and finance.

REMEDIAL MEASURES:

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[40]   Muzaffar Ahmed and Pk. Md. Matiur Rahman, Macro Aspects of Poverty in SAARC Countries, BLISS JOURNAL, Vol.14(3), 1993, p.289.

[41]   P.V.J. Jayarekera, "Sri Lankan's Security Problem" in Brian L. Job, ed., "The Security Dilemma – National Security of Third World States", (Boulder, 1992), p.35.

The emphasis on the multiple levels of conflict in South Asia above portrays an incomplete picture. Simultaneously with conflict, multiple levels of cooperation at a regional level has also taken place. "It is also important to note that the growth of inter connectedness and development of multi-dimensional transactions do not necessarily create interdependence among states."[42] But at the least of the military security dimension of interdependence regionalism is the recognition that the security of the individual states in the region is integrally linked to regional security as a whole. "Linkages of security issues at regional level highlight the need for a regional approach to security".[43] Security in the post cold war era is no longer defined in terms of military force. It is provided with a more comprehensive dimension by including the problem of ozone depletion, social mastery over new technology determinism, creation of a new balance between consumption and resources and between man and nature. "In the wake of the collapse of Soviet Union and the emergence of the US, *Joseph Nye* articulates liberal optimism about the future in terms of interdependence. In his review of the future order he sighted five possibilities and settle for multilevel interdependence with three levels i.e.

(a) Military

(b) Economic cooperation and

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[42]   Gamini Keeradwala, op.cit., p.96.

(c) Diffusion of power".[44]

The main element in regimalism in South Asia in the premise of security is the existence of a regional mechanism to deal with regional security issues. This mechanism should be based on how military approach of security and defence. Two main aspects of this are:

(a) The regional CRMs (Conflict-Resolution Mechanisms) and the CBMs (Conflict-Building Measures) and

(b) People to people contact famously called the *TRACK-II diplomacy*

Even though South Asia has a long way to go in this there has been some headway done in the form of 'Neemrana Group' discussions between India and Pakistan and the Naval Security between India and Sri Lanka in the Pak Straits where coordinated action and Common approach has strengthened the security of all parties involved.

A. CONFIDENCE-BUILDING MEASURES: CBMs

They could be described as "arrangements designed to enhance... assurance of mind and belief in the trustworthiness of states... confidence is the product of much broader pattern of relations than those which relate to

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[43] Ibid., p.97.

[44] Quoted in Rakesh Gupta, Interdependence and Security Army States in the 1990s, *Strategic Analysis*, Vol.XVIII, No.1, April 1995, p.99.

military security. In fact, the latter have to be woven into a complex texture of economic, cultural, technical and social relationships.[45]

CBMs have a special function to perform in mitigating the fears and anxieties that prevail in South Asia. They comprise both military and non-military measures, and such cooperation can comprise political consultations including... just and equitable economic relations... and cooperation in cultural, social, educational and humanitarian fields, including freer movements and contacts among peoples, and education specifically designed for promoting peace and disarmament.[46]

The focus has shifted about completely towards military CBMs in the Indo-Pak context in recent years, occasioned by the many crises that occurred in the troubled relationship. Several military CBMs were emplaced between India and Pakistan thereafter, and are functioning satisfactorily. Their utility lies in their capacity to attentuate the risk of inadvertent conflict. Consequently, steps like the establishment of hotlines between the two military establishments can also be categorized as *Conflict Avoidance Measures* (CAMs) that could hopefully develop into bilateral *arms* control and disarmament agreements.

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[45]   John Jorgen Holst, "Confidence Building Measures: A Conceptual Framework, Survival, 25(1), (London, Jan-February 1983), pp. 2,4.

[46]   UN Centre for Disarmament, "Report of the Secretary General, Study in all the Aspects of Regional Disarmament, UN (New York, 1982), pp.51-2.

Whatever be the reason for the current focus on military CBMs, the consequence has been the comparative neglect of non-military CBMs. The most vivid example is the lamentable fate of the Indo-Pak Joint Commission established in March 1983, intended to strengthen good-neighbourly relations and promote cooperation in the non-military and non-political areas. The value of these *non-military CBMs* is that they are designed to soften the edges of mutual suspicions by enlarging the areas of cooperation between adversarial states. Military CBMs are prophylactic in character. Non-military CBMs hope to generate an atmosphere conducive to stability.[47] See *Appendix II* that contains a detailed list of non-military CBMs that would be negotiated within the short and long term in South Asia. This list was finalized by consensus following discussions thereon during the fourth South Asia Dialogue.

B. TRACK-II DIPLOMACY: UNOFFICIAL CHANNEL OF COMMUNICATION

This form of people to people diplomacy has been described as:

A process of unofficial dialogues between disputing politics conducted directly, or with the help of a third party, by influential citizens who normally have access to their governments and/or an ability to influence public opinion. The goal of track two diplomacy is usually to

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[47] P.R. Chari, Navnita Chadha, Maroof Rata, "Confidence-Building Measures in South Asia",

prevent or resolve conflicts, or build confidence between the parties they represent.[48]

The twin objectives of Track – II- diplomacy are:

(1) Conflict resolution and

(2) Economic cooperation.

Conflict Resolution: Much effort has been expended by India and Pakistan on conflict resolution dialogues. This was occasioned by the realization that an easing of security-related issues was essential if political and economic cooperation was to be proceeded with hopefully; and partly by beliefs that the nuclear standoff between the two countries required to be managed. The results achieved by the prominent security-oriented Track-II efforts like the Nirmana Process, South Asian Dialogue, Parlance Initiative and so on, have, however, been modest. They have undoubtedly succeeded in establishing an unofficial channel of communications. The in-depth and frank discussions possible within these intellectual countries allow bilateral and region-wise contacts being maintained by respected personage, who often have access to the ruling elite in their respective countries. Regular contacts between opposition leaders in SAARC countries should become an institutionalized form of Track-II diplomacy. Hopefully, their commitment to absolute values

Centre for Policy Research, (New Delhi, January 1995), p.5.

in such conferences would temper their opposition to regional cooperation and influence them should they achieve power.

Of equal consequence in a recent initiative to establish a network of young opinion-makers – academics, media persons and NGOs in the region. This initiative was informed by the belief that a *third post-independence generation* is emerging in South Asia, with a greater exposure to international influences through the electronic media, travel and so on. This third generation also possesses competence and interest in matters of consequence like economic and environmental issues, and could bring a fresh outlook to bear on the intractable problems bequeathed to them by the post-partition first and second generation. [49]

Economic Cooperation: Track-II diplomacy can be extended from conflict resolution efforts to economic cooperation. Several initiatives can be envisaged through the SAARC chambers of Commerce as for example:

(a)   Making available and disseminating business and trade information that would be of a special value to small and medium entrepreneurs;

(b)   Arranging academic exchanges between business and management schools in South Asian Countries; and

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[48]   Sandeep Waslekar: Track-Two Diplomacy in South Asia, (University of Illinois, March 1994), ACDIS Occasional Paper, p.1.

