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# **SAARC: Old Dilemmas and Emerging Prospects**

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#### Introduction

International Relations have undergone a sea change over the last two decades, as a result of globalisation. And globalisation has actually reinforced the need for strengthening regional organisations. Globalisation and regionalisation should not therefore be considered antithetical to each other. Rather, they should be understood in conjunction with each other. The prime objective of establishing a regional organisation is economic cooperation, followed by social and political cooperation. But, a new dimension has now been added to the discourses on regional cooperation, that is protection of 'regional identities'. As fallout of globalisation, the need for protecting regional identities, culture, civilization, etc., have become so strong that regions all over the world are giving a boost to regional cooperation.

Regional Organisations occupies a prime place in the contemporary international relations, and especially, Area Studies. And the number of regional organisations in the last two decades has increased manifold. Chapter VIII of the UN Charter allows member-states to form regional organisations to promote peace and security, and also boost economic cooperation among them. Regional co-operation can take place in two contexts. Either, regional co-operation can come spontaneously on its own which essentially means that the member-states co-operate among themselves in all arenas. Be it social, economic or political. But, the endemic and persisting problems and conflicts which exist among all the South Asian countries rule out any fruitful co-operation. The major hurdle in this region is that the three important countries, i.e., India, Pakistan and Bangladesh are hostile to each other, politically speaking. It may not be an exaggeration to state that they have not yet forgotten their birth pangs and they do not reflect their 'real self'.

The second possibility of regional cooperation arises when there is a strong powerful core country (countries) around which a large and relatively weak periphery exists. All counties, big or small, around acknowledged industrialised and developed counties can form a good association. It becomes beneficial for all countries, whether they are undeveloped or under-developed, whereas the developed countries will always benefit. The smaller peripheral state(s) are likely to co-operate, because they stand to gain from co-operation with the bigger core state(s), because the bigger core state(s) are both economically, industrially as well as militarily developed. One of the most apt examples

in this regard is NAFTA, where a smaller state like Mexico gains from co-operation with the U.S., in terms of trade and industrial development. But, there are no such states in South Asia. In South Asia, while India is the largest and powerful country in comparison to its smaller neighbours, it is not in a position to give any substantial benefits to any other South Asian state, as it itself is dependent on the West for not only trade and industrial development, but also sometimes military requirements. Despite all this, if there is regional co-operation in exchange of raw materials from one country to another within South Asia, the cost of some of the basic inputs can partially be lowered.<sup>1</sup>

## **SAARC Expansion**

The European Union is being regarded as one of the most effective regional organisation in the contemporary world. The South Asian region also has not remained aloof from this widespread global tendency. SAARC, which started off as a group of seven South Asian countries (which includes countries like India, Pakistan, Bangladesh, Nepal, Bhutan, Sri Lanka and Maldives) on December 8, 1995, has expanded to include Afghanistan as the eighth member in the last SAARC summit held at Dhaka on November 13, 2005. SAARC has also granted observer status to European Union, People's Republic of China, Japan, South Korea and USA. By the inclusion of Afghanistan as the eighth member of SAARC, SAARC countries now have link with Central Asia, Myanmar (part of ASEAN) as well as West Asia.

The increased membership of SAARC has not only added strength and vitality to it, but has actually enabled it to get connected to the wider world and thereby play a more active role in international relations. During the 14th SAARC Summit at New Delhi on April 3-4, 2007, the Indian Prime Minister, Dr. Manmohan Singh, argued that "connectivity - physical, economic and of the mind, enabling us to fully use our geographical and resource endowments, has historically been the key to our region's peace and prosperity. South Asia has flourished most when connected to itself and the rest of the world".[2] In other words, the theme of connectivity is of paramount importance, if SAARC has to remain relevant.

If one looks on an optimistic note, then South Asia can possibly play an important role in the contemporary international relations, given the fact that there has been a decisive shift of global economy from Europe and North America to Asia. And, China and India are the two rising economic powers. Moreover, with the likely passage of the Indo-U.S. nuclear deal, which is now named as 'Henry J. Hyde United States-India Peaceful Atomic Energy Cooperation Act' of 2006, India is expected to play a bigger role in international relations and more so in South Asia.

