CHAPTER III

EMERGING REGIONAL STRUCTURE

In the past, South Asian security studies revolved around the nature of Indo-Pakistani and Sino-Indian conflict relations, the effects of superpower intrusions into the South Asian region and the resulting conventional and potential nuclear arms race, their concerns about these issues now appear out of date as changes in the global and regional political situations have affected both the nature of the threats in South Asia and the responses needed to manage them. Problems of internal security, including armed separatist movements and domestic ethnic strife, have further altered the strategic environment of the subcontinent. In particular, confronting the 'enemy within' has complicated the business of confronting the 'enemy without'. This is compounded when the two 'enemies' are acting in tandem. Such external and internal political changes not only add a new layer of conflict to the old one, but significantly affect the nature of regional security.1

Regional Issues

The problem of internal destabilization and external transformation is illustrated by the violence in Kashmir. Unlike past crises over the area, this one involves terrorism and insurgency. Various Kashmiri insurgent

groups have adopted the Islamic fundamentalist beliefs of Iran, learned from the insurgency tactics of the mujaheddin in Afghanistan, and have assumed the style and approach of the Palestinian intifada.²

Under such circumstances, if another Indo-Pakistani war were to take place, what would it entail? India would have to take into account the internal uprising in Kashmir, questionable Sikh loyalties in the critical border-state of Punjab, uncertain diplomatic support and military assistance from Moscow, the Chinese and American positions towards India and Pakistan, and the probability of nuclear threats. Pakistan would have to take into account the possibility of another war providing the Sindhis with the opportunity to carve out an independent Sindhudesh aided by Indian military forces. The persistence of weak governments in India and Pakistan since the late 1980s limits their ability to implement aggressive political and military policies.

There is also a growing incongruence in South Asia between arms races and the type of wars that are likely to be fought. High-tech conventional arms procurement, along with the acquisition of nuclear weapons technology in South Asia, seem irrelevant when dealing with ethnic nationalism and territorial irredentism that employ unconventional methods of force such as terrorism and insurgency.

security in the 1990s. The transformation of world politics brought about by the end of the Cold War produced sudden and profound effects in South Asia. Some of the basic external and internal security problems of the region remain the same, but they now operate under different global constraints. The policies of the great powers on issues such as Kashmir, other separatist insurgencies, nuclear proliferation and human rights violations have changed substantively since the turn of this decade, compelling the countries of South Asia to re-examine and re-adjust their traditional positions.\(^3\) Of particular concern is the potential greater interaction of south Asia with Central and West Asia, as Pakistan seeks alliances and economic ties with the new Central Asian republics.

The disintegration of the Soviet Union and the end of the Cold War has been the single most important external cause of change in South Asia. The disintegration ended the Indo-Soviet Treaty of Peace and Friendship first signed in August 1971 and there appears to have been a significant Russian diplomatic shift away from India on various issues at international fora. The disintegration of the old multi-ethnic Soviet Union itself posed a danger by example to the political unity and territorial integrity of the multi-ethnic states of India, Pakistan and Sri Lanka. The Soviet Union, once one of the strongest supporters of India on the Kashmir issue, has

been replace by a new Russia that has conceded independence to all its republics. Thus Moscow may now feel less inclined to support India on Kashmir. With the collapse of the rouble-rupee trading arrangement, much of the old Indo-Soviet trade has come to a halt.\textsuperscript{4} Soviet military equipment can no longer be imported at the old fixed rouble-rupee exchange rate, and trading relationships with the independent republics of the former Soviet Union have had to be renegotiated on the basis of international market factors. The 1971 Indo-Soviet Treaty was one the major casualties of India’s foreign and defence policies built around the former Soviet Union from about the mid-1960s. The renewal without modification of the Treaty in August 1991 for another ten years was monumental failure of Indian intelligence and foreign policy, made all the more embarrassing when India failed to condemn the attempted coup in the Soviet Union later that month. Subsequently, India began to negotiate a new treaty with the Russian Federation. By January 1992, a Memorandum of Understanding was drawn up based on a tentative draft of the treaty.

Articles 8, 9 and 10 of the 1971 Treaty had prohibited either side from entering into military alliances directed against the other; prohibited the giving of assistance to the other side’s adversaries, requiring the contracting parties instead to enter into consultations to secure peace in the region; and prohibited any secret or public agreement with other states that might cause military damage or disadvantage to the other contracting

\textsuperscript{4} \textit{India Today}, 31 July 1991.
party.\textsuperscript{5} The negotiations for a new Indo-Russian Treaty indicated an unwillingness on the part of the Russian President, Boris Yeltsin, to accept the military clauses of the old Treaty. The usefulness of forging a 'treaty' between India and Russia along the lines of the 1971 Treaty is now dubious. At present, Russia has little strategic interest in South Asia except as a potential market for arms and missile technology sales in exchange for hard currency. However, a new vigour may emerge in Indo-Russian relations if Indo-American ties deteriorate. Russia may fill the need to assert greater independence from the West, and both India and Russia may perceive common concerns in dealing with potential problems in Central Asia.\textsuperscript{6} In May 1992, the Russian Secretary of State, Gennady A. Burbulis, observed during his visit to India that the rise of Islamic fundamentalism and the ongoing changes in the Central Asian republics showed that Russia and India were on a geopolitical axis sharing common goals and dangers.\textsuperscript{7}

The purpose of non-alignment is now in question because the world of the 1990s is characterized by two major trends; the uneven economic dialogue between North and South, in which the North holds most of the major bargaining cards; and the rise of ethnic nationalism and regional conflicts. A policy of non-alignment seems meaningless when dealing with these types of issues. In addition, there no longer exist two distinctive global military blocs to the non-aligned countries.

\textsuperscript{5} Raju G.C. Thomas, \textit{The Defence of India}, Delhi, 1978, pp.58-60.

\textsuperscript{6} \textit{The Hindu}, 7 March 1992.

\textsuperscript{7} \textit{The Hindustan Times}, 5 May 1992.
The fact that all the states of South Asia have now chosen the ideological path of a free-market economy and capitalist development suggests greater economic interdependence with the West – if not greater dependence. Economic help from the former ‘Second World’, itself dependent on the West, is not available; and military assistance from it will be limited to commercial deal. Given these circumstances, the countries of South Asia do not have many foreign – and defence policy choices in the early 1990s.

The emerging Indo-US military ties in the early 1990s are in sharp contrast to those of the Cold War period. In 1990s, the Bush administration cut economic and military aid to Pakistan under the 1986 Pressler Amendment in view of Pakistan’s nuclear weapons programme. The US has also called on India and Pakistan to resolve the Kashmir issue peacefully in accordance with the 1972 Simla Agreement signed by Zulfikar Ali Bhutto and Indira Gandhi, a recommendation that appeared more in line with the Indian position. The US also threatened to brand Pakistan a ‘terrorist’ – sponsoring state if it did not stop training and arming the insurgents in Indian Kashmir and Punjab.\^8

\^8 \textit{India Abroad}, (New York), 26 June 1992.