[49]   Stephen P. Cohen, "A Generational Change', *Seminar*, No.422, (October, 1974), p.18.

(c)   Initiating a CEO's dialogue between young entrepreneurs and professional consultants in the region.[50]

SAARC NET: A beginning in this direction has been achieved by the launch of a software programme 'SAARC NET', that would link the seven SAARC nations, and contains relevant economic, social and infrastructural data. This would enable businessmen in India and Pakistan, for instance, to interact directly without the stultifying intervention of their governments.[51]

The success of these such events in the recent past has kindled great optimism about this Track-II instrumentality.

To sum up the main source of conflict in South Asia is domestic. Therefore, one important aspect of security building would be restructuring of the internal political, economic order to broaden democratic structures and strengthen foundations of Civil Society In this context the role of external powers has to be noted, "while there is no doubt that the superpowers have played an important role in escalating low intensity regional conflicts into major wars, it would be inaccurate to suggest that inter state and intra-state conflicts in the third world are entirely the product of super power rivalries or external interventions."[52] The same theme had

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[50]   Poonam Barua, "Towards Indo-Pak Economic CBMs" Paper presented at the Third Summer School on Arms Control, Technology and Security at Nimrana (India, 23-30 September 1995).

[51]   Ibid., n.9.

[52]   Barry Buzan, Gohwer Rizvi et. al., South Asian in Security and Great Powers, (London, 1986), p.107.

been expressed by the then Indian Prime Minister *Rajiv Gandhi* when he addressed a joint session of the US Congress during his State visit to the US in June 1985.

Outside interference and intervention have put in jeopardy the stability, security, and programmes of the region.[53]

The failure of finding congruence in the national security perspective among South Asian States has been because of the security strategies, which have been adopted by the regimes of the region. "They are:

1. Militarisation, i.e. developing and arming substantial military/police forces.

2. Repression and state terror i.e. attempt to destroy the perceived 'enemy within'

3. Diversionary tactics, i.e. finding and provoking external enemies to distract attention from the situation.[54]

The *asymmetry of powers relations* in the South Asian region becomes crucially important in this context. The Indo-Centrality of the regime is a fact in the sense that it is the major economic, political and military power in the region. As *Pramod K. Mishra* writes, "Major asymmetry in the resource position of South Asian States makes regional cooperation rather difficult. India is a giant vis-a-vis other South Asian States in matters of natural

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[53] quoted in THE TIMES, 24 June 1985.

[54] SIPRI years book1994, (Oxford Publication, 1994), p.485.

resources. Hence, the smaller states are apprehensive that SAARC may enhance dependency in the region."[55] To balance interdependence with mutual accommodation of interests is the only way to avoid such an undesirable situation. According to *Eprnest B. Hass* "Actors will evaluate interdependence as negative if they feel their regional partners profit more than they; negative evaluation can be predicted in Common markets and free trade areas of less developed countries (LDCs). Actors will evaluate interdependence as positive if they feel they benefit equally with their partners in some issue areas, though necessarily not in all or in all simultaneously."[56] As such, increased interaction can lead to either dependence or interdependence. It is naive to conclude that increased interaction invariably brings about peace and stability to the region. As *Holsti* remarked, "the patterns and qualities of transactions are more important than quantities and growth rates."[57]

Although certain conflicts have ceased to recur, some are only dormant, far from being resolved to the satisfaction of parties. Some new issues of conflicts have emerged or are in the process of coming to the surface from pre-conflict or dormant phases. We have already noted the potency of the ethnic and international tensions, which may explode into violent conflict, domestically and internationally. Resource sharing and environmental issues are militating for serious attention in bilateral relations.

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[55]   Pramod K. Mishra, "South-South Cooperation and SAARC." *Strategic Analysis*, XII. V. (August 1989), p.554.

[56]   Ernest B. Hass, "The Study of Regional Integration", in Leon N. Lindbers and Stuart A. Scheigold (eds.) "Regional Integration – Theory and Research", (HUP, 1971), p.8.

What is more disconcerting, although conflicts may not be interlinking across dyads, the old and new issues in a given dyad quickly interlink to produce a complex web, and become temporarily persistent amidst the dynamics of conflict and cooperation. The situation is complicated by the existence of the multiple issues and multiple actors.[58] In view of the ground realities in South Asia, a new approach, which must be *multi-dimensional*, is necessary towards the concept of *interdependence regionalism*.

[57] K. J. Holsti, "Change in the International System Essays on the Jhedy and Practice of International Relations (Bookfield, 1971), p.58.

[58] Abdur Rob Khan, op.cit., p.441.

Chapter- 4

CONTRASTING SAARC WITH OTHER REGIONAL ORGANIZATIONS:

Comparing and contrasting SAARC, the youngest regional Organization with other well entrenched regional organizations like the European Union, ASEAN (Association of South-East Asian Nations) , APEC (Asia-Pacific Economic Council), OIC (Organization of Islamic Conference), OAU (Organization of African Unity) etc. would be inapt as human experiences and political conditions being so different from one point of planet to the other. Whatever the differences in the historic- *socio- cultural- political* sphere the other regional Organizations especially the EU (European Union) dubbed as one of the greatest political invention of the 20th century (EDWARD HEATH) would provide a meaningful lesser to the SAARC on what constitutes a regional identity and national identity a regional spirit and consciousness and especially how to overcome antagonistic perceptions by establishing institutional framework for conflict-resolution and confidence-building mechanisms (CBMs).

The following chapter would look into the origin and functioning of the regional Organizations in a way revealing *common traits* and *inter-institutional co-operation* with SAARC. While contrasting the following core issues have been taken into consideration:

(a) What constitutes regional identity vis-à-vis national identity and would both the actors of SAARC and the other regional organizations answer these questions in the same way. This would highlight the past strengths, present stakes and hopes or fears for the future.

(b) In the case of the various regional organizations a common culture and historic and political developments preceded they coming into construction and existence mainly owing to the external pressures viz the fear of war, the need for peace and the reconciliation between the people, the fear of communism and finally the fear of economic competition. How would these agents of political co-operation and integration would bring about a change in the South Asian identity?

(c) Another pertinent commonality is the *Question of medium* and through which do the construction of these regional organizations and South Asia (to be read SAARC) pass. For example the European Union was constituted primarily through economic means and by technical decisions as a surest foundation on which to construct a political organization without risk of failure. This would bring out the failure of the SAARC in not choosing a viable via-media for an effective take-off.

(d) *Regional sentiment* is the most difficult stimulus to forge. It is probably the principal challenge of all political construction which wants to transcend the phenomenon of Nation State. This would bring out the obstacles standing in the way of construction process and the choices i.e. - going all the way up to integration [supranationality] or limiting to inter-governmental co-operation [not jeopardising National Sovereignty]

(e) Finally the inter-regional cooperation projects and regular dialogue partnerships between SAARC and the other regional organizations. Though the inter-regional or inter-regional Organization summits are an a lesser scale when compared with EU- ASEAN relations.