#### The obstacles

However, notwithstanding the prospect, problems are endemic in the South Asian region. Hence SAARC, unlike other regional organisations, could not make much headway. The South Asian region continues to project a dismal picture of social conflicts, economic backwardness and political instability. The very premise on which SAARC was established, i.e., functionalism, has been questioned. The primary assumption of the functionalist theory that economic cooperation can be achieved despite political problems, appears to have turned out to be a naive, empty and hollow dream.[3]

In the 21st Century, if SAARC really intends to emerge as a strong and vibrant regional organization and challenge the hegemony of the developed West, and especially the US, the member-states of SAARC must first settle their political disputes, whether it be disputes involving boundaries, problems of democracy, fragile institutions, as well as address their core issues of economic backwardness and underdevelopment. For example, a crisis of democracy and democratic institutions prevails in Pakistan, Nepal and Bangladesh and the ethnic conflict in Sri Lanka continues to escalate. The member-states of SAARC should not only find solution to their political disputes, but also promote economic cooperation guided by 'economic realism', and also try to forge unity and cooperation with other regional organisations. Moreover, India has a crucial role to play in making SAARC an effective regional organisation.

This paper purports to address some of these fundamental questions. Accordingly, the paper has been divided into three parts. The first part deals with dilemmas of regional co-operation in South Asia vis-à-vis SAARC and deals with contentious issues and problems and conflicts in the South Asian states. The another part deals with the prospects of regional cooperation in South Asia through SAARC. The paper concludes with the suggestions regarding some pragmatic steps to make SAARC a success story.

## SAARC and the Dilemma of Regional Cooperation

Late Zia-urRahman, former President of Bangladesh, primarily mooted the idea of South Asian Regional Cooperation (SAARC). Consequently SAARC was formally launched in August 1983, even though some preliminary meetings took place in Colombo (1981)and in Islamabad (1983). However, SAARC was institutionalised on December 8, 1985 at Dhaka with the signing of Dhaka Declaration and adoption of the SAARC Charter. SAARC Charter includes a long Preamble and ten articles. The very raison d'etre of establishing SAARC was to forge cooperation, and especially economic cooperation among the member-states of South Asia. The assumption was that a common culture, civilization and heritage among all the seven post-colonial states of South Asia would bring about unity and cooperation among them, gradually bringing about social and economic development in the region, and possibly create an integrated market that could remove poverty, illiteracy and unemployment, which are

some of the common problems and unifying objectives of the seven South Asian states. It was believed that regional cooperation would bring about economic cooperation, despite the political differences existing among them. But, in reality, mistrust, suspicion, domestic political considerations, geographical disparities, inter and intra-state disputes and above all, divergent security objectives and goals have hampered the prospects of regional cooperation in South Asia.

Sovereign equality, territorial integrity, political independence and non-interference in internal affairs are some of the major principles behind the establishment of SAARC, which was clearly defined in its Charter. The SAARC Charter kept bilateral issues out of the purview of the SAARC and emphasized on multilateral cooperation. The member-states of SAARC were free to forge any other bilateral and multilateral cooperation, as they would deem fit. But, in actual terms, bilateral disputes have always stymied the prospects of multilateral cooperation through SAARC. Most of the South Asian states look to itself as the 'self', and the other member-states as the 'other'; and, this construct between the 'self' and the 'other' leads to mistrust, suspicion, hostility and conflicts. Consequently, regional cooperation continues to remains an utopian dream.

#### India's Status

In South Asia, the balance of power is decisively in India's favor, as India's size, economic and military power surpasses that of its other smaller South Asian neighbors. Though Bangladesh primarily mooted the idea of SAARC, but later on all the small South Asian states have been expressing their apprehension on India's dominance over them, which is usually considered as a regional military and economic hegemon. As Rajen Harshe points out, "India's military interventions in Bangladesh (1971), Sri Lanka (1987-90) and Maldives (1988) have only added to the insecurity as well as fear of Indian hegemony among India's neighbours".[4]

The smaller South Asian states thus remain in a fear psychosis that multilateral cooperation through SAARC would undermine their sovereignty and political autonomy. They also apprehend that they will not be in a position to settle their bilateral disputes with their neighbors according to their own national interest. Thus, foreign policy objectives and national security considerations have become major impediments in the way of SAARC becoming a regional success story.