In the US, India was perceived as a large and mainly democratic state with an apolitical and professional military establishment. The new American ‘tilt’ towards India was first heralded in December 1990 with the visit of a sizeable American defence delegation made up of civilians and
military personnel for talk with Indian counterparts at the Khadakvasla Defence Academy near Pune in India. This was followed by series of other consultative military exchanges which eventually cleared the ground for a long-term ‘forces-to-forces’-level relationship.

The US diplomatic shuffle in South Asia was provoked partly by Pakistan’s continuing efforts to acquire nuclear weapons, and partly by some American concerns over the growing threat of Islamic fundamentalism in the Muslim crescent from Pakistan to Morocco. Some Pakistani analysts also claim that US support for India was motivated by the need to balance China in Asia. However, the future course of Indo-US relations may not be smooth. Three major disputes between Washington and New Delhi in the early 1990s have thus far impeded Indo-American economic and military ties. These are the Special 301 provisions of the 1988 Omnibus Trade and Competitiveness Act of the US Congress (known popularly as ‘Super 301’); India’s unwillingness to adhere to the international convention on intellectual property rights, especially in the area of pharmaceuticals; and India’s purchase of a cryogenic rocket engine from Russia for the Indian space programme.

Following the passage of Super 301, Japan, Brazil and India were singled out for unfair international trading and investment practices.

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9 Ibid., 27 December 1991.
12 India Abroad, 20 December 1991.
Subsequently Japan and Brazil eliminated their offensive trade barriers and were taken off the Super 301 list. But India remained on the list because of its refusal to lift the ban on foreign investments in certain sectors such as insurance and to abide by the convention on intellectual property rights.

On the sale by Russia’s Glavkosmos of its cryogenic rocket engine, India argued that the US willingly allowed negotiations to take place for the sale of this system by Pratt and Whitney and later General Dynamics, General Dynamics’ price was $700 million for the engine without the transfer of the technology. It was only when India decided to purchase the cheaper Russian version, offered for $250 million, including the technology, that the US raised objections.13 According to Indian arguments, the cryogenic engine for India’s space programme had no military application. While the purchase of the Russian rocket engine was expected to speed up the launch date of India’s Geostationary Satellite Launch Vehicle (GSLV), the relevant space technology was already within the grasp of Indian scientists and engineers working at the India Space Research Organization (ISRO). The United States claimed that the cryogenic engine fall under Category Two of the Missile Technology Control Regime (MTCR) Equipment and Technology Annex which covers the area of propulsion system and propellants.14

As part of its policy to control the spread of missile technology, the US also targeted a whole range of missile and rocket developments in India. These include the development of the Agni and Prithvi missiles, the Space Launch Vehicle-3 and the Augmented, Polar and Geostationary Satellite Launch Vehicles. There is also movement in Congress to withhold economic aid to India and Russia.

Such Indo-American friction may prove to be typical in the years ahead. Objections have already been raised in India to the furtherance of Indo-US military ties, especially by members of the Communist Party-Marxist (CPM) and left-wing politicians in the Congress Party and the Janata Dal. Opposition groups have questioned the purpose of Indo-American military cooperation, especially since neither side have identified a common enemy. If the US were not prepared to support India against Pakistan or China, what would be the purpose of a military collaboration?

In general, American policy in South Asia has not been a 'zero-sum game' in which efforts to establish closer diplomatic military ties with India produces a compulsion in Washington to reduce such ties with Pakistan, Except for the complication caused by the implementation of the Pressler Amendment, India has been 'added' to US strategic planning, while Pakistan has not yet been 'subtracted'. Unless Pakistan rejects continuing American defence overtures because of its new ties with India, the United States may be expected to pursue closer military ties with

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Islamabad, at least to the extent permitted by the Pressler Amendment. What seems like an imbalance in US policy towards India and Pakistan was also partly due to the operational nature of the US military command structure. In US strategic planning, Pakistan falls under Central Command (CENTCOM), while India falls under Pacific Command (PACOM). None of the above American policies towards India and Pakistan has as yet been translated into a significant arms-transfer policy to either state. While arms supplies to Pakistan have been cut off, no major weapons systems have been promised to India either.

America's shift away from Pakistan towards India is also reflected in China's policy, although the Chinese shift has been more limited and subtle. At present, the only issue standing in the way of cordial Sino-Indian relations is the unresolved border dispute. Since the 1962 Sino-Indian War along the Himalayan frontiers, China has occupied the Aksai Chin plateau that juts out of Ladakh, Kashmir, in north-west India which New Delhi claims is part of its territory, and India has occupied the North-East Frontier Agency (NEFA), now known as Arunachal Pradesh, south of the MacMahon Line which China claims as its territory. In 1991, a Joint Working Group was established by India and China to maintain regular communications and negotiate a settlement of the boundary. Further, unlike the Soviet position, which held that Kashmir was an integral part of

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16 India Abroad, 8 November 1992.
India, past Sino-Pakistani communique’s have declared Kashmir disputed territory. China also supported Pakistan’s proposed resolution at the UN in November 1991 calling for a nuclear-free zone in South Asia, a position it had supported on past occasions.

Thus, changes in the foreign policies of the US towards India and Pakistan in the 1990s are also being accompanied by a noticeable shift in China’s relations with these two countries. China’s one friend, one enemy' policy towards the subcontinent over almost four decades (although the ‘friend’ and the ‘enemy’ were reversed after the 1962 war with India) now appears to have shifted to that of ‘two friends’. Following Premie Li Peng’s visit to India in December 1991, there were criticisms within India that the Narasimha Rao government had conceded too much to China without receiving enough in return. There are also concerns expressed in India about the possible adverse effects of the new Sino-Indian relationship of India’s newfound relationship with the United States. A.P. Venkateswaran, a former Indian Ambassador to China and India ‘ganging up’ against Western powers. He argued that such an ‘axis’ would be harmful to Indian interest.

The domestic politics, regional problems and foreign policies of Muslim countries outside the subcontinent have a crucial bearing on the politics within it. India, Pakistan and Bangladesh have the second, third

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19 Aprajita Sikri China Looking for Allies.
and fourth largest Muslim populations in the world after Indonesia. Since its creation in 1947, Pakistan has sought Muslim support for its political and military confrontation with India. But until the recent Kashmiri uprising and the outbreak of the Gulf War, India had successfully countered Pakistani manoeuvres to isolate it in the Muslim world. Congress governments under Jawaharlal Nehru, Indira Gandhi and Rajiv Gandhi as well as the Janata government of Morarji Desai and V.P. Singh, unreservedly backed the Palestinian cause and nearly all other Muslim members of the Organization of Petroleum-Exporting Countries (OPEC) when they raised the price of oil in the mid 1970s, a move that played havoc with the economics of the industrialized West and the developing countries. The political and economic dividends that India gained from these actions were the neutrality of some Muslim states on the Kashmir issue, and modest increases in exports to the oil-producing Middle East countries to offset the high costs of India oil imports. The external ‘Islamic’ factor in South Asian politics has now changed substantially. This may be seen in the Kashmir crisis, for instance, where the insurgency has drawn inspiration from Khomeini’s Iranian revolution, the Palestinian intifada and the successful liberation struggle of the Afghan mujaheddin. the 1991 Gulf War aroused and angered parts of the Muslim population of south Asia against the West. The rise of Islamic fundamentalism encourages similar movements in South Asia and aggravates Hindu-Muslim
tensions in India.\(^{20}\) And the emergence of the new Central Asian republics has added a new dimension to Indo-Pakistani rivalry in the Muslim World.