EUROPEAN UNION:-

The development of the European Union stands out as an outstanding example in the arena of regional cooperation. It shows how Western Europe tackled the problems of economic transformation. Political cooperation and military security after the Second World War. The main argument is that the European countries handled these problems by establishing *different institutional networks* [1] for these policy fields. This initiated a process of regular exchange,

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[1] Christian Wagner, "South Asian Security- An European View" ,paper presented at International Seminar on "National Identity and Regional Cooperation" (India International Centre, N.Delhi. 11-13 December, 1996)

permanent consultations, and coordination between political decision makers and high bureaucrats on various levels.

The history of the European community demonstrates the close relationship between economic development, political cooperation and security. After the Second World War, the reconstruction of Europe was guided by three principles:

(1) Economic reconstruction

(2) Political Integration and

(3) Common Defence.[2]

The beginning of the cold war in Europe facilitated the collaboration between the western countries supported by the massive economic involvement of the United States and the *Marshall-Plan*. In order to attain these goals new Organizations were established, for instance the Council of Europe (COE) in 1948, the organization for European Economic cooperation (OEEC) in 1948 and the North Atlantic Treaty Organization in 1949. (NATO)

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[2]   Ibid.,

ORIGIN:

In 1950, the French foreign minister *Robert Schuman* developed a plan to control the entire production of coal and steel of Germany and France by a common authority. The control of heavy industries essential for any future warfare was a new way to counterbalance and control Germany's industrial base. In 1951, the treaty of the *European Coal and Steel Community* was signed including besides Germany, France, Belgium, the Netherlands, Luxemburg and Italy. The ECSC marked the beginning of closer economic cooperation. At the same time the endeavours for closer+-+-cooperation in political and security matters were pushed forward. In 1952 the six countries of the ECSC signed the treaty of the *European Defence Community* (EDC) and discussed plan for a closer political collaboration. The *Western European Union* (WEU) was founded in 1954 in order to set up a system of collective security for Western Europe.

DEVELOPMENT:

Following a functional approach, the intention was to achieve political collaboration by intensified economic interaction. The idea was that cooperation in the fields of *low politics* (like science, technology, economy) would have spill-over effect into other areas leading to closer collaboration in

the fields of 'high politics'[3] (security and foreign affairs) in a long term

perspective. The Treaty of Rome, signed in 1957, laid the foundation for the

European Economic Community (EEC) and the European Atomic Energy

Community (Euratom). The 1960s saw a rapid development of economic

collaborationin Europe. In 1965 the three communities, ECSC, EEC and

Euratom were merged under a single authority. The various institutions of the

EC initiated a process of integration, whose most important feature was that

parts of national sovereignty were handed over to SUPRA-NATIONAL

INSTITUTIONS. Since that time the decisions in many policy fields, for

instance agriculture, were no longer made in the respective national capitals

but in Brussels [4] (the permanent Head-Quarters of E.U.)

But the need for political collaboration persisted and was pushed forward by

Germany and France. The German chancellor *Adenauer* and the French

President *De Gaulle* were of the same mind that the close relations between

their countries should become the core of a European political cooperation in

the future. In 1963- THE GERMAN-FRENCH FRIENDSHIP TREATY

(ELYSSE TREATY) laid the foundation for a permanent reconciliation

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[3]   Ibid.,

[4]   For an Overview as the development of the EC see R. Owen, M Dynes, "The single European
Market", London 1993. For economic development see M.Artis, N.lee (eds) ," The Economics
of the European Union, Policy and Analysis," Oxford, 1994.

between both countries who had been arch enemies for yearly 100 years. On the European level, political cooperation became institutionalized for the first time after the Davington Report in 1970 that recommended a harmonization of national foreign policies in regard to matters concerning common European interests in international affairs. This move was opposed by France but the governments consented that the foreign ministers of the EC should discuss questions of *common political interest twice a year. The following of the European Political Cooperation* (EPC) as a separate forum established a process of regular exchange and consultations as political issues among the EC member states.

In contrast to the process of economic integration, political cooperation rested on the principle of national sovereignty. Hence, decisions could only be reached by unanimity that was slowly abandoned by other means of decision making in the official framework of the EC. Divergent national interests of the members countries and the principle of consensus limited the record of political collaboration. Nevertheless important declarations were passed. It was only after the *Single European* Act in 1986 that European Political Cooperation (EPC) was transformed into one of the main pillars of the EC. It was institutionalized with a common secretariat in Brussels. Additionally, the European Commission and the parliament were included in the consultations

in order to achieve a better coordination and harmonization of foreign policy affairs.

The EC was contrusted with new challenges when communism collapsed after 1989. The breakdown of the Soviet Union and most Eastern European countries made it necessary for the EC to support the process of *democratization* and economic *transformation*. Additionally, many of the former communist countries wanted to join the EC. In order to participate from the benefits of a single market and the subsidies in the field of agriculture. Within the community, the reunification of Germany increased both its economic strength and political power. This created new apprehensions against a German dominance in Europe among the other EC members.[5]

European Community to European Union

The single European Act, in force since July 1987, was the culmination of several years of intense debate looking at how the process of European integration could be relaunched, improved and made more relevant to the European people.[6] The global political and economic changes as well as the

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[5] See A. Clene, R. Vernm (eds) "The European Community after 1992: A New Role in World Politics", (Baden - Baden, 1991).

[6] "How does the European Union Work" Booklet published by the European Commission, (Brussels, 1996), p.6.

new power structure within the EC made it necessary to look again for a closer political Union. This goal was achieved with the *Treaty of Maastricht* in 1992 mainly fostered by Germany and France. The treaty aimed at *political union* which rested as three pillars:

(1) Economic and Monetary Union (leading to single currency)

(2) Collaboration in Legal and Internal Affairs

(3) Common foreign and Security Policy

In order to achieve a common foreign and security policy (CFSP) two procedures were discussed. First, there was the idea to continue the existing intergovernmental cooperation, based on the principle of national sovereignty. The second proposal aimed at integrating foreign and security matters into the normal procedures of the community. This would imply decision-making by majority rule and a loss of national sovereignty. But this was refused by the British government, so that the CFSP is to be achieved by intergovernmental collaboration.[7]

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[7] R.Rummel (ed) " Toward Political Union: Planing a common foreign and Security Policy in the European Community," (Baden-Baden 1992)

CRITICISM:

The problems of the EU to deal with internal conflicts became obvious during the civil war in former *Yugoslavia*. The EU was not able to find a common line towards the recognition of the newly established states and it was the sole decision of the German government to recognize Slovenia and Croatia as sovereign states. The conflict make it clear, that the proceedings and regulations which were worked out during the cold war were not suited to deal with internal wars.[8]

However, Even the Maastricht Treaty (1992) suffered a great setback and public distrust, clearly voiced in referendums in Denmark and France, within the Home of commons in the united Kingdom and by the constitutional court in Germany. As a result of the Maastricht Treaty's tempestous ratification passage, it became abundantly clear that European integration could not and should not be implemented by a seemingly distant hierarchy of governmental and European institutions operating apparently at will, and apparently behind closed doors.[9] But the success of the EU and its institutions should not be *under estimated* when compared to the former experiences of European

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[8]   Christian Wagner op.cit., p.7.