In this regard, a very interesting and stimulating discussion of South Asia remaining an Indo-centric region, and the fear and apprehension of India's smaller neighboring states have been well articulated by Bhupinder Brar. Brar makes a fundamental conceptual distinction between what he calls 'hegemon' and 'patron' states.

## According to him:

"Hegemonic states possess readily demonstrable military capability which is overwhelmingly superior to that of others. They are able to define rules of the international system because they can hold out credible threats to other states that non-compliance would invite unacceptable punishment. Patron states on the other hand are those which have economic resources to reward other states if these states follow the rules which the patron states prefer. The rewards could be in the form of grants, concessional loans, preferential trade, transfer of technology and so on." [5]

However, those states which have both economic resources as well as military capability are the most powerful states, which Brar refers to as 'hegemon-patron' states. While during the Cold War period, the two superpowers, U.S. and the former U.S.S.R had this status, in the post-Cold War period, the U.S. is the only hegemon-patron state. On the other hand, there are certain states which are only hegemons without being patrons, like Russia, China and Israel. Similarly, there are certain states which are only patrons, without being hegemons, like Germany and Japan.[6]

Applying this hypothesis of hegemon-patron states, Brar elucidates as to why there has been very little regional co-operation in South Asia in these words:

"The SAARC did not have a single global hegemon-patron which would in its own strategic interest unite and promote the grouping. Instead, the Americans and the Soviets, the two global hegemon-patrons of the epoch, vied with each other in the region. Their competition allowed, and even encouraged the two largest states in South Asia to nurture political and strategic ambitions of their own. This gave them both a false sense of power and self-importance, hardened their attitudes, deepened their differences and perpetuated their conflict. That pushed back the prospects for regional economic co-operation for the entire region.[7]

## The Major Factors

From the very beginning, SAARC primarily failed to make a major headway, as member-states wanted to resolve their contentious bilateral disputes through this multilateral initiative. It has been especially so in the context of India-Pakistan relations. As at the inaugural session of the Eighth SAARC Summit in New Delhi on May 2, 1995, Pakistan President Farooq Leghari without making a direct reference to Kashmir, pointed out: "The movements for self-determination, freedom, democracy and respect for human rights have spread across the globe and can no longer be denied. The SAARC Charter constrains a member from raising a bilateral dispute. Peace and security are the prerequisites of economic development in any region".[8] However, Farooq Leghari was much more forthcoming in an interview to a panel of journalists of *The News*, when he said, "Kashmir is the source of all tension between India and Pakistan. If this is to be resolved, I can say with confidence that all tensions will go and

the objectives of SAARC will be achieved".[9] Thus, Pakistan has tried to bring the issue of Kashmir within the purview of SAARC, although SAARC forbids any discussion of bilateral disputes.

It is India-Pakistan conflict, the two major players in the South Asian sub-continent, which acts as a major impediment in the smooth functioning of SAARC. Let us try to evaluate the respective power position of both India and Pakistan in order to understand the complexities of regional co-operation in South Asia. In South Asia, Pakistan perceives India as a dominant regional hegemonic player in the South Asian system, and India perceives Pakistan to be its main challenger. India tends to play the role of a regional security manager and not hegemon, prefers bilateral negotiation and favours close economic and cultural relations with Pakistan. It also feels the necessity of maintaining regional power balance to its advantage. On the other hand, Pakistan tries to internationalise disputes with India, seeks to strengthen itself by obtaining strategic support from outside the system, i.e., the extra-regional forces (like U.S. and China), and also avoids close economic and cultural relations with India.[10]