The visit of President Askar Akayev of Kyrgyzstan to New Delhi in March 1992 produced six agreements in the fields of trade, agriculture, science and technology. During the visit of President Nursultan Nazarbayev of Kazakhstan to India in February 1992, India’s President, R. Venkataraman, underscored the fact that both India and Kazakhstan were multi-ethnic countries wedded to secularism based on equal rights for minorities. “We understand that Kazakhstan has initiated several measure to promote secularism and ward off separatist tendencies”\(^ {21}\). In this response, President Nazarbayev stated that the mainly Muslim Central Asian republics were interested in promoting ‘normal economic relations’ with all their neighbours, including Iran, Pakistan and Afghanistan, but that this did not imply the emergence of Islamic fundamentalism. ‘Islamic fundamentalism would take us back several centuries’\(^ {22}\).

Predictions about the continuation of secularism in Muslim Central Asia may turn out to be wrong. Islamic governments could rise here as elsewhere in the Muslim are from Morocco to Pakistan. On the other hand, Pakistan’s strategy of linking itself with the states of West and Central Asia also has some weaknesses. Afghanistan needs to be stabilized before road


\(^{21}\) The Times of India, 22 February 1992.

\(^{22}\) Indian Express, (New Delhi), 23 February 1992.
and rail communications with the Central Asian states can be established, a prospect that remains uncertain despite the overthrow of President Najibullah and the victory of the various factions of the Afghan mujaheddin in April 1992.\textsuperscript{23}

There are other socio-economic and demographic problems in the way of an Islamic confederation that go beyond loose economic ties. Pakistan's population is 120 m. compared to 60 m. in the Central Asian states, and there is a similar gap in per capita incomes. Thus, a major population difference and socio-economic gap prevails which would make integration difficult. Most of the Central Asian states have also expressed a preference for the Turkish democratic secular model rather than that of Pakistan, Iran or Saudi Arabia.\textsuperscript{24}

The end of the communist regime in Kabul, and the failure of the Pashtuns to regain power in the capital, could also revive the ethnic struggle for a greater Pashtunistan that would incorporate the Pashtun areas of Pakistan's North-West Frontier Province (NWFP) and parts of Baluchistan with the Pashtun areas of southern Afghanistan.\textsuperscript{25} The power of the Awami National Party in Pakistan, which was eclipsed by the Islamic war against the communist regime in Afghanistan for nearly 13 years, is once again in the ascendant. Ethnic nationalism among the Pashtuns is

\textsuperscript{23} \textit{The Nation}, 8 October, 1991.
\textsuperscript{24} \textit{The Hindustan Times}, 10 January 1992.
being revived. Instability in Afghanistan could undermine the stability of Pakistan and even lead to its disintegration. The mere possibility of a larger Pakistani-conceived Islamic block of nations counter balancing India is sufficient to worry Indian policy makers as India’s past foreign policy has always been guided by events in the Muslim world. India is conscious of the fact that transnational Islamic movements could have deleterious consequences for its domestic stability and for the subcontinent.

Can war be avoided in South Asia in the 1990s? Can the region move towards a stable environment conducive to cooperation and development? There are grounds for both pessimism and optimism. The grounds for pessimism are the increasing levels of violent ethnic conflict and separatist movements within South Asia and the surrounding regions; the possible spread of aggressive Islamic nationalism from West and Central Asia; continuing instability in Afghanistan; the growing impulse to acquire nuclear weapons among some states, especially in the aftermath of the Gulf War; and the emergence, even if temporary, of three more nuclear-weapons states following the disintegration of the Soviet Union. The grounds for optimism are the end of the Cold War and a shift in emphasis from global arms races to economic issues; the increased role and power of international organizations such as the UN and the World Bank; and the establishment of democracies in every state in South Asia (except Bhutan and the Maldives).
Internal conflict management is becoming increasingly problematic for India, Pakistan and Sri Lanka, whose problems are compounded by external political pressures. These arise more immediately from proxy wars conducted from across their frontiers, and more distantly from international condemnation of human rights violations in these countries, and because of foreign media and other non-governmental support for the independence struggles of various ethnic groups. National governments will have difficulty containing separatist movements if the separatists believe that they have Western support. This is usually forthcoming if the West perceives widespread human rights violations by government forces. As a consequence, armed separatists engage in provocative acts through terrorism or insurgency in order to invite severe government military retaliation. Separatists in Kashmir, Punjab, Assam, Sindh and the Tamil areas of Sri Lanka have been greatly encouraged by the recognition of the new states of the former Soviet Union and former Yugoslavia. But this also raises the danger of the disintegration of India, Pakistan and Sri Lanka, accompanied by bloody ethnic wars and massive refugee flows.

Such a nightmare scenario may be remote, but it is important to recognize the explosive ethnic conditions that exist in South Asia. The enforcement of human rights issues cannot be separated completely from the larger costs of state disintegration. Maintaining the territorial status quo may be in the overall interests of all its people. Perhaps the countries of south Asia should agree on two fundamental principles: the inviolability
of existing international borders whether good or bad, legal or illegal; and that none of the states will aid and abet each other's separatist movements. The problems of ethnic grievances and separatist movements should be resolved through policies of 'decentralization' and 'confederalization' within the existing borders of the state. Confederal arrangements may be expanded externally to include all of the countries of the South Asian Association for Regional Cooperation (SAARC).

Western efforts to contain nuclear proliferation in South Asia will continue to face hurdles in the coming years. With the NPT coming up for renewal in 1995, neither India nor Pakistan feel a compulsion to sign it at this time. Instead, their policies may continue to be those of 'wait and see' while building up the technological capabilities for embarking on a nuclear weapons programme at short notice. India and Pakistan may also be tempted to declare themselves formal nuclear powers in the hope of entering a new NPT in 1995 as nuclear weapons states. Such proposals would not be acceptable. In the aftermath of the Cold War, the United States and Russia have taken giant steps to reduce their nuclear weapons arsenal. India's condition that the global nuclear arms race be reversed before it considers signing the NPT appears to have shifted. The options for the Western powers to contain nuclear proliferation in South Asia will be limited. They could prevent or restrict the acquisition of missile materials by the would-be nuclear weapons states, and threaten to enforce
economic sanctions against them if they are perceived to be pursuing a nuclear weapons programme.

The South Asian countries face a variety of challenge to their security in the 1990s. On balance, the main reason for optimism that these states will overcome their regional differences and their domestic difficulties arises from the general democratization of the region and the move by all the states towards a free-market economy. Pakistan, Bangladesh and Nepal have joined India and Sri Lanka as democratic states. The process of privatization of public-sector corporations and the incentives provided for attracting greater private-sector investments now provide another common denominator in South Asia.