[9]   "How does the European Union Work "? . ,op.cit., p.7.

rivalries in the 20th century. The development of a close network of institutions and constant consultations on various political and bureaucratic levels has helped to overcome traditional antagonistic perceptions and has reduced the tension among European great powers. With the help of economic integration which has reduced national sovereignty in many policy fields and political cooperation, Europe has evolved into one of the leading economic superpowers of the forthcoming century.[10]

ASEAN:

Closer home, the Association of South East Asian Nation States (ASEAN) has a better performance in the history of experiments with regional cooperation in the Asiatic zone. Since world War II, Southeast Asia for the first five came to be thought of as a regional entity. The thrust towards regional cooperation has often been marked by conflict and uncertainty than confidence and purpose. Partly this has been a consequence of the diverse motives that have given birth to regional bodies. The indigenous regional bodies like the Association of Southeast Asia (ASA), MAPHILINDO (organization consisted of Malaysia, Philippines and Indonesia) and later their successor, the ASEAN came into existence. As an indigenous grouping, ASEAN is the most significant and successful regional cooperative initiative

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[10]   Christian Wagner, op. cit., p.7.

to date. Most of the Organizations of the Third World are ineffectual both politically and economically with the possible exception of ASEAN.

ORIGIN AND DEVELOPMENT:

ASSOCIATION OF SOUTHEAST ASIA (ASA):

The first experiment which was more largely and genuinely Southeast Asian and did not have politico-military objectives was ASA. ASA came into being with the Bangkok Declaration of 31 July, 1961. It's prime mover was the Prime Minister of Malaya, Tunku AbdurRahman, who had been chasing such a dream since 1958. It consisted of *Thailand, Malaysia* and *Philippines*. The objective of ASA was to promote cooperation in the economic, social, cultural, scientific and administrative fields. The ASA was first of its kind, for it was organized, exclusively by Asians unlike other regional organisations, which included outside powers. Its umtated aim appeared to be keeping as low a political profile as possible. An appraoch, at once both practical and at once both practical and modest it was with slight differences, to be the fore runner of ASEAN's modus operandi[11] Unfortunately the association became inactive because of Indonesia's confrontation with Malaysia and the dispute between Malaysia and the Philippines over Borneo.

MAPHILINDO:

The next major experiments largely rooted in Southeast Asia was MAPHILINDO. It was the short form for Malaysia, the Philippines and Indonesia. Its aim appeared to be to bring together the three Malay majority countries of Southeast Asia. To this extent its objective was political, but it was not military; not very much was it economic. It was formed in 1963. In any case MAPHILINDO was short lived because of two limitations. First, since its emphasis was in bringing together the three Malay countries, it did not have much appeal for non-malay Southeast Asia, such as Thailand and Singapore, not to speak of the Indo-China states. Second, it still contained the differences over the Sabah issue. Thus the formal establishment of Malaysia (16 September, 1963) saw the demise of the Pan Malay organization.

ASEAN :

By the time ASEAN came to thought of, Southeast Asia had been clearly divided into two sub-regions, first, the matter but politically conspicuous sub-region of the Indo-China States (viz. , Laos Cambodia and both Vietnams and second the larger, politically more diverse but decidedly anti-communist Southern sub-region consisting of the countries such as Thailand, Malaysia,

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11   see Amfinn T.Dehl." Regional organization and order in Southeast Asia" (Marmillan, New York 1982)

Indonesia, Singapore and the Philippines which were later to form ASEAN. The five countries which had opted for a *pro-western* and *anti-communist* foreign policy stance were in a jittery state. Their fear psychosis conceded with the *US strategy-* the need for bringing the pro-US regimes together. Hence in regard to the formulation of ASEAN by the five countries, the development were not natural and independent. It was more a reaction to the tensions and turmoil in the area generated by extra-regional factors that led to its formation.

In 1967 ASEAN was formed as a successor to the ASA. The basic difference was the membership of Indonesia the new member country of ASEAN in the year 1980. The ASEAN has its secretariat stationed at Jakarta. The ASEAN organization was not formed as a military alliance nor as a political bloc.

OBJECTIVES:

The objectives of ASEAN as stated in the *Bangkok Declaration of 1967* was to bring forth economic, social and cultural cooperation among the member states with the aim of speeding economic development and socio-cultural progress in the region. ASEAN leaders in their official pronouncements have time and again denied that ASEAN was meant not for

military purposes but for economic and cultural cooperation. But the transformation of ASEAN over the years into an organisation with broader aims and objectives is now beyond dispute. Member states no more confine cooperation in spheres of socio-cultural and economic activities but also extend these to political security and strategic fields.

APEC

On 5 November 1989 Asia-pacific Economic Corporation council the APEC was established. ASEAN members participated in its founding. APEC includes the ASEAN countries and the USA, Japan, Canada, Australia, New Zealand and South Korea. At the July 1990 inaugural meeting of APEC it was agreed to open membership negotiations with China, Taiwan and Hong Kong. The European Union-APEC relations constitute the high water mark in inter-regional cooperation. ASEAN reactions to the foundation of APEC (a new regional economic organization) varied from Singapore which was very enthusiastic to Indonesia which called for greater concentration on intra-ASEAN rather than external economic relations.

OIC

The Organisation of Islamic Conference (OIC) was established in *May 1971*, following a Summit meeting of Muslim Heads of States at *Rabat* (Morocco) in September 1969. At present it has 45 members.

Over the years, the OIC has been actively working towards greater cooperation among its members in the field of economic, cultural, humanitarian and political matters. In this regard, it has launched programmes and has set-up the *Islamic Reinsurance Corporation* with authorized capital of US$200 million. The organisation supports education of Muslim communities throughout the world, and, through the Islamic solidarity fund, has helped to establish Islamic Universities in Nigeria, Uganda and Malaysia. In the political field, however, the organisation is mainly concerned with the recognition of the rights of Palestinians and the PLO (Palestinian Liberation Organisation) Though it is not very successful in building cooperation and consensus in political field, it is nonetheless an important international community group.

OAU

The organisation of African Unity (OAU) is one of the multi-purpose regional organisations. It is the *largest in term of membership*. It was

established in 1963. From its original membership of 30 it has grown to include *51 states*. All members are from Africa, since the OAU charter does not permit non-African states to join. The main purpose was to promote unity and solidarity of the African states, and to cooperate and coordinate efforts to achieve a better life for the people of Africa, and to defend the sovereignty, territorial integrity and independence of the African states.

The OAU has some accomplishments in political, economic and social matters. First, in 1965, in the area of economic and social cooperation the OAU and the UN Economic Commission for Africa signed an agreement for mutual cooperation. Second, in 1981, it adopted the *African Charter on Human* and *People's Rights* which entered into force in 1986. OAU is the third regional organization (besides the EU and OAS) to have a regional human rights and mechanise to implement it.