## **Legacy of Mistrust**

In addition, the deep rooted legacy of suspicion and mistrust resulting from communal conflict and partition of the sub-continent in 1947 places strains on the efforts of co-operation. The concept of a two nation theory, with religion being the basis of Pakistan; and India having a secular democracy with a federal structure that caters to regional, ethnic and linguistic aspirations with equal rights for all places these two countries in two different ideological compartments. Thus, the two ideologies intrinsically create dissonances and pose serious threats to each other. Another major structural factor of mistrust has been the almost total absence of interdependence between the two states. Pakistan's fears stem from the apprehensions of Indian hegemony and the consequent loss of its own cultural identity. It is because of these structural factors that both India and Pakistan have been involved in a zero sum game in their bilateral relations and consequently, there has been no co-operation between them.[11]

#### **Nuclear Deterence**

However, a balance of nuclear deterrence was established between India and Pakistan after 1998, as both of them have acquired nuclear weapons capability (with India conducting five nuclear tests on May 11 and 13, 1998; and Pakistan also reciprocated by conducting five nuclear tests on May 28 and 30, 1998). Since the subcontinent has now got nuclearised, it is all the more necessary on their part to promote regional co-operation. But, now, if the Indo-US nuclear deal gets through, the possibility of an arms race and nuclear threat will loom large on the South Asian subcontinent, since Pakistan will try to seek nuclear parity with India.

## **Fragile Democracies**

In South Asia, India is the dominant country, which is surrounded by a number of fragile democratic states, like Bangladesh, Nepal, Bhutan and Maldives, where democracy is subservient or exists only in name; political instability prevails, and economic development is dismal. India in a way constitutes the 'centre', which is surrounded by all its smaller neighbours of South Asia, who constitutes the 'periphery'. India therefore has a much bigger responsibility in fulfilling the aspirations of its smaller, peripheral neighbours.

Most of the South Asian states, especially the Least Developed Countries (LDCs), like Bangladesh, Bhutan, Nepal and Maldives, are economically under-developed. Economic under-development with all its manifestations like abject poverty, illiteracy, unemployment, rising levels of inflation, hunger, starvation deaths, malnutrition, female foeticide, lack of access to safe drinking water, and gradual decline in primary and secondary education afflicts most of the South Asian states. And since economic power determines political power, as the two are intrinsically related, most of the South Asian states have a highly unstable polity.

All the major South Asian states are producers and exporters of raw materials and importers of finished products from the economically developed and industrialised countries. This has adversely affected their intra-regional as well as inter-regional trade and industrial development. Intra-regional trade as a share of total exports of South Asia is a mere 5 per cent. As one study points out:

"The U.S., countries of the European Union and Japan together are the largest trading partners of the SAARC countries accounting for more than 50 per cent of total trade. Furthermore, a substantial proportion, i.e., 40 per cent, of the trade of SAARC countries is with the APEC region, including China. In contrast, the South Asian countries formally do not trade with each other. [12]

## **Conflicting Objectives**

Since, most of the smaller states in South Asia have remained appendages of the West, they have had far greater expectations from the SAARC, since they assumed that SAARC could help them in bringing about economic development within their national economies, and thereby, they can have a say in South Asian regional affairs. For example, Bangladesh, the key architect behind SAARC, believed that SAARC would help her in having a say in South Asian affairs and also provide her with the much needed security. Pakistan joined SAARC primarily to counter Indian influence and its growing clout not only in South Asian affairs, but also in the international arena. Sri Lanka's ethnic crisis compelled her to join SAARC. The political considerations played heavily before Nepal joined SAARC. These were "attainment of individual and collective regional security necessary for economic development,

preventing India from supporting anti-monarchy political groups, securing support for Nepal's zone of peace proposal and raising the political profile of Nepal in the region. Harnessing Nepal's river water was one of the key considerations. Nepal wanted to diversify technical cooperation on hydroelectricity with other countries, as it sought to avoid dependence on India in harnessing the potential of Nepal's rivers, and key initiatives, such as the Karnali multipurpose project".[13] Thus, almost all the South Asian states decided to join SAARC to achieve greater economic power and leverage vis-à-vis India.