India's relations with some countries at least came under a cloud. India believed that Pakistan had aided and abetted Sikh terrorists and that these militant groups were using Pak territory as a sanctuary for hostile activities in India and were receiving training and other forms of help at some official level in Pakistan. Now in the wake of the killing of the Prime Minister the country took a more serious and somewhat angry view of these going-on. Similarly India felt that neither London nor Ottawa were taking adequate steps to curb terrorists operating from British and Canadian soil against the Indian Government leaders.

In an earlier initiative Rajiv Gandhi had called and presided over the second meeting of the six-nation summit on nuclear disarmament attended apart from India by Prime Minister Olaf Palme of Sweden, President
Miguei De La Madrid of Mexico, Prime Minister Andreas Papandreou of Greece, President Julius Nyerere of Transania and President Raul Alfonsin of Argentina, spawning the four continents of Asia, Africa and Europe and Latin America. There was much commonality of views between India and other participants. The Delhi declaration issued at the end of the summit called upon the nuclear weapons states to immediately halt the testing of all kinds of nuclear weapons, and to conclude at an early date, a treaty on a nuclear weapon test ban. The declaration also called for the prohibition of the development and use of all space weapons.

ETHNIC AMBIENCE

The most conspicuous phenomenon in current world politics is an increase in the number and intensity of ethnic conflicts. Some examples are the "New Indian Movement" in Latin America, resurgent "tribalism" in Africa, intensified sectarianism and ethnic confessionalism in the Middle East Asia, and a nationalist wave in former Eastern Europe, where at least one country - Yugoslavia - finds itself in civil war, the challenges to old state structures in Western Europe. In the former Soviet Union the natural question has returned to become the major political controversy. There can be no doubt about the serious consequences of ethnic conflict for economic development. However, the casual relationship between ethnic revival and different patterns of development is at present elusive. There are various theories relating to ethnic conflict.
In modernisation theory, ethnic identity belonged to the traditional obstacles to development which, however were supposed to disappear, ultimately in the course of development. Claims to ethnic identity were thus seen an anti-development.

For Marxist, the ethnic issue has traditionally been discussed in the terms of 'the nation question'. Ethnic mobilization is usually described in terms of class, as a class struggle in disguise. Nationalism was good when it promoted social revolution, otherwise bad.

Dependency theory and neo-marxist emphasised internal factors, and therefore had little to do for ethnic conflicts. More relevant to the analysis of ethnic conflict is the idea that ethnicity is activated in centre – periphery exploitative relations, for instance in situation of "internal colonialism". Providing the ethnic group "a character and a quality" ethnicity is the summation of ethnic consciousness for status and recognition as a distinct social entity. Ethnicity thus, is not a static, predetermined category, but the manifestation of the assertion of the ethnic group in the political area to defend and or sustain economic, political and cultural interest and gets more concessions.

Ethnicity plays a crucial role in the nation building process. The nature and character of the process of ethnicity and nation-building indicates clearly that their ethnic group identities are not merely ascriptive. Patriarchal but have fluidity and variability as much in inter-ethnic group relationships as in inter-ethnic groups term. Ethnicity can become a
disruptive force in the process of nation-building as well. Because underlying the ethnic identities in multi-ethnic societies is the perennial factor of intra-ethnic clearage as much as inter-ethnic group tension, rivalry and conflict which could be talent, but when turned event, leads to ethnicity.

The political mobilisation of all ethnic groups involve formation of ideology based on values of nationality and solidarity with mass appeal. But in a multi-ethnic state the prevalence of a dominant groups culture neglecting others into a secondary leads to a strong sense of discontent among minor groups. It is obvious from the fact that the state comprising a complex set of ideas and institutions. Over which different groups struggle for control. During this phase the state undergoes the modernisation and securalisation process and hence it becomes both a resource and distributor or resources. Ultimately the state and its policies becomes a potential benefit to some groups being non-dominant in character tend to differ from the secular modernising values of the state. Moreover, they develop a sense of deprivation criticising the state for its preferential policies advantage. This "majority complex" is further sharpened with the elite competition for power in the state arena so that political mobilisation on ethnic lives leads to separate identity and interests which erode the nation-building process.

South Asia had been the meeting place for numerous social groups which came to this place from various regions of the world. With the
passage of time, there had been a great deal of intermixing among the social groups giving rise to multiplicity of ethnic groups. This ethnic heterogeneity of the region makes the nation-building projects entirely difficult, and the need for institutional innovations in conflict resolutions and in development is great. Therefore, ethnic conflicts usually are part and parcel of the nation-building process, which is analysed in terms of nation-state projects.

Domestic conflicts in South Asia have been largely due to the existence of a large number of races, religions, languages and geographical identities in each one of these conflicts. Such conflicts have been described as ethnic, “Ethnocentricism” stands in the imperiority of ones own cultural groups or such groups. Demands based on ethnicism could be for affirmatial discrimination, autonomy or secession which are different stages in the making of demands, though it does not necessarily mean one stage will lead to another. India is the largest and most heterogeneous country in this region. There are different types of cultural groups, stretching the concept of ethnicity to the point of being meaningless. Religion, caste and tribe all enter into picture, creating a great variety of ethnic strifes.

In Assam and Punjab the ‘sons of soil’ defend their right to resources and employment. They felt that inspite of the land belonging to the land they were being pushed into a position of subordination by the flooding of Assam by Bangladeshis is and the efforts of the Congress (I) to
dominate Punjab. In both the cases unfortunately the ethnic problem was mixed up with religion – in one case the Bangladeshi immigrants being Muslims seem to be challenging the theory of domination of Assam by the Assamese and in the other the identity of the Sikhs seems to have gone through a complete change in the sense that instead of regarding themselves as a sub-religion. Many of them began to regard themselves as distinct from Hindu religion and like the Muslims in pre-partition days, claim that Punjab being a Sikh dominated region, was to be politically controlled by the Sikhs. What followed these ideologies was a spate of killings and massacre, threatening the very base of united India. In Kashmir, the slogan “Kashmiriyat” as being distinct from rest of Indian culture led to the killing of lots of Hindus and Muslims. Apart from this, ethnic conflicts in North eastern India also have acquired greater dimensions.

Pakistan was created on the principle of religion. On becoming independent she found herself not a nation but a bundle of ethnicities or nationalities, each anxious to break away as time passed and political concentration grew. The break up of Pakistan in 1971, made it clear that language and identity of economic interest have been more important than religion. The ethnic struggle is still defining the political game and is still defining the political game and is approaching that pathological lence when the nation state project can be considered a lost cause. The Punjabi dominance is challenged by Sind, Baluchistan and the Pathans of North-
West Frontier Province (NWFP). Furthermore, it is challenged by the Mohajirs (immigrants from India) which originally constituted a bureaucratic backbone of the Pakistani state, but now claim status as “the fifth nation of Pakistan, with a kind of territorial” base in the former capital of Karachi. In this decaying old metropol the Mohajirs fight with Pathans in the streets, while they complete with the Sindhis about control over the best of the province. Ethnic Violence and criminalisation of politics are inseparable in the Pakistani context and have created serious law and order problem. While Pakistan has, thus been able to contain the secessionist forces based on ethnic identities, the situation is taking a serious proportions in Sri Lanka.