Conclusion: Inter-Regional Cooperation

Most of the major regional organisations covered above have had different reasons for its creation. The different reasons of factors such as the homogeneity of interests, traditions, and values within small groups of neighbouring states, prompted their establishment. Moreover, it shows that political, economic and social integration is more easily attainable among a

lesser number of states within a limited geographic area than on a global basis.

Looking at Western Europe after the second world war, the creation and linkage of various regional institutional networks can be regarded as the most important development which helped to handle economic, political and security issues. Similar developments can be observed in southeast and South Asia as well. These countries have clearly understood the value and importance of formal and informal networks both as a regional and global level. Besides their economic cooperation, the ASEAN countries established *Post Ministerial Conferences* (PMC) on a multilateral forum in order to discuss political and economic questions of common interest. Given the international changes, it was only a logical step when the *ASEAN Regional Forum* (ARF) was established in 1993. It includes the most important external powers of the Asia-Pacific region and is mainly concerned with Security matters of the region. *The EU and ASEAN* started their cooperation from a already high level of common understanding despite their divergent views on human rights and could use economic interaction to further intensity their links.[12] These preconditions do not match for the SAARC countries. Their low

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[12]   See J. Ruland, "The Asia-Europe Meeting (ASEM): Towards a New Euro-Asia Relationship (Restock Discussion Papers, No.5, 1996).

level of economic interaction is not suited to act as a leverage in order to improve bilateral relations.

Today it is a period of more inter-regional cooperation projects and regular political dialogue between various regional organisations viz. EU-SAARC relations, EU-ASEAN relations, ARF etc. It helps in truly going for a much more globally integrated economies and strengthens the bonds. These inter-regional linkages would help in the exchange of technical know-how, and other procedural mechanisms so that they will use the others experience and wisdom to avoid falling in pitfalls.

SAARC basically needs the technical know-how of the E.U. - i.e. Institutional framework, procedural mechanisms to implement its programmes like SAPTA (South Asian Preferential Trading Arrangement and the methods to facilitate more intensive people- to-people contacts.

CONCLUSION

Costs and Benefits of Cooperation

The progress of regional cooperation is tremendous in various fields as divergent as–human development, containing population explosion by framing and exchanging innovative developments on population policy, Environmental Impact, Education, Health and Nutrition- which ultimately leads to an improvement in the quality of life.

The prime areas which represents a significant step towards closer regional cooperation are – economy and human rsources development leading to elimination of mistrust and misundestnadings. For the first time crucial fields as trade, industry, currency,finance came into the scope of cooperation with the augumentation of *SAPTA* South Asian preferential Agreement in 1991 which is to culminate into SAFTA - South Asian free trade area by the year 2010. The South Asian Development Fund (SADF) was adopted with a comprehensive plan for the elimination of poverty.

Extensive research work has been done by the SAARC secretariat into intra-regional trade, manufacturing industries and service traders. Nevertheless compared with regional cooperative organisations elsewhere SAARC still has a long way to go. In the years 1980s and 1990s annual *growth rate* of intra-regional trade was *3.5%* whereas the comparable

figures for ASEAN and EC partners were around as high as *20%* and *50%* respectively. This shows that there exists a huge potential for expanding intra-regional trade in South Asia.

In any event, the fact that SAARC has not achieved any spectacular success would suprise or frustrate only those who expect too much too soon from it. SAARC can't be viewed as the panacea to all the problems that South Asian states have accumulated for themselves over the years.[1] Here it is pertinent to remember what *Holsti* remarked, "The patterns and realities of transactions are more important than qualities and growth rates.[2]

(i) Human Resource Development:

Human resource development is the most strategic and critical determinant of growth today: yet its development has not received the required attention in South Asia. In the closing years of the 20th century and entering the 21st century, South Asia is amidst underdevelopment, rampant poverty, ever mounting population pressures and growing socio-economic deprivation and disparities.

The most critical choice is to improve the quality of human resource itself in a society, so that people may live longer and healthier and have

[1] Iftekharuzzaman, "Emerging Strategic Trends in South Asia" *Bliss Journal*, vol.13, no.3, July1992.

[2] K.J. Holsti, "Change in Internatiuoinal System (Edwar Walfar ed., 1991), p.58.

access to resources needed to satisfy one's needs. The Human Development

Report of *UNDP* defines human resource development as:

> "People are the real wealth of the nation. The basic objective of development is to create an enabling environment for people to enjoy long, healthy and creative lives. Human development is a process of enlarging people's choices".[3]

The South Asian countries can realize immense benefits of NGO's

who could share and exchange their views and experience as a regular basis

regarding effective programmes undertaken for reduction of poverty. For

instance, the experience of *Grameen Bank* and BRAC of Bangladesh, NREP

(National Rural Employment Programme) of India, Welfare and Human

Resource Development of Sri Lanka, may be replicated with appropriate

local modifications in all   South Asian countries through positive

regionalism and collective approach. It is this linkage among South Asian

states, which makes the region interdependent.

(ii) Economic Cooperation:

In the present day all the countries must accept the fact that they are

part of the world economy. No country can escape its role in the system of

interdependent trading nations.[4] It is still a debatable point whether the

degree of interdependence among nations is increasing or not. But it is a fact

that the world trade has grown exceptionally fast in the post-war years. On

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[3]   Human Development Report, (UNDP, 1990), p.18.

the whole, the forces working for economic interdependence among nations seems irresistible.

One possible way to accelerate economic growth of the developing countries is through regional cooperation.[5] Enhancing intra-regional trade is an important instrument of this overall approach. The desirability and feasibility of *South-south* cooperation is no longer a matter of conjecture.[6] Countries of the South are not uniform in this level of development or resource endowment. The dynamic complementaries among the developing countries in resources, skills, technologies and market opportunities have opened new vistas of opportunities among themselves. The study mentioned in Table 2 on the basis of structural and sectoral growth perspectives has suggested regional cooperation in the following areas:

[4] B.Satyanarayan,"Regional Cooperation among SAARC Countries" in Devendra Kumar Das ed., SAARC Regional Cooperation and Development, 1992, p.77.

[5] Ibid., p.78.

[6] Kalyan Raipuria, "Trade and SAARC Integration", The Economic Times,28 June1999.

Table 2

Areas of co-operation in South Asia

Country	Agriculture	Energy	Manufacturing	Others
Bangladesh	H	L	M	L
Bhutan	M	L	M	H
India	H	H	M	H
Maldives	L	H	L	L
Nepal	H	M	M	H
Pakistan	H	L	L	M
Sri Lanka	L	L	H	H

Note: H = High, M = Medium, L = Low

Source: Arif A.Waquif, "Identification of Sectors and Product Groups for Economic Cooperation in South Asia", Report, 1992, p.108.