## **Prospects of Regional Cooperation**

The prospects of regional cooperation in South Asia hinge on the fact that the South Asian states, including the geographically wide, politically and economically powerful, 'big brother' India has resolved some of the inter-state conflicts with its neighbouring countries. For example, India has signed Ganga Water Treaty with Bangladesh in 1996 for 30 years, which became effective from January 1, 1997. Similarly, India has signed a river water sharing treaty with Nepal, called the Mahakali Accord in 1996. Both these accords and treaties can go a long way in promoting agrarian production and increase trade facility between India, Bangladesh and Nepal thereby ensuring the politicoeconomic cooperation between India and Bangladesh, as well as India and Nepal. However, both India and Bangladesh now also need to harness ways to carry out border fencing along the India-Bangladesh border. The influx of Chakma refugees from Bangladesh as well as the refugees from Nepal and Bhutan also need to be dealt with amicably, as these small problems can transform into big irritants in the bilateral relations between India on the one hand, and Nepal and Bhutan on the other hand. India also needs to solve the ethnic problem in Sri Lanka, not however through military means, but through political and diplomatic means.[14] In the meantime, the work on fencing India-Bangladesh border has commenced.

#### **Cross Border Terrorism**

The issue of cross-border terrorism from Pakistan and the rise of Islamic fundamentalism and terrorism in Pakistan and Bangladesh, however has disturbed the regional harmony and cooperation in South Asia, which needs to be seriously addressed. However, it is the issue of Kashmir and cross-border terrorism, which poses a serious thaw in the bilateral relations between India and Pakistan. Since Kashmir has a shared border with India, Pakistan, Afghanistan, China and Russia, neither any government in India, nor in Pakistan can ever unilaterally renounce their stake in Kashmir. Both India and Pakistan therefore need to side track the Kashmir issue and focus on the Confidence Building Measures (CBMs)[15], which can promote peace and cooperation not only between India and Pakistan, but also in South Asia. In the last few years, both India and Pakistan have initiated a series of CBMs, which augurs well for peace and amity in South Asia.

## Impact of Globalization

Globalization, geo-political and geo-economic changes in the contemporary world has resulted in SAARC also changing itself to the changing realities, and SAARC is gradually moving forward towards closer economic cooperation. In this regard, the thirteenth SAARC summit has revitalized the prospects of SAARC in several socio-economic and political arenas. Some of the major initiatives of SAARC have been the Integrated Programme of Action (IPA), the South Asian Free Trade Area (SAFTA), the SAARC Convention on Terrorism, energy cooperation, cooperation on the issue of trade and transit, transport, communication, biotechnology, meterology, forestry and media sectors, and above all, the increase of membership in SAARC. In the 13th SAARC summit held at Dhaka on November 13, 2005, SAARC admitted Afghanistan as a new member, and also accorded observer status to China and Japan. Further, European Union, US and South Korea have been granted observer status by the Foreign Ministers of SAARC countries on August 2, 2006.[16]

The Integrated Programme of Action (IPA) endorsed at Dhaka in 1982, promoted cooperation on social issues, and has helped in exchange of information, promoting contacts between experts, sharing of experiences and compiling data.[17]

As it has been argued earlier that South Asian countries are generally importers of raw material, and the trade structure between them is abysmally low. In order to boost mutual trade and economic cooperation among the SAARC countries, SAFTA was agreed upon by the member-states of SAARC. And, once the zero tariff regime is implemented, SAFTA would lead to South Asian Economic Union (SAEU). According to SAFTA provisions, the more developed countries of South Asia (i.e., India, Pakistan and Sri Lanka) will have to reduce their tariff in the next two years to 20 per cent, and by 2012, they would strive to bring it down to zero tariffs. On the other hand, Bangladesh, Nepal, Bhutan and Maldives, the four Least Developed Countries (LDCs) will have to reduce their tariff to zero percent by 2017. The preferences that are given under bilateral and multilateral arrangements have been also clearly specified by SAFTA.[18]