Bangladesh is, in spite of its size, a homogenous country, made up of predominantly Muslim Bangalis who freed themselves from Muslim Punjabis who were in control of the state in undivided Pakistan. Today it experiences ethnic conflicts between Buddhist Chakmas from the Chittagong Hill tracts and Muslim Bengalis from the over populated plan. This is a consequent of the Bangladeshi regime’s effort to change the demographic composition of the Chittagong Hill tracts with an objective to blunt the demand of the indigenous Chakmas for mere administrative autonomy. The smaller states have so far showed little ethnic strife. The Maldives is a rather homogeneous state. Bhutan is a traditional kingdom where the signs of ethnic conflict have only recently emerged in the persecution of Nepalese. The case of Nepal of forced cultural assincilation
adopted in 1989. This shows that the mini-states cannot remain unaffected by what goes on in the larger region.

The situation of ethnic conflict in South Asia can be best assessed as, Urmila Phandis has done from the point of view of the model of nation-building, depending on the fact whether it is a state centric model of a nation state on a pluralistic model in which the diversity of cultural interests is acknowledged, accepted and accommodated. The demands for the degree of accommodation autonomy or secession differ from one state to other from affirmative discrimination in the case of the tribal groups in Nepal, greater autonomy without questioning the systemic sanctity as in the case of India to the demand for systematic change, varying in nature from moderate groups to secessionists in Pakistan and Sri Lanka. In each case the ethnic conflict within a country is bound to spill ever into inter-regional relations of different states.

One of the products of ethnic conflicts are the refugees. The refugees could turn out to be a serious political risk under various circumstances that have direct bearing on the foreign policy consideration of the host country. These circumstances could be born directly induced by the host government and in some cases by the third parties. For e.g. the militant sections of Sri Lankan Tamils some of whom were allegedly trained in and supplied with arms – from India gradually became a strong force to reckon with within the host country. South Asia has also witnessed
strong protests and upheaval against the refugees whenever the host has felt some sort of intrusion into their indigeneousness.

It is clear the domestic political formation in the nature of ethnic conflict in society renders the state insecure and unstable as the authority of the state is seriously consented, internally by forceful means. The legitimacy of the state is acute in South Asia as it is vital to the development and progress of the nations.

REGIONAL ECONOMIC FORMS: THE GROWING CONCERN

South Asian Association for Regional Co-operation (SAARC) was signed by leaders of 7 South Asian nations viz. Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka in December, 1985 to promote regional co-operation particularly economic co-operation. There are 13 areas of co-operation agriculture and forestry; education; health and population; meteorology; rural development; tourism; transport; science and technology; postal service; sports; art and culture; women in development; and prevention of drug trafficking and drug abuse.\(^{26}\) Conventions were signed in 1987 on measures to counter terrorism and in 1990 on Narcotics drug and psychotropic substance. The formation of SAARC was significant step forward because it could stimulate regional co-operation through collective approach and action. No doubt the seven countries had different political system, ideologies and links but they were

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also beset with identical problems of growth and development which encouraged them to co-operate with each other and evolve a common approach for development. The SAARC carry a very heavy burden of history with the result that their current policies are overloaded with "emotional excess baggage." Of the seven member countries of SAARC three, Bangladesh, India and Pakistan were all part of one politico economic unit till 1947.

All the seven member countries of SAARC and third world developing countries sharing common problems but of different nature. There has been an evident shift in the economics of the member countries from traditional, local and national demands to a modern one which emphasises on international trade. In the last decade India, Pakistan and Sri Lanka have liberalised their economics with contrasting results – In India the positive effects are trickling unlike Pakistan where political compulsions greatly influence the economic forces.

The Gross National Product (GNP) 1992 and the share of agriculture, industry and manufacturing in the economy of member countries are given below:
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</thead>
<tbody>
<tr>
<td>Pakistan</td>
<td>49,477</td>
<td>25.7</td>
<td>26</td>
<td>17.9</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>9,459</td>
<td>27</td>
<td>29</td>
<td>18.6</td>
</tr>
<tr>
<td>India</td>
<td>2,71,368</td>
<td>31</td>
<td>27</td>
<td>17</td>
</tr>
<tr>
<td>Bhutan</td>
<td>263</td>
<td>42</td>
<td>25</td>
<td>8.5</td>
</tr>
<tr>
<td>Bangladesh</td>
<td>24,672</td>
<td>34.5</td>
<td>16.6</td>
<td>9.1</td>
</tr>
<tr>
<td>Nepal</td>
<td>3,285</td>
<td>55</td>
<td>15.6</td>
<td>7.2</td>
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<tr>
<td>Maldives</td>
<td>114</td>
<td>23.7</td>
<td>16.8</td>
<td>6.0</td>
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</tbody>
</table>

It is very clear that SAARC has made very slow progress in its one decade of existence. The major reason attributed to this slow progress is the failure to address itself to some of the core economic areas like (a) trade (b) investment and (c) technology.

The South Asian Preferential Trade Agreement (SAPTA) which was made operational in 1995 (December) with the seven member countries schedules of 226 items of tariff concessions must be considered as one of the boldest steps taken by SAARC. As of today the share of intra regional trade in the SAARC countries global trade is roughly 3 percent.

<table>
<thead>
<tr>
<th>Country</th>
<th>Intraregional trade (as % to its total trade)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>8.6</td>
</tr>
<tr>
<td>India</td>
<td>2</td>
</tr>
<tr>
<td>Maldives</td>
<td>16.4</td>
</tr>
<tr>
<td>Nepal</td>
<td>8.3</td>
</tr>
<tr>
<td>Pakistan</td>
<td>1.6</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>6.4</td>
</tr>
</tbody>
</table>
Scholars and professionals, both in research and trading institutions are of the view that unless a fast track approach is adopted, the ultimate goal of having a free trade regime in the region by 2002 would be hard to realise. So, at a particular point of time, the SAARC countries may be forced to realise that it is not diversion but the creation of trade that sustains the efforts of enhancing intra regional trade interactions in the region. In fact it may turn out that if the existing production and export base is not progressively diversified, the proposed free trade regime itself will be bone of contention as some countries will not have comparative advantage in their exports. The SAARC should, as a regional institute increasingly address itself to these issues of generating complimentarities to enliven and sustainably quicker the process of liberalization in the intra-regional trade.

The region as a whole has an investment rate of 18 percent for below that of many regional groups of this nature. This along with the regional saving rate of 14 per cent have increasingly drawn this region into the vortex of long term debt burden of almost $350 billion. Looking at this, economic reforms were imperative in the countries of the region. The SAARC should move vocally address itself to these issues of regional investment so that the charm of business and industrial activities remain in the region. The trust should be on harassing vast potential of hydro power resources that directly benefit it more than three countries at a time.
The science and technology co-operations has been a major agenda in the SAARC forum. It would not be an exaggeration to say that the South Asian countries are caught in the process of a various angle of poverty contributing to low investment in technology and a low level of technology resulting in low productivity. The S&T cooperation under the SAARC has a lot of unharnessed promise. Out of the 14 industrial areas identified at the inception of the S&T cooperation in SAARC, some of the core areas like micro-electronics; transfer of appropriate technology, foresting development, and genetic engineering have not been implemented.