The following conclusions can be deducted from the table:

(i) Agriculture is likely to be more beneficial to Bangladesh, India, Nepal, Pakistan and Bhutan

(ii) Energy is likely to be more beneficial to India, Maldives and Nepal

(iii) Manufacturing is likely to be more beneficial to Bhutan, Sri Lanka, Bangladesh, India and Nepal.

(iv) "Others" sector is likely to be more beneficial to Bhutan, India, Nepal, Sri Lanka and Pakistan.

(iii) SAPTA to SAFTA

The initiative towards establishing SAPTA (South Asian Preferential Trading Agreement) was first developed during the sixth SAARC summit in Colombo, in December 1991. Pakistan displayed regious reservations, fearing that SAPTA might lead to India's dominance of the region. Eventually on 11 April 1993 during the seventh SAARC Summit in Dhaka the framework of SAPTA was agreed upon. But was formally approved at the eighth SAARC Summit in Delhi in May 1995, and became operative in December 1995.

The main objective of SAPTA is to promote a greater volume of intra regional trade among the SAARC counties through a mutually agreed schedule of intra-regional trade concessions and preferences.[7] (For major items of exports and imports of the SAARC countries see Appendix III).

The ratification of SAPTA implies that each SAARC member country can request preferential treatment on a particular product from another member country on a reciprocal basis.[8] The preferential treatment would be phased removal of tariffs, para-tariffs and non-tariff barriers as who direct trade measures such as commitment in respect of long and medium term contracts, preferences in government and public procurement, state trading and buy-back arrangements. An attractive feature, of this context is the technical assitance and cooperation designed to assit the least

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[7]   Lakhan Lal Mehrotra, "Towards a South Asian Community. (1997), p.300.

developed countries in expanding their trade with other member countries. SAPTA facilities are non-reciprocal for the least developed countries viz.- the Maldives, Bhutan, Nepal and Bangladesh. SAPTA is to culminate into SAFTA by the year 2010.

(b) Grey Areas

The main source of insecurity in South Asia is domestic. Therefore one important aspect of security building would be restructuring of the *internal-political and economic order* to broaden democratic structures and to strengthen foundations of civil society. South Asia needs more than conventional types of confidence buiulding measures (CBMs) which are basically of bilateral nature and oriented towards defence and security. The time is more than ripe now for SAARC to include matters related to defence and disarmament in some form or other into the agenda of cooperation. An initiative for *People's SAARC* mainly came from some MP's of the SAARC member countries, Trade Unionists, NGO's, Journalists and academicians has came with proposals to make SAARC more far reaching and meaninful. They are:

- easing of restrictions on VISA and introduction of a VISA –on-arrival facility within the region.

- setting up of a peoples tribunal to adjudicate violation of human rights.

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[8]   SAARC led to promote Bilateral Trade. The Economic Times, 10th January, 1996.

- And a Clarion call for declaring South Asia as a nuclear free area.

The progress already made by SAARC towards moving into "Core Areas" of cooperation need to be carried forward backed by attitudinal change. Whatever may be the degree of cooperation and level of expectation, respective national interests, motivation and priorities – would continue to define the way a particular member – state would behave in SAARC and thus limit the prospect of growth of regionalism in South Asia. As an inter-governmental organization, the success of SAARC will always be defined by the way the governments concerned want it to succeed.

Here the EU (European Union) stands out as a beacon light-for other *developing regional cooperation organisations* like SAARC. EU has grown from Economic Community to a political integration off late having:

a) Common Currency – The Euro Dollor

b) Common Foreign and Defence Plicy (CFDP) and

c) Common Parliament.

SAARC can play a vital role in promoting regional cooperation. However, it is necessary to go beyond the SAARC framework not only govt-to-govt level cooperation, but also multi-deck pattern of regional cooperation – state level, non-state trans-national group level, people-to-people level are necessary to supplement the formal SAARC framework.

The people-to-peoople linkage in the region facilitated and forged by region level cooperation in education, health care, regional tourism is a crucial element of regional cooperation. The intra-regional movement of people is as important as the exchange of goods and services. Such as non-political and functional approach to regional cooperation often contributes towards defusing political deadlock.[9]

Greater appreciation of shared stakes, in the success of cooperation within SAARC will contribute to the promotion of regional stability.

(c)   Expanding SAARC

Growth is the only parameter for the sign of development. For that matter SAARC has grown from strength-to-strength. Thus expansion of SAARC is on the anvil right from its inception. The first policy statement by the then *External Affairs* Minister Mr. I. K. Gujral called for the expansionof SAARC by inviting Myanmar in the East and Afghanistan and other Central Asian countries in the West to join the South Asian group.

Being afraid of pro-democracy   pressure Myanmar's junta had preferred isolation. As for the membership of Afghanistan in SAARC India saw in this a support for the then Najibullah government and to counter-balance Pakistan's anti-India   stance in regional affairs. Obviously, Pakistan did not agree to this, saying that criteria for allowing new members had not

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[9]   Gamini Keerawel, op.cit.

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been worked out. Since SAARC works on unanimity principle – Pakistan's reservation succeeded in blocking Afghanistan's entry.

Mr Gujral's attempt to revive the idea of expandning SAARC is welcome in the context of India's liberalising economy and its new approach to post-cold war developoments in Asia. Strategically it will free SAARC from narrow subcontinental focus where South Asia's bilateral tensions, between India and Pakistan are containing regional cooperation. The larger size of the regional community resulting from the inclusion of Central Asian countries may help Pakistans often its self inspired ideological fixation against a South Asian regional identity.

Though a number of factors like, anti-democracy regimes play a vital role in not giving the enough room and leverage for the necessary expansion of SAARC. The SAARC secretariat is currently working out a package to make the idea of an expanded SAARC viable and more attractive.

(d)   SAARC 2000 and Beyond

Upon the evolution of SAARC, *pious hopes* were raised in South Asia that the diplomatic log-jams that have since independence bedeviled the region may now be eased.[10]

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[10]   See "Threats to Modernism in South Asia", Strategic Survey 1992-93 IISS, London, p.161.

Institutions like SAARC must be given time to develop. In any evaluation of SAARC one finds strands of both pessimism and optimism. First all efforts should be made to build on the positive achievements of SAARC and secure rapid progress to expeditious implementation of all existing decisions.

Secondly attempts should continue to both widen the scope of cooperation and also deepen cooperation in existing areas through consolidation of progress already achieved and building on it. This consolidation can be achieved through promoting the SAARC spirit,[11] its vision and perspectives through it's visions, programmes and projects:

(a) CSCD – Committee for studies of Cooperation and Development

(b) CASAC - Coalition for Action on South Asia Cooperation

(c) IPAs - Integrated Programme of Action

(d) SAMA - South Asian Media Association and other foras.

Thirdly the principle of subsidiarty followed by the European Union, the concept of togetherness that informs action of ASEAN be considered by SAARC as well.

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[11]   see Mehrotra, Lakhan Lal, H.S. Chopra and Gest W. Kueck (eds) "SAARC 2000 and BEYOND" (New Delhi,Omega Scientific Publishers, 1995).