SAFTA essentially envisages to evolve as a multilateral-trade regime, and gradually also adopt a common currency, essentially on the lines of European Union. Article 4 of SAFTA provides that the SAFTA Agreement will be implemented through various instruments like Trade Liberalisation Programme, Rules of Origin, Institutional Arrangements, Consultations and Dispute Settlement Procedures, Safeguard Measures. While Article 6 specifies that SAFTA consists of arrangements relating to tariffs, paratariffs, non-tariff measures and direct trade measures in order to boost regional economic cooperation. For successful implementation of free trade, the contracting states of SAARC have established the SAFTA Ministerial Council (SMC), which is the highest decision-making body of SAFTA. Under Article 16 of SAFTA, domestic

industries are provided protection from unfair competition and a member-country can withdraw concession by taking advantage of this clause.[19]

SAFTA clearly stipulates that under the free trade agreement, any concession given to one member-state is automatically extended to other member-states. For example, while Pakistan has concluded bilateral free trade agreement with Sri Lanka and Bangladesh, India has concluded FTAs (Free Trade Agreements) with Nepal, Bhutan, Sri Lanka and Bangladesh. Article 15 of SAFTA also provides protection to those countries, which are facing balance of payments problem. But, it does not however, specify how the Least Developed Countries (i.e., Bangladesh, Bhutan, Nepal and Maldives) can improve their exports. India has given some benefits to its South Asian neighbours without ensuring reciprocity. India has allowed the Least Developed Countries duty free access to India before the end of this year and also agreed to reduce the sensitive list in respect of the LDCs.[20]

#### **SAARC Conventions**

Apart from IPA and SAFTA, some major achievements of SAARC have been the SAARC Regional Convention on Suppression of Terrorism (1988), the SAARC Convention on Narcotic Drugs and Psychotropic Substances (1990), SAARC Food Security Reserve (to provide for a reserve of food grains), various measures to promote greater people-to-people contact like the SAARC Audio-Visual Exchange Programmes, the SAARC Chairs, Fellowships and Scholarships Scheme, the SAARC Volunteer Exchange Programme and the SAARC Visa Exemption Scheme.[21]

The SAARC also took major initiatives in poverty alleviation. In order to eradicate poverty, the member-states of SAARC declared the decade of 2006-2015 as the SAARC Decade of Poverty Alleviation, and also appreciated the valuable work done by the Independent South Asian Commission on Poverty Alleviation (ISACPA). The ISACPA has recommended the SAARC Development Goals (SDGs), which have been endorsed by the member-states of SAARC, and they have emphasised implementation of the Plan of Action on Poverty Alleviation, adopted by the 13th SAARC summit in November 2005. Similarly, the South Asia Alliance of Poverty Eradication (SAAPE) and the SAARC Poverty Alleviation Fund (SPAF) are major initiatives taken by the SAARC member-states for eradication of poverty. In addition, the establishment of South Asia Development Fund (SADF) as an umbrella financial organisation for all SAARC projects and programmes, is hailed as a major hallmark of SAARC. SADF comprises of three windows, namely the Social Window, Infrastructure Window and Economic Window with a Permanent Secretariat.[22] The social window will encompass the Poverty Alleviation Programme of SAARC.

Along with poverty alleviation, the 12th SAARC Summit held at Islamabad from 4 to 6 January, 2004, took some major policy decisions, like the signing of Islamabad Declaration, conclusion of SAFTA, an Additional Protocol to SAARC Convention on

Suppression of Terrorism, as well as a SAARC Social Charter. The Social Agenda of SAARC has raised substantial issues of population planning and stabilization, human resource development with special focus on the concerns of women, children and other marginalised groups.[23]

The 13th SAARC Summit has led to the conclusion of the three major agreements. These are:

- •The Agreement on Mutual Administrative Assistance in Cultural Matters.
- •The Agreement on the Establishment of SAARC Arbitration Council.
- •The Limited Agreement on Avoidance of Double Taxation and Mutual Administrative Assistance in Tax Matters.[24]