In the regional, internal and economic field, SAARC is still far from having assumed a significance such as that achieved by ASEAN. Regional tension is our reason for this. The fact that SAARC has managed to reduce regional tension already represents a major step forward.

One of the earliest areas of SAARC co-operation has been in the field of Integrated Programme of Activities (IPA). The number of activities under IPA is 13 and each has a technical committee. It operates under diverse area encompassing economic, social and cultural activities. The Technical Committee and Agriculture has recommended priority action on genetic engineering and bio-technology homestead vegetable production and food availability and international balance. The Technical Committee on Education has emphasised in the fields of women in education, literacy, post literacy and continuing education, education research and distance education. The Technical Committee on Health and Population has
suggested primary health care, tuberculosis and leprosy, matter and sanction. The Technical Committee on rural development has suggested programmes relating to poverty alleviation, women in development, environment and technology transfer. The Technical Committee on Telecommunication has recommended priority action in regard to humane resources development. Inter country links such as I.S.D., intimate telex has improved substantially. The Technical Committee on Tourism has recommended the appointment of a consultant for making a detailed study to formulate strategies for joint promotion of regional tourism. SAARC leaders have also accorded high priority to alleviation of poverty in all South Asian Countries and divided to establish independent South Asia Commission on poverty alleviation. SAARC Fund for Regional Projects (SFRP) has been launched with a fund of $ 5 million. It has been in operation since 1992. SAARC Regional Fund (SRF) has also been proposed to meet the cost of regional institutes as also those of Technical Committee. Some notable achievements of the organisation include:

(a) Establishment of SAARC Food Security Reserve (of 221480 mt)

(b) Agreement on ratification of Regional Convention on supression of terrorism, including the provision for extradition.

It is argued today that SAARC is like a toothless tiger. More co-operation and economic interdependence is needed among the member countries.
India has called for the expansion of SAARC by inviting Myanmar (Burma), in the east and Afghanistan and the central Asian countries in the west to join the grouping. Expansion of SAARC would unquestionably help to increase the group power. Central Asia membership and inclusion of Myanmar would also necessitate changes in SAARC’s agenda. However such a possibility does not seem likely as Afghanistan at present is under the powerful grip of a formidable and turbulent civil man and Myanmar already a member of ASEAN does not seem enthusiastic about membership of SAARC. Co-operation and regionalism is the order of the day, the world over. Its need in South Asian context is popularly recognised.

ENVIRONMENT CONSERVATION AND REGIONAL ETHOS

The growing world wide awareness about the grave consequences of ecological degradation during the closing decade of the twentieth century has highlighted the fundamental nature of the unity and interdependence of life on this planet. The fast growing world population, demanding an ever accelerating consumption rate of rapidly dwindling life sustaining resources has brought humanity to a stage where a dooms day scenario is staring it in the face.

The developed nations of the North are destroying the life support potential of the habitant by their luxurious and wasteful lifestyles. The starving millions of the underdeveloped South, though drawing a minimum survival level per capita existence are collectively causing an equally
destructive erroneous drain on nature – for in excess of its regenerative capacity, because of their uncontrolled population growth.

South Asia is an identifiable geographic and demographic unit of the underdeveloped world. Notwithstanding the man made political decisions in this subcontinent, its land and water resources, the seasonal precipitation cycle, the cropping pattern of its land produce and the traditional lifestyle of its high density population give prominence to its ecological integrity. Its encirclement by the two arcs of the Himalayas on the north and the Indian Ocean in south also make it a somewhat isolated and self contained entity for ecological consideration. Within the limits of this subcontinent, India, with more than three fourth of the region population and a unparable phase of its central landness as well as resource from he core of the Asia area, therefore, on ecological evolution of South Asia is uninitially as assessment of existing environmental imbalance in India.  

The South Asian region is afflicted with the highest birth rate. Pakistan has recently crossed the 100 million mark and in the next quarter century, it shall be over 150 million at the present rate of population growth of 3 percent. The population pressure being faced by Pakistan are shared by other South Asian countries as well.

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HUMAN POPULATION IN SOUTH ASIA ('000)

<table>
<thead>
<tr>
<th>Country</th>
<th>1950</th>
<th>1990</th>
<th>2000</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bangladesh</td>
<td>42284</td>
<td>88219</td>
<td>145800</td>
</tr>
<tr>
<td>Bhutan</td>
<td>734</td>
<td>1281</td>
<td>1893</td>
</tr>
<tr>
<td>India</td>
<td>357561</td>
<td>688856</td>
<td>904072</td>
</tr>
<tr>
<td>Maldives</td>
<td>84</td>
<td>153</td>
<td>243</td>
</tr>
<tr>
<td>Nepal</td>
<td>8182</td>
<td>14677</td>
<td>24220</td>
</tr>
<tr>
<td>Pakistan</td>
<td>40032</td>
<td>86143</td>
<td>140961</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>7678</td>
<td>14819</td>
<td>19620</td>
</tr>
<tr>
<td>Total South Asia</td>
<td>456554</td>
<td>894138</td>
<td>129809</td>
</tr>
</tbody>
</table>

The considerable cultivable land potential and the degree of its underutilisation can be judged from the fact that South Asia has 25.4 per cent of the cultivable land resources of the developing countries, but produces only 23.3 percent of the total cereal output of all developing countries. When one considers the cultivable land resources one finds that desertification is occurring at a rapid pace due to inadequate attention to drainage and soil conservation. South Asia as a whole has a forest resource of 64.421 million hectares. The depletion of existing relatively low forest cover in South Asia is of acute concern. In Pakistan, out of a total forest area of 2.5 million hectares, 1,000 hectares a year being depleted of trees; India with a total forest resources of 56 million hectares is losing its forest at a faster rate (0.3 per cent per year) with 1.32 million hectares has a depletion rate of 0.9 per cent per year. Sri Lanka with a forested area of 1.66 million hectares is depleting this resource at the high rate of 3.5 per
Nepal with a forest area of 2 million hectares has the highest depletion rate in South Asia, losing 4.1 per cent of its forest every year. Food, fuelwood and fodder requirements of growing populations have increased the pressures on this resource.

Another common feature of the South Asian region is the economic importance of the river system. India, Pakistan and Bangladesh are not only blessed with the majesty of the mighty Indus and the Ganges, but these river systems are increasingly involved as important lifelines in the national economies. Increased pressure to meet agricultural needs has led to the building of canal and drainage systems. The construction of dams has served both irrigation and power requirements. But these developments have led to salinity, waterlogging and other ecological imbalances. The construction of dams, for example, usually results in the destruction of wildlife habitats and if the designs of the dam do not provide fish ladders, they may eliminate certain types of fish which depend on upstream river source mobility for their breeding and survival. The pollution levels in rivers in South Asia present an equally bleak picture for the vital resources.