Among the various recommendations that were adopted last may at the Kathmandu conerence for "overcoming hurdles in socio-political fields" are more relating to establishment of appropriate mechanisms for CBMs and confict resolution - on the basis of mutual respect and in a spirit of give and take, bearing in mind the long term needs and aspirations of the South Asian people.

Concluding Thoughts:

The shadow of the future serves as a powerful motivating force for states to engage in cooperation in order to avoid the penalities lost through non-cooperation.But the range of cooperative activities will tend to be narrow because of the overriding concern of states to limit the relative gains accquiring to a rival. Institutions are supported to the extent that they lower the transaction costs of arrising at a mutually beneficial arrangement. Experiences of EU and ASEAN in this regard are worth studying for the development and advancement of SAARC.

The European Union presents a new spectacle, which goes beyond the known classical form of the unitary, federal and confederal politics. While preserving the identity of its components it seeks to enable them to play their role as a part of the European regional collectivity in the evolving international political, economic and technological dynamics.

Likewise in SAARC there is necessity to take concrete steps and provide an impetus to economic and political cooperation within. It should identify and develop unexplored areas of economic cooperation between SAARC countries; and jointly tackle problems of human rights and environmental pollution by collective endeavours. SAARC can play a vital role in promoting regional cooperation. However, it is necesary to go beyond the SAARC framework. Not only government –to-government level cooperation, but also multi-deck patterns of regional cooperation – state level, non-state trans-national groups level, people to-people level – are necesary to supplement the formal SAARC framework. The people-to-people linikage in the region, facilitated and forged by regional level cooperation in education, health care, regional tourism and the liasion of professional bodies is a crucial element of regional cooperation. The intra-regional movement of people is as important as the exchange of goods and services. Such a non-political and functional approach to regional cooperation often contributes towards *defusing political deadlock*.

The intial gains of SAARC have been small which made it to be dubbed as a snail paced reginal organisation. To overcome this a two-pronged approach is necessary. Firstly, all efforts should be made to build on the positive achievements of SAARC and secure rapid progress to expeditious implementation of all existing decisions. Secondly, attempts should continue to both widen the scope of cooperation and also deepen

cooperation in existing areas through consolidation of progress already achieved and building on it. The concentration should be on what is feasible and practical. It is in this context that all efforts should be made to master regional cooperation in South Asia and to cope with conflicts that bedevil this region.

Thus Reginal Cooperation offers an invaluable opportunity for working towards ensuring a durable peace and participatory democracy. It can enable South Asia to play its due role in the world through the development of *common vision* and the projection of a *collective position* on topical issues in global fora. The dialogue should be aimed at developng a vision of South Asian Community based as much on economic cooperation as on peaceful co-existence and cultural pluralism.

The people of South Asia have been heirs to a great past and can be builders of a great future. If they face the future together with all its challenges and exploit all available opportunities, they can be the vesitable architects of cooperation rather than remain mute victims of conflict.

In near future, however, the major challenge for SAARC will be to take regional cooperation from the national bureaucracies and research institutions to the markets and the peoples of South Asia. This will be the only way to establish a common *"South Asia House"*[12] in a long term perspective.

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[12] SP. Cohen, "SARI: A Peace Process for South Asia", Swords and Ploughshares, 8 (1996), 2&3, pp. 21-25.

CHARTER OF THE SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

We, the Heads of State or Government of BANGLADESH, BHUTAN, INDIA, MALDIVES, NEPAL, PAKISTAN and SRI LANKA;

1. Desirious of promoting peace, stability amity and progress in the region through strict adherence to the principles of the United Nations Charter and Non-Alignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the international affairs of other states and peaceful settlement of all disputes;

2. Conscious that in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the SOUTH ASIAN region by fostering mutual understanding, good neighbourly relations and meaningful cooperation among the Member States which are bound by ties of history and culture;

3. Aware of the common problems, interests and aspirations of the peoples of SOUTH ASIA and the need for joint action and enhanced cooperation within their respective political and economic systems and cultural traditions;

4. Convinced that regional cooperation among the countries of SOUTH ASIA is mutually beneficial, desirable and necessary for promoting the welfare and improving the quality of life of the peoples of the region;

5. Convinced further that economic social and technical cooperation among the countries of SOUTH ASIA would contribute significantly   to national and collective self-reliance;

6. Recognizing that increased cooperation, contacts and exchanges among the countries of the region₀will contribute to the promotion of friendship and understanding among their peoples;

7. Recalling the DECLARATION signed by their Foreign Minister in New Delhi on August 2,1983 and noting the progress achieved in regional cooperation;

8. Reaffirming their determination to promote such cooperation within an institutional framework;

DO HEREBY AGREE to establish an organization to be known as SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION hereinafter referred to as the ASSOCIATION, with the following objectives, principles, institutional and financial arrangements;

IN FAITH WHEREOF we have Set Our Hands And Seals Hereunto. DONE In DHAKA, BANGLADESH On The Eighth Day Of The Month Of December Of The Year One Thousand Nine Hundred Eighty Five.

Hussain Muhammad Ershad
PRESIDENT OF THE
PEOPLES REPUBLIC OF BANGALDESH

Maumoon Abdul Gayoom
PRESIDENT OF THE
REPUBLIC OF MALDIVES

Jigmesingye Wangchuck
KING OF BHUTAN

Birendra Bir Bikram Shah Deve
KING OF NEPAL

Rajiv Gandhi
PRIME MINISTER OF THE
REPUBLIC OF INDIA

Mohammad Zial-Ul-Haq
PRESIDENT OF THE
REPUBLIC OF PAKISTAN

Junious Richard Jayewardene
PRESIDENT OF DEMOCRATIC SOCIALIST
REPUBLIC OF SRI LANKA

