Chapter Four

THE CREATION AND EARLY EVOLUTION OF ASEAN AND SAARC

Before we can move any further, the most important step is to delineate the two regions being studied. As we are dealing with regional security, we have delineated the South Asian and the South East Asia as ‘Regional Security Complexes’.

States in both South Asia and South East Asia had long histories before the period of colonization and independence, but for the purpose of this study we will be confining ourselves to the post - independence era. However, in order to understand the regional structures, it is necessary to gain some insight into the pre-independence period.

Today the South East Asian security complex consists of 10 states, but as we are dealing with regional associations - ASEAN in this case, in the beginning we will be restricting ourselves to the original five. In the subsequent chapters we will analyse how ASEAN has dealt with the Indo - chinese states and finally the South East Asian Security Complex comprising the ASEAN ten.

This chapter briefly analyses the South East Asia and South Asian regional security complexes. Against this backdrop the chapter will further examine the motivation leading to the formation of ASEAN and SAARC and the aims & objectives of these organizations. The last section will examine comparatively the structure of the two associations and their evolution through the decades.
SECTION I

Barry Buzan defines a Regional Security Complex as encompassing a set of states “whose major security perceptions and concerns link together sufficiently closely that their national security problems cannot realistically be considered apart from one another.”¹

Though we find reference to South East Asia in the writings of scholars and travellers as early as 14th century² the term ‘South East Asia’ obtained a fixed meaning in political and military sense during the Second World War when Admiral Lord Louis Mountbatten of the Allied Forces established his South East Asia Command.

While Thailand had never been formally colonized, at the time of ASEAN inception, the other four were only emerging from centuries of colonial rule. Differences were apparent in the political, legal and administrative systems of these states as they were colonies of different colonial powers - Indonesia under the Dutch, Malaysia and Singapore under the British, the Philippines under Spain and subsequently under the United States. In the legal sense Brunei was a protectorate of Great Britain from 1888 to 1984, thus it was not a colony. Indonesia was the first colony to proclaim independence in August 1945. However it was only in 1949 that the Dutch finally yielded (except West Irian which Indonesia acquired in 1963). In 1963, on the British initiative, the British colonies of Singapore, Sabah and Sarawak

joined Malaya in the new Federation of Malaysia. In 1965, Singapore withdrew from the Federation and became an independent state.3

Apart from the differences in political and legal systems, ASEAN members also were geographically diverse. While Indonesia and the Philippines are archipelagoes with approximately 13,000 and 7,800 islands respectively, Singapore is a small island whereas in Malaysia, Malaya is a peninsula and other parts are on other islands. Thailand is embedded on the Asian continent.

More sensitive than any other diversity are the differences in the major religions - Buddhism in Thailand, Islam among the Malay population in Malaysia and in Indonesia, Confucianism in Singapore and Catholicism in the larger part of the Philippines.4

The regional security structure in South East Asia is multi-polar with no single regional state easily dominating the regional security environment, unlike the South Asian regional security complex which is defined as bipolar with India and Pakistan forming the ‘core’ and other states part of the periphery.

Buzan defines regional security complexes in terms of patterns of amity and enmity. He further argues that unlike other attempts to define regional systems,

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regional security complexes are based “on the interdependence of rivalry rather than on the interdependence of shared interests.” In 1988, Buzan wrote that the South East Asian security complex was composed of nine states divided into two groups: a communist led, Soviet-aligned and Vietnamese dominated group of Vietnam, Laos and Kampuchea and a non-communist Western oriented ASEAN.

This does not hold true specially today when ASEAN comprises all the ten South East Asian states. We have witnessed the gradual absorption of the “Vietnamese dominated group” into the ASEAN. Vietnam, Laos and Cambodia have signed the ASEAN Treaty of Amity and Cooperation and have become its full-fledged members (though this new development calls for a lot of adjustment on the part of original ASEAN members on political as well as economic front).

Moreover, Buzan argues that for the security concerns Myanmar is a buffer state between the local complexes of South and South East Asia. Today Myanmar is a part of ASEAN. Buzan further argues that “the principal factor defining a complex is usually a high level of threat which is felt mutually among two or more major states.” The South Asian complex is defined by Indo-Pakistan rivalry. But we cannot say the same thing about the South East Asian complex. In fact it is marked with a high level of trust and friendship. Buzan admits that instances such as ASEAN are rare.

South East Asian security complex has been ‘ASEAN-dominated’ and ‘ASEAN-centered’ from the very beginning even during the Cold War period.

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5 op. cit. No. 1, p.8.
7 op. cit. No. 1, p. 9.
ASEAN has often been referred to as Deutsch’s ‘pluralistic - security community’ where no state thinks of violence as part of conducting relations with other member states. SAARC obviously does not fall in this category as it is still in the nascent stage not only in terms of time frame as compared to the inception of ASEAN but also due to the intra-regional structure

Barry Buzan argues that the two essential components of security complex are (1) the patterns of amity and enmity among the participant states (2) distribution of power among the principal states. Power shifts can occur as a result of internal factors - like Pakistan disintegrated in 1971. However, this has not led to a big change in the South Asian Regional Security Complex. Formation of Bangladesh at first seemed likely to put India into a position of such dominance as to call into question the basic bipolarity of the distribution of power. But although Pakistan was certainly weakened politically by the loss of its pretension to Islamic exclusivity, its military strength was not much affected ...Only if the secession of Bangladesh turns out to be the first stage in a more complex balkanisation of Pakistan will the 1971 events be seen as the start of a major transformation of the South Asian Complex.