The great challenge facing each of the countries of South Asia is to locate new strategies of sustainable development i.e. a development process

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which, while improving the material welfare of all the people, will at the same time protect and preserve the natural and human resource base. At the institutional level, such a sustainable development strategy will involve developing and linking together two levels of social organization. The micro-level grass-roots organization and the macro, or national/regional level.

It is only an integrated and participatory approach at the local level that can create a new relationship between man, nature and growth for sustainable development. Such approach would make the people both the subject as well as the object of the development, and in so doing would unleash their tremendous creative potential. This potential is rooted in the shared historical experience of balancing their own needs and forms of production with the imperatives of preserving the natural environment. The valuational framework within which participatory community effort can occur is rooted in the living fold culture where the self is experienced as fundamentally related to all living being and to nature.

The need for regional co-operation to counteract the large-scale processes of ecological damage that are in operation in South Asia. Some of areas in which regional cooperation could occur for the protection and preservation of the environment are:

(i) Joint efforts at restoration of watersheds, and the treatment of industrial and urban effluent wastes could help soil-erosion,

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30 Nira Ramachandra, Protected Areas in South Asia Seminar, February 1995, pp. 31-37.
dsrastating flash floods and toxicicity of rivers.

(ii) Sharing of bio-saline research and technical know how on controlling desertification of soils, technical know how on the use of ecologically safe industrial technologies.

(iii) Sharing of information on waterflow of rivers, especially flood forecasting.

(iv) Engaging in joint ventures for the development of Himalayan sources, and preservation of deforestation and soil erosion on the mountain slopes.

(v) Sharing of information generated at the grass-roots level on traditional knowledge system for sustainable interaction with nature.

(vi) Sharing know how on earthquakes, and their forecasting.

Inspite of the impressive growth in GNP in South Asian countries over the last 40 years a large proportion of the people continues to live in a state of poverty. However what is even more serious for the future is that because of inadequate attention by policy-makers to food access, health, education employment and ecology, the human and natural resource base is being rapidly eroded. For example, because of inadequate diet for lactating mothers and poor health facilities. South Asia is losing 99 children before the age of one for every 1000 children born. Similarly, millions of children and adult die due to water-borne diseases, since 68 per cent of the

population of South Asia does not access to clean drinking water. A large proportion of the population that manages to survive lives in a state of malnutrition due to inadequate access to food, and is subjected to life long suffering from curable diseases because of inadequate health facilities. Those few who manage to survive there hazards and succeed in a acquiring an education, face unemployment in growing numbers. As Pakistan’s Prime Minister Benazir Bhutto proposed in his speech at the recent SAARC conference in Islamabad, it is time now to launch a major collective effort at a human resource development programme to South Asia.\textsuperscript{32} Perhaps regional efforts for human resources development could be focused on providing clean drinking water, preventive medical facilities, housing, education and productive employment close to the home. The financing of such a project could be done by establishing a Regional Support Fund, with contributions from not just the South Asian countries, but from all the developed countries and multilateral aid agencies.

The institutional framework for such a development strategy would involve, first building grass roots organization through which the community at the local level can participate in project formulation and project implementation. There need to be a decentralization of administrative and economic power so that the people at the local level can participate in the divisions that affect their economic, social and ecological

environment.\textsuperscript{33} The second dimension of the institutional framework is an initiative at the regional level in South Asia to collectively remove poverty and environmental damage, through the creation of regional-level institution for sharing technical know how dividing new technologies linking up grass root organizations and overcoming bottleneck to their development.\textsuperscript{34}

**ON QUESTION OF BORDERLESS REGION**

South Asia as a region is a zone of cultural mixture. There has been interaction going on among the different communities in this regions as well as outside the region. It is hard to restrict the movements of the people.\textsuperscript{35} The border security forces also cannot check the movements across the borders. The borders are not walled and only few parts are fencing. Since India lies in the middle of the region, fencing the boundaries of Nepal, Bhutan, Bangladesh, Pakistan except Sri Lanka (30 miles gap) and Maldives is important different kinds of movements are taking place and the most troubling to governments in South Asia is the unwanted immigrants.

Different types of movements are taking place in the India borders everyday. Especially there are the four types of movement took placed (1) Regular (legal) (2) Irregular (illegal) (3) Brain drain and (4) Refugees


\textsuperscript{34} India : The State of the Environment, New Delhi, 1987.

\textsuperscript{35} D K Arya and R.C. Sharma Management issue and operational planning for India's Borders.
people moves for a purpose and the purpose may be legal or illegal. People from low income countries easily go to the neighboring countries for job or desires.

Income differences and distribution is the factor for the movements across the borders for example, Bangladesh economy is essentially rural and agrarian, growth sets in per income has been slow and expansion of the industrial sector has started. This difference in economic opportunity and image differential force the people from backward countries to selectivity better country (like India, Bangladesh, Nepal, Bhutan etc.) to migrate temporarily or permanently.36

Approximately 35 to 40 million people have moved across national boundaries in India, Pakistan, Bangladesh, Sri Lanka and Nepal since August 1947, some as economic migrants, more as refugees. Usually the migration is within the framework of “push and pull factor”. The Indo-Nepal migration is unique in that peoples of both the countries move freely without any document.37 The people of Nepal generally come to India for economic benefits. Nepalis in India are getting employment and in a way India is a safety value for Nepal. But in other side, Nepal has such a legal measures which are likely to discourage the Indians to settle permanently in Nepal. Its citizenship laws, work permit system, settlement patterns are some of the measures taken towards controlling the flows of Indians into

Nepal. The maxim number of process area can be found between India and Nepal especially the Bihar border smuggling of goods electronic, drugs and other illegal activities is going on everyday. National identify of peoples commuting across the border is blussed and migrants have the tendency to settle permanently once they start working in India and Nepal.

For most of the South Asian refugees the geographical destination has been mostly determined by (i) easy physical accessibility (Chakmas in Tripura) Tibetans in India and Nepal, Afghans in the N.W. Frontier province, Rohingy as in Bangladesh and Srilankan in Tamil Nadu) (ii) cultural and linguistic affinity as substantiated by the exodus of Peshtuns from Afghanistan to the Pakhtun-dominated NWFP regions of Pakistan and Lhotsampas of southern Bhutan to Nepal (iii) Political support of the last government as indicated by the refugee flow to India during the liberation struggle in Bangladesh in which case by August 1971 the number had reached a staggering 8.01 million and the Sri Lankan Tamil issue mainly became the critical exigencies and realities in Tamil Nadu.

A million of people of Bangladesh origin have got lost in the bylanes of Karachi, and 2,38,000 unwanted “Biharis” are “Stateless” in Bangladesh. And as 47,000 Rohingya-Burmese refugees in Bangladesh awaits “impaired repatriation” who is a political refugee and who an economic refugee/migrant? It is a distinction not easy to make in a region where migration is complicated by the fact that government of majority groups do

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38 Rita Machanda, Sorrow of the South Asian Refugees, Indian Express, 7 December, 1996.
systematically deny relief and violate the human rights of these affected communities. No South Asian state has signed the UN Convention on status of refugees.