The 13th SAARC Summit has established a SAARC Disaster Management Centre in New Delhi in October, 2006. The 14th SAARC Summit has approved the establishment of a Regional Telemedicine Network Project, set up a South Asian University in India, a SAARC Arbitration Council, a Regional Food Bank to ensure food security, a SAARC Museum for Textiles and Handicrafts, as well as the SAARC Regional Multi Modal Transport Study.[25]

### **Energy and environment**

On energy cooperation, the member-states of SAARC have decided to establish the SAARC Energy Centre in Islamabad, to promote development of energy resources, including hydropower, as well as promote energy trade in the region.[26] The first ever South Asian Energy Dialogue took place in March 2007. The 14th SAARC Summit emphasised the need to evolve a South Asian Energy Community, which "could start by harmonizing systems and methods and grid structures and ultimately move on to an energy exchange with energy markets that cover the whole South Asian region".[27] Further, on issues of energy cooperation, the Iran-Pakistan-India (IPI) gas pipeline and the Myanmar-Bangladesh-India pipeline, if actually becomes feasible and are implemented, will significantly help the South Asian states in overcoming their energy crisis and boost their sustainable development on energy issues. The agreement on IPI has now been finalized.

In dealing with environmental issues, the member-states of SAARC decided to have a Regional Environment Treaty for environmental cooperation and a SAARC Forestry Centre in Bhutan, which would exchange information, expertise, and training and formulate regional projects with primary emphasis being put on social forestry. In the wake of tsunami catastrophe in December 2004, the SAARC Environmental Ministers met at a Special Session in Male in June 2005, and called for the elaboration of a Comprehensive Framework on Early Warning and Disaster Management.[28]

## Impact of New Membership

Moreover, broadening of SAARC through its increased membership has put a sense of increased strength and vitality to the organisation. The inclusion of Afghanistan as a member-state is significant, since Afghanistan was an original applicant when SAARC was formed. Further, the decision of SAARC to grant observer status to China, Japan, European Union, US and South Korea not only reflects the growing popularity of SAARC, but also shows the keen interest of the extra-regional powers in the South Asian region. As one commentator puts it:

"Japan is the major development assistance provider to the South Asian countries, and an important investor. SAARC-Japan Fund has already been established to enhance economic cooperation. Likewise, both the US and South Korea have strong and growing economic ties in the region. Observer status allows these countries to participate in the meetings, shape its thinking through their interactions, but not be the part of decision-making.[29]

#### Conclusion

SAARC today is trying to rejuvenate and reincarnate itself in the changed post-Soviet world. SAARC was primarily intended and continues to be a major initiative to boost South-South cooperation. In a globalized world, where there has been a unilateral hegemony of the developed 'North', and especially the US, the underdeveloped 'South' can counter-challenge the offensive action of the 'North' only through such regional organisations, like IOC-RIM, SAARC, ASEAN, BIMSTEC, IBSA, etc. It will be essentially, in Gramscian words[30], a 'counter-hegemonic struggle' to curtail the offensive hegemony of the developed 'North'. The challenge before SAARC therefore is to formulate such policies and principles which could not only bring the South Asian countries together, but also rejuvenate the failing and dampening South-South cooperation. It is only then that SAARC can have a say in global economic institutions dominated by the North, like IMF, World Bank, WTO, etc.

To be effective, the member-states of SAARC need to address and resolve their political disputes and also simultaneously boost their mutual trade and enhance economic cooperation. In doing so, they should restructure their national economies in such a way that a South Asian Common Market and South Asian Economic Union become feasible. The member-states of SAARC need to rise above narrow and sectarian nationalisms. While the South Asian states should retain their sovereign political identity, they need to promote economic integration of the region with vigor. While, the theory of functionalism did not succeed earlier let us hope that SAARC does not remain mired in contentious political disputes.

