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REGIONAL COOPERATION IN SOUTH ASIA: A CRITICAL ASSESSMENT

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ABSTRACT

The South Asian Association for Regional Cooperation, at the time of its foundation on 8 December 1985, aimed to promote the welfare of the people of South Asia through economic growth, stability, and peace. However, despite its ambitious goals, political tensions, power imbalances, and a lack of dispute settlement mechanisms have hindered SAARC's attempt to foster meaningful regional cooperation in South Asia. This brief examines SAARC's challenges and draws lessons from the success of the ASEAN way, highlighting its emphasis on economic integration, people-to-people contact, and consensus-building. Further, it explores the complementary role of sub-regional organisations like BIMSTEC and BBIN in advancing regional connectivity and trade for a more integrated and prosperous South Asia.

KEYWORDS

SAARC, regional cooperation, ASEAN, Economic integration, South Asia

INTRODUCTION

The South Asian Association for Regional Cooperation (SAARC) was founded on the 8th of December 1985 in Dhaka, Bangladesh. The organisation aims to promote regional cooperation in matters such as economic prosperity, stability, peace, and sovereignty of member countries (SAARC, 2020). Given the massive goals set by SAARC and the potential for regional cooperation in South Asia, there were huge expectations from this newly formed organisation. However, SAARC has not had any substantive success in increasing regional cooperation. The organisation is plagued by many issues that hamper its effectiveness. Meanwhile, another regional organisation, the Association of Southeast Asian Nations (ASEAN), is an example of a successful regional organisation that economically integrates Southeast Asian countries and spearheads negotiations among Asia-Pacific nations to form one of the largest free trade blocs. Rather than rivalling SAARC, the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the Bangladesh, Bhutan, India, Nepal Initiative (BBIN) will only serve to complement it, further improving the region's connectivity.

FAILURES OF SAARC

Currently, SAARC, as a regional organisation, is paralysed. The last SAARC summit was held in 2014 in Kathmandu, Nepal. The next summit, which was planned to be held in 2016 in Islamabad, Pakistan, was postponed indefinitely. After the Uri attack in 2016, India declined to attend the summit scheduled in Islamabad (Panda, 2016). The summit was subsequently cancelled when Afghanistan, Bhutan and Bangladesh also refused to participate. SAARC has for long remained lifeless, and the Indian government's refusal to participate following the terror attack in Pulwama, Jammu and Kashmir in 2019 (attributed to Pakistan-based terrorists) further cemented its mortality (Poudel, 2022).

There exists an air of mistrust between the nations of South Asia owing to the significant disagreements between India and Pakistan- the two largest members of SAARC- on issues like cross-border terrorism. The significant power asymmetry in the region, constituted by India's massive geographic, economic, and military strength, make the smaller countries in SAARC apprehensive that India will use SAARC as a means to become a regional hegemon (Bhattacharjee, 2023). Another major drawback contributing to the inefficiency of SAARC is the lack of a dispute settlement mechanism. This has slowed the decision-making process as disputes among member nations make it difficult to reach a consensus on issues (Bhattacharjee, 2023). South Asia is one of the least integrated regions in the world despite the implementation of the South Asian Free Trade Area (SAFTA), evidenced by the fact that intra-regional trade accounts for only 5 percent of total trade in South Asia (The World Bank, 2022). Additionally, SAARC faces resource shortages, with member countries unwilling to increase their contributions (Bhattacharjee, 2023). As a result of the failures of SAARC, many nations have shifted their focus to bilateralism in the region, which further reduces their interest and commitment towards SAARC as they try to achieve their goals outside the organisation. (Bhattacharjee, 2023).

LESSONS TO BE TAKEN FROM ASEAN

The Association of Southeast Asian Nations (ASEAN) can serve as a model and provide many lessons to SAARC. It has been largely successful for a regional organisation, establishing the ASEAN Free Trade Area (AFTA), resulting in effective regional economic integration. As a result, intra-region trade makes up 25 percent of total trade compared to only 5 percent in SAARC (Poudel, 2022). In addition, ASEAN has also collectively integrated its economy with the world economy. ASEAN played a crucial role in the Regional Comprehensive Economic Partnership (RCEP), which has been very helpful in boosting the world economy, especially in a post-Covid world, with trade bouncing back with the potential of new economic growth for all parties involved (Royal Thai Embassy of Lisbon, 2022). The common issue that ASEAN and SAARC both faced at the time of their inception was poverty, for which ASEAN adopted a people-community-centred approach, thus reducing poverty in the region. The ASEAN socio-cultural community helped enhance ASEAN's identity and safeguard human rights, which helps ASEAN citizens realise their full potential, contributing to the region's economic growth (Royal Thai Embassy of Lisbon, 2022). SAARC should follow in ASEAN's footsteps and emphasise increasing people-to-people contact in the region. Achieving this through cultural exchange will help pave the way for clearing the environment of mistrust between nations. SAARC must adhere to the South Asian Free Trade Area (SAFTA) to increase regional economic integration. To further increase cooperation and stability in the region, member nations must set aside bilateral issues and mutually respect each other's sovereignty. As seen in the ASEAN way, a consultative, consensus-based approach and backdoor diplomacy effectively resolve inter-state disputes (Sahasrabuddhe, 2010). However, due to the unique nature of the India-Pakistan conflict - centred around the sovereignty of both their territories- it might take longer for the dispute to be settled.

THE NEED FOR SUB-REGIONAL COOPERATION

Sub-regional cooperation organisations like the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the Bangladesh, Bhutan, India and Nepal Initiative (BBIN) will complement regional cooperation.

The sub-regional cooperation organisations can be effective in the economic integration of the region as seen in BIMSTEC, where trade among the countries reached 6 percent in just one decade. In comparison, SAARC has remained at around 5 percent since its inception (Bhattacharjee, 2023). BIMSTEC also provides the opportunity to create an environment for peace and development, given the pre-existing friendly relations among its member states. In addition, BBIN can serve as an important mini-lateral regional organisation to improve connectivity in the region, such as the Motor Vehicles Agreement, which enables seamless movement between BBIN countries to facilitate trade and people-to-people connections (Ministry of External Affairs, 2022). This same proposal failed to reach its conclusion in SAARC as Pakistan withdrew its support, after which India focused on BBIN (Rao, 2020). This shows that sub-regional cooperation is a necessity in South Asia, given the current political hindrances in SAARC.

CONCLUSION

In conclusion, SAARC, as an organisation aimed at regional cooperation, has failed to realise the potential South Asia holds for various reasons. These include the power asymmetry of India compared to smaller member nations, the lack of a dispute settlement mechanism, border issues and terrorism, all of which exacerbate the general air of mistrust in the region. The India- Pakistan rivalry has only compounded the region's inability to achieve economic integration. There are lessons to be learnt from ASEAN for SAARC, a largely successful model for regional cooperation. These include drawing upon the ASEAN way, which is the consultations and consensus approach and an emphasis on backdoor diplomacy to resolve interstate disputes. Sub-regional cooperation organisations like BIMSTEC and BBIN can complement regional cooperation organisations like SAARC by increasing the region's economic integration. There still exists a possibility of reviving SAARC (as the summit has been postponed indefinitely, not cancelled), granted that India-Pakistan relations improve in the future.

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