The movements comprises of many rejected people and unwanted migrants and so it have been literally politically destabilising and how in turn they have affected security relations among the South Asian states. Following are the common threats and conflicts rise by population movements.

1. Conflicts occur when immigrations are between different communities e.g. Bengalis in Assam, Biharis in Sind, Indians in Nepal, Nepalis in Bhutan etc. Local anxieties are particularly sent when the number of migrants are so large that the antonymous community feels that its cultural dominance is threatened, its political control weakened, and its position in the labour market under-mined.

2. An influx of refugees from the same sect or religious community may also be regarded as the threatening when it is found that the community is being ill-treated at home e.g. In these of Srilankan Tamils into South India, Burmese Muslim into Bangladesh and Bengali Hindus from Pakistan into India.

3. A host community feel threatened when refugees are armed by government in order to support their struggle against their government.
Movements across the border is another factor of increasing drug addicts and drug traffickers and these impart in the detraction of new generations increasing crimes and other diseases like AIDS the drugs and heroin morphine etc. come through North-East states and western frontiers from the Golden Friengle and Golden Cresent respectively. Borders thus arms dealing is another problems of movements across the border and border business.

All these movements in different to central borders are persons for a varity of reasons:

1. There are few natural boundaries - mountain, rivers, that regrate are country from another (with the exception of Sri Lanka and India), and boundaries are often long and both sides are heavily populated.

2. Border security force is not enough to patrol the long border.

3. On both sides of most of the border are peoples who share a common language or religion and feel a sense of common ethnic identity.

4. Countries in the region do not have effective system for identifying their own citizens.

5. Immigrant communities, both refugees and economic migrants, often have local political allies who can prevent the host government from taking measures to free repatriation.

The issues of inter-state migration and their relationship with security, conflicts, international relation are now founded by both the academies and the practitioners of state policies in South Asia. Such
problem arise from socio-economic and political inequalities that characterize the region's countries. Conceivably, the movements of peoples across international borders can provide scope for inter-state dispute if not inter-ethnic conflicts on a large scale. Population growth in South Asia is contributed by the international migration.

**TRADE PARTNERSHIP AND PATTERN OF DEVELOPMENT**

South Asia, where a sixth of the humanity lives, is passing through a difficult transition. Conflicts within and between the countries of the region are assuming new and complex forms. The region suffers from the problem of underdevelopment and the countries of the SAARC region are considered as the least developed countries of the world.\(^\text{39}\)

The increasing awareness caused by the alarming economies of the region necessitated a co-ordinated strategy of development for the exploitation of the available potential in the region and thus facilitating for the welfare of half of the world's poor living in this region. The formation of SAARC in 1985 was hoped to bring desired results to solve the existing problems of the region. However very little has been achieved.

This study would facilitate in working out a concrete programme for fostering effective co-operation in trade among the member countries of SAARC, so that the objective of promoting self-reliance among the countries of the region and to pave the way for accelerating the pace of economic growth and social progress in the South Asian region.

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The basic objective has been to identify the specific problems relating to the trade expansion in the region. The existing trends of trade among SAARC countries are analysed and the various aspects of trade relations among them are studied with a view to arriving at certain conclusions regarding the future prospects and also suggesting the different ways and means for improving trade relation among them.

A new dimension was added to this concept by the declaration and programme of action on the establishment of New International Economic Order adopted by the General Assembly of United Nations is its sixth session in June 1974. With this the developing countries gave more emphasis to the attainment of collective self-reliance on regional basis by accelerating the pace of their economic growth through the mobilisation of their own resources and by reducing their excessive dependence on uncertain world economies. The economic, social and political compulsions prevailing in the South Asian states and pressure within these countries forced them to look in and outward and seek larger regional co-operation. It is in this context that the idea of regional co-operation in South Asia arose.

Regional co-operation would provide a logical response to the problems posed by poverty, underdevelopment, low level of production, unemployment, foreign exchange crunch, etc. Any serious effort in this area will help to exploit the vast potential of regional co-operation that exist and it will bring consequential benefit both collectively and individually to the countries of the region.
Since the national studies on Trade, Manufacture and Services had been completed the need to complete the regional study within the time frame stipulated by the Council of Ministers was underlined as these core economic areas would facilitate further cooperation among SAARC countries, which are necessary for accelerating the pace of economic development in the region. Regional economic co-operation will be meaningless if there is no co-operation in respect of trade among the countries of the region. The trade patterns of a country are largely influenced by the structure of production; and these structures are substantially affected by the particular trade policy adopted by the Government of each country. Also a country trade and current account balances are greatly dependent on the type of trade policy it pursues during a particular period.

The member countries of SAARC are pursuing strategies for the development of its economy by giving substantial emphasis on import substitution. The protective measures adopted for the development of home industry inter alia includes over-valuation of exchange rates and severe restrictions and tariffs on imports.

The export procedures have been liberalised, strong subsidies are given to exports; and the export financing are made easily available at cheaper rates etc. are other steps taken in this regard.

With the exception of Sri Lanka, the import policies continued to be quite restrictive during the last decade among the SAARC countries, inspite of the fact that there has been major import liberalisation measures with a
substantial ideological and policyship in 1980's. In the early nineties the popular Governments in India and Pakistan further liberalised their own economies in respect of both imports and export with plenty of export promotion policies.

Import liberalisation policies adopted by some of the SAARC countries in the early eighties have been a significant change in the trade policies in South Asia. More developed countries like India, Pakistan and Sri Lanka adopted a floating exchange rate policy. Bangladesh and Nepal peg their currencies to a composite currencies and Bhutan peg their currency to Indian currency while Maldives have a system of independent floating. The member countries of SAARC have recognised the practice of inter-relationship between trade policy regime and exchange rate policies within the region.

Another important measure adopted by the SAARC countries is the rationalisation of tariff structures, distinguishing the trade revenue and protective objectives. The import of restricted products has been liberalised and that of banned products has been permitted. Licensing procedures have been made simpler and equilibrium has been brought in balance of payments by placing more reliance on tariffs and exchange rates.

The stringency in import policy and the tariff rates differ from one country to another; so also do the import liberalisation policy and export promotion measures in the region. Sri Lanka's trade policy is the most liberal one in the region with lower tariff rates and its negative list of items of import is the shortest in the region followed by Nepal, that controls her
imports partly through tariffs. India adopts OGL (Open General List) system and she has a long positive list of items under it.

In the nineties India made substantial change in the foreign trade policy. She made her currency partly convertible and later on made fully convertible to facilitate her foreign trade. Import policy has been liberalised with objective of boosting exports and procedure hindrances were removed to greater extent to help exporters. A greater emphasis has been placed on the foreign trade to correct the adverse foreign exchange position and to have rapid development of the economy.

India, Bangladesh and Sri Lanka are parties to Bangkok Agreement, while Bhutan and Nepal enjoy special trading relationship with India. Further, it is important to note that trade policies continue to be restrictive and tariff rates continue to be high in some countries of South Asia, that too, inspite of the recent developments in the foreign trade policies. But taking the advantage of the potentials available within the region and if there is a will to utilise them fully, it will substantially assist in the favourable possibilities of trade-expansion in the SAARC region.