In South Asia, Indus civilization, shared legacy of British colonial domination and identical problems of social and economic backwardness highlight the underlying unity of the region. At the same time, distinct security perceptions, political systems and transborder religious and ethnic relations created complex problems. Gowher Rizvi writes,

While the simple explanation that the Hindu-Muslim communal conflict is the legacy of the colonial strategy

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8 op. cit. No. 1, p. 23.
9 Ibid.
of divide and rule ought to be buried and forgotten, it is nevertheless true that the coming of European rule, albeit in an unpremediated way, contributed to the disharmony between the communities. By the time India was partitioned in mid 1947 considerable venom had been injected into Hindu-Muslim relation.\textsuperscript{10}

In fact, today India-Pakistan relations showcase a continuing political tension. South Asia was riven by partition. India and Pakistan, two largest entities of South Asia adopted diametrically opposing economic and security policies, which is the result of the basic principle of partition. Pakistan was created as an Islamic state. India organised on the basis of secular federalism still has large Muslim population.

There were limits to basing the ideology of the state solely on Islam to the exclusion of other factors. The ethnic and cultural identities of the different parts of Pakistan were strong and quite distinctive. They were not necessarily in conflict with the Islamic nationalism of Pakistan, but at the same time they could not be subsumed by Islamic appeals. Even the claim of Pakistan as the homeland for the Muslims of India must have appeared dubious. There were a large number of non-Muslims living in Pakistan and an even larger number of Muslims continue to live in secular India; and when in 1971 the Muslims of Bangladesh asserted their independence and rejected the ties of Islam they dealt another blow to Pakistan’s nationalism based on Islam.\textsuperscript{11}

Thus the intra-regional dynamics of South Asian complex were marked by many disputes and conflicts embedded in the process of decolonization followed by nation-building problems as well as the post-independent states coming to terms with the reality of each other’s existence.


\textsuperscript{11} Gowher Rizvi, “Pakistan: The Domestic Dimension of Security” in Barry Buzan et al., \textit{South Asian Insecurity and the Great Powers} (Basingstoke: Macmillian, 1986).
However, unlike South Asia where India is a preponderant power, in South East Asia a multipolar structure exists. Apart from Indonesia, the other most populous state in South East Asia, namely Vietnam could be called a regional power - but they both have weak economies which dilute their overall regional power. But Indonesia is central to the success of ASEAN. One of the aims for the formation of ASEAN was to tie Indonesia in a regional arrangement. ASEAN wanted to institutionalize the reconciliation process that led to the end of Indonesian konfrontasi against Malaysia. Indonesia’s national movement and struggle for independence and unification of many islands had produced a unique style of low-key leadership in heavily populist JAVA which was then used in ASEAN after Sukarno’s more assertive leadership had proved to be so disastrous.

In South Asia, India is largest country in terms of size, resources and power covering 72% of the area, 77% of the population with 78% of the regional GNP. Thus South Asian security complex is Indo-centric. India shares its borders with other five South Asian states - none of these share its border with each other. This explains one reason regarding bilateral problematic issues between India and other states.

The smaller states in South Asia due to their relative small size, population, economic backwardness cannot exert much influence in the South Asian complex. They want to counterbalance pre-eminent position of India by forging alliance with the external powers. Thus, far from trying to keep the world powers out of the region the urge is to get them involved in the region. As for India, its regional security policy is based on the assumption of South Asia as a single strategic area.
Though it was the initiative and keenness of the small states which played an important role in the formation of SAARC, small states by stressing on multilateral association sought to reduce India’s preponderance so internal to bilateral relationships.

One of the primary concerns of Barry Buzan’s security complex was the ‘geographical contiguity’. It formed the basis of regional security complex. Geography is definitely an important factor in bringing states together, it cannot be a qualifying condition for any state to be a part of regional security complex.

David Lake and Patrick Morgan argue, “Existing regional security complex often have one or more significant members typically great powers able to project force over distance, that are not physically located in the geographical area that is the focus of the complex.”

Geographical contiguity is vital for security complex. States usually feel threatened by immediate neighbours when it comes to conventional military strength. Other security issues like ethnic conflict, environmental problems, do have geographical connotations. But sometimes powers not in geographical contiguity do from a part of the complex. To quote Patrick Morgan and Lake,

If the outside state has the greatest military strength regularly deployed in the area for years, is a party to important alliances there, participate in nearly all important negotiations about conflict and security there, fights major wars there …….. For all intents and purposes, when it comes to security and conflict, the ‘outside’ state is inside.

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12 op. cit. No. 1.
It we go by these considerations then the US has been definitely a part of South East Asia Complex for it has security arrangement and pacts with most of the ASEAN states, has 'base' facility in South East Asia its troops fought Vietnam on South East Asian soil. This is not the case with South Asia. Though this is not to deny that 'external' powers did influence South Asian complex. Cold War fuelled the India-Pak rivalry. Pakistan has sought to achieve a balance of power vis-a-vis India through assistance from the US and China. China has its own share of border problems with India. The former Soviet Union, the US and China - all tried to shape a favourable regional balance of power by involving themselves in South Asian conflict albeit externally.

In South East Asia, China forms an integral part of the complex. Buzan argued that China's competing security issues with the USSR led it to penetrate the local complex. Thus although China is a major security concern for the South East Asian States, in themselves, they are only a secondary consideration for China\textsuperscript{15}.

South East Asian States share long land and sea boundaries with China. China is also involved in disputes with South East Asian States in the South China Sea. There is a sizeable Chinese minority in South East Asian States, specially in Malaysia where Chinese are economically better off then indigenous population this in often a cause of unrest. Today with its liberalising economy, Chinese are all the more interested in South East Asia.

\textsuperscript{15} op. cit. No. 8.
Buzan in his discussion lays primary emphasis on the military and political dimensions of security. He writes, in South Asia strong interdependence in