South Asian states should therefore try to resolve their political disputes, and integrate not only economically, but also culturally. There is a need for a cultural

change in the South Asian states, where the paradigm of relationship moves from knowledge-holding to knowledge-sharing. In this regard, South Asia should be conceived as what Bhupinder Brar refers to as a 'region of regions', rather than as a 'region of states'. Brar has quite lucidly pointed out:

"I had argued that South Asia needed to be fundamentally reconceptualised. In essence, I had proposed that it be viewed as a 'region of regions' rather than as a 'region of states'. The suggestion followed from my belief that 'regions' are culturally and socially more natural and historically more deeply entrenched in South Asia than are the states. South Asia needs to rise above all ideologies of unitarist nationalism which have been relentlessly promoted by different states. 'National' economies need to be restructured, providing more autonomy to the regions within them. Once that happens, as I suggested, natural regions will transcend the artificial and arbitrary 'international' boundaries which divide them. They will be able to co-operate with greater felicity and spontaneity.[31]

Moreover, SAARC, rather than functioning as a government initiative only, should actively involve people, academicians, intellectuals, business and industrial groups as well as civil society actors in the wider sense of the term. In other words, SAARC should also indulge in Track - II diplomacy to foment regional cooperation.

If SAARC has to remain relevant and wishes to play a significant role in international politics, there is a need to move from 'Declaratory Phase to Action and Implementation'. SAARC must adopt and implement the theme of connectivity, as outlined in the 14th SAARC Summit. Connectivity essentially encompasses three aspects – physical, economic and connectivity of the mind. Physical connectivity is essentially manifested through the SAARC Regional Multi Modal Transport Study, which has identified three special corridors – road, rail and air link to connect the entire region. The SAARC Car Rally is one of the apt examples of the connectivity theme in SAARC. Apart from this, in order to ensure full regional connectivity, India has announced unilateral liberalization of visas for teachers, professors, students, journalists and patients from SAARC countries. While economic connectivity is being achieved through SAFTA, SAARC has also decided to establish a South Asian University to emphasise on the connectivity of the mind.[32]

SAARC also needs to learn some lessons from European Union and create a strong institutional mechanism. Along with a strong institutional mechanism, people-to-people contact should be promoted, so that South Asian states think of the region as one single whole, and make SAARC a success story.

## **South Asian Community**

If SAARC has to be successful, the South Asian states should evolve themselves into a South Asian community, whereby there can be dialogues across cultures and peoples

of South Asia, and thereby South Asian states can acquire a South Asian identity. It is only then that SAARC can have a regional identity of its own, which can thereby promote regional cooperation. The vision of a South Asian Union or community will not only remove disputes, anxieties, threats and conflicts prevailing among the South Asian states, but will also enable the South Asian states to cooperate among themselves more vigorously.

The dynamics of regional cooperation in SAARC must be based on equality and mutual benefit as well as reciprocity. These approaches guided by economic realism would not only help in circumventing the South Asian region from the present state of turmoil, political instability, economic underdevelopment and backwardness, but also make SAARC a more strong and vibrant regional organisation. More importantly, SAARC can then also move from regional to global level, and restructure the 'dependency' relationship between the developed 'North' and the underdeveloped 'South', and thereby, the South Asian states can have a say in global economic bargaining as well as global issues of strategic concern.

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- 30. Antonio Gramsci, an early twentieth century Marxist thinker, focused on subtler forms of class domination, because of which consent for a particular social and political system was produced and reproduced. The ruling class often manages to so disperse their moral, political and cultural values throughout society that subordinate groups and classes would also accept these values as their own. Dominant ideologies got so entrenched in the institution of civil society that subordinate groups would never question their authority. Gramsci called such subtle forms of domionation 'hegemony' and believed that a 'counter-hegemonic struggle' had to be initiated in order to challenge the ruling class. See Stephen Hobden and Richard Wyn Jones, "Marxist Theories of International Relations", in John Baylis and Steve Smith, eds., The Globalization of World Politics: An Introduction to International Relations (New York: Oxford University Press, 2001). For details, see Antonio Gramsci, edited and t ranslated by Quinton Hoare and Geoffrey Nowell Smith, Selections from the Prison Notebooks (New Delhi: Orient Longman, 1996).

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