APPENDIX I

CONTEMPORARY INTERNATIONAL CONFLICTS IN SOUTH ASIA

INTERNATIONAL CONFLICTS IN SOUTH ASIA, 1947-1990

Conflict/Party/Duration/status (1)	Violent phases	Issues Linkage	PartyLinkages (2)	Conflict Linkage
JUNAGADH India-Pakistan Very Short, R(F)	One	Accession religion power-security	Original Dyad+ (UN)	Kashmir
KASHMIR India-Pakistan Prolonged Statement	Two	Accession +religion+territorial+power-security+Cold War	Original dyad+[UN+West] +Russia+China	Linked to most India-Pak dyadic conflicts
HYDERABAD India-Hyderabad Short, R(F)	One	Accession +Communist insurgency	Original Dyad+(UN)+indirectly Pakistan	Indirectly to Kashmir
PAKHTUNISTAN Afghanistan-Pakistan-Pakhtuns Prolonged Subsided	Two	Accession +borders+ethnicity	Originaltriad Russia+[Iran/Turkey]	Baluch problem
GOA India-Portugal Extended-R(F)	Two	Colonial+law and Order	Original dyad+ [UN+ICJ]	None
NAGA Insurgency, India-Naga Insurgents, Prolonged, Subsided	Several	Ethnicity+internal cold war+internal security	Original actors+ Pakistan+China+Burma	Linked to several insurgencies in Northeast India and Burma
RANN OF KUTCH Pakistan	Two	Disputed borders+territorrial claims	Original dyad+[UK+ICJ]	Kashmir
RANN OF KUTCH India-Pakistan Extended R(P)	Two	Disputed borders territorial	Original dyad+ [UK+ICJ]	Kashmir
SINO-NEPALESE BORDERS China-Nepal extended subsided	Two	Disputed borders territorial	Original dyad	Kashmir+Cold War
MIZO INSURGENCY India-Mizo Insurgents; prolonged-subsided	Several	Ethnicity+ Internal security	Original dyad+Pakistan+ China	Other insurgences
BANGLADESH INDEPENDENCE Pakistan Govt. short-R (F&P)	Sustained violence, major war In Dec. 71	Autonomy to secession+territorial refugee+power-rivalry	Original triad+Great Powers+(UN)	Kashimir+Cold War
BALUCHISTAN – Pakistan-Baluchis Prolonged-dominant	More than one	Autonomy, ethnicity	Original dyad+Iraq+Iran+A Fghanistan	Pakistan problem + Kurdish rebellion
CHAKMA INSURGENCY Bangladesh-	More than one	Ethnicity+ autonomy territorial integrity	Indian/TripuraGovts.	TNV(3)+inter-state issues(4)

Chakmas Prolonged-continues				
TAMIL ETHNIC CONFLICT Colombo-Tamil militants (LTTE)Prolonged, continues(internally)	Sustainedviolence	Ethnicity+secession+Tamil Homeland, territorial	(IndianGovt)+Indian Govt.	BroadIndo-SriLankan security issues, Tamil, Nadu politics
Punjab Problem India-Sikh Separatist Prolonged countries	Sustained violence	Centre-state relations-secession (Khalistan)+ external interference	Pakistan involvement	Kashmir and Sindh problem
Siachen India-Pakistan Extended-dormant	More than one	Territorial power security	Original dyad only	On-going bilateral conflicts-Kashmir, Nuclear issue
Kashmiri Militancy India-Kashmiri Militants Extended-continues	Sustained violence	Kashmir's separation from India, joining Pakistan	Original dyad+Pakistan [General Powers)	On-going bilateral disputes

Source: Abdur Rob Khan, "Contemporary International Conflicts in South Asia", *BIISS Journal*, vol.14, no.4, 1993, p.456-9.

Notes:

1. Status: R(F) = Resolved by Force; R(P) = Resolved Peacefully, R(F&P) = Resolved with both means.
2. Parties joining the conflict as mediators or peace makers are placed in parenthesis [ ].
3. TNV=Tripura National Volunteers.
4. The main Indo-Bangladesh irritant, namely, the Ganges water issue, has often been linked as a bargaining chip.

APPENDIX II

FEASIBLE NON-MILITARY CBMS IN SOUTH ASIA

Non-Military Issues

Immediate Action

General

(a) Ease visa restrictions at the earliest.

(b) Educate the public on the facts of contested issues, such as the Wular barrage problem. Current versions of adversary governments often differ greatly.

(c) Exercise strict controls over violations of sovereignty such as Indian police intrusions in Nepal.

(d) Exchange experience within South Asia on the progress made in areas of constitutional and legal reforms, local government aspects, criminal laws and electroal reforms.

(e) Exchange scientific data.

(f) Political scientists should educate political leaders on the advantages of improvement of relations between South Asian countries.

Economic

(a) Make progress on water sharing schemes for the Himalayan rivers.

(b) Implement SAPTA measures speedily.

(c) Pakistan should remove restrictions on trade with India. In addition:

    (a) Pakistan should accord India MFN status for trade subject to a negative list.

    (ii) Initiate joint Indo-Pak ventures which promise enormous dividends.

(iii) Give visas to businessmen on priority.

(d) India should be more generous in its trade policies with neighbours.

Social

(a) Encourage cultural, literary and social exchanges.

(b) Improve communications and enhance the frequency in flights.

(c) Create a core team of columnists within South Asia to create awareness about South Asian issues and to look beyond national positions to address issues relating to the region – such as Sri Lankan journalists writing about Nepal and Bhutan.

Long Term

General

(a) In the continued absence of political initiative NGO groups should take the initiative for regional dialogue.

(b) Finalize non-military CBMs in areas of trade, transit, media and water resources.

(c) Use SAARC as a negotiating forum as far as possible for all regional disputes.

(d) Establish a regional data bank for different types of information relating to the region.

(e) Create a body of expert former civil servants to assist with their experience in the furtherance of CBMs.

Economic

(a) Make progress on oil and gas pipeline from West Asia to the region.

(b) Expand areas of regional business and economic interaction.

Social

(a) A people's forum should be postured to counter political rhetoric.

(b) Expand student exchange programme, apart from exchange of visits by journalists and eminent citizens.

Military Issues

(a) Resolve the Siachen Glacier dispute with adequate political effort.

(b) Sign no-first-strike accord between India and Pakistan.

(c) Formal ban on use of NBC (nuclear, biological and chemical) weapons.

(d) Further define and implement war avoidance measures, especially between India and Pakistan.

(e) Foster greater nuclear transparency.

(f) Create an exchange forum for military officers by encouraging joint exercises/seminars/courses between all South Asian countries, especially India and Pakistan.

(g) Bring low-intensity conflicts on the CBM agenda.

Long Term

(a) Cut down conventional forces deployment and reduce acquisition of arms.

(b) Form a representative group of military officers with earlier experience of CBM dialogues to assist the CBM process.

(c) Institutionalize the right of the adversary to ask questions and receive specific and accurate applies.

Source: Taken from P.R. Charis, "National Security and Regional Cooperation.

APPENDIX – III

ITEMS OF EXPORTS AND IMPORTS AMONG SAARC COUNTRIES

	Exports	Imports
1.	Bangladesh Jute goods; Raw jute and mesta Radymae garments Frozen food items Leather	Manufactures: Machinery and transport Wheat Minerals, fuels and Lubricants Animal and veg. Oils and fats
2.	India Agriculture and Allied Products Mineral, fuels and lubricants Textile fabrics and manufactures Gems and jewellery and Transport Equipment and non-iron manufactures	Petroleum, oil and lubricants Fertilizers and chemical Machinery and appliances Non-metallic mineral manufactures Iron and Steel
3.	Nepal Readymade garments, Carpets Pulses Hides and skins Raw Jute and jute goods	Petroleum products Machinery and transport equipment Textiles and yarn Chemicals and related products Iron and steel
4.	Pakistan Cotton yarn Raw cotton Leather Rice Fish and fish preparations Cotton cloth	Machineries Petroleum products Chemicals Transport equipment Iron and steel and their manufactures
5.	Sri Lanka Tea and mate Clothing and accessories Crude materials Mineral fuels Crude rubber	Food and drinks Fertilizers Petroleum Machinery and equipment Textiles

Source: RBI, "Report on Currency and Finance" (1985-86), vol.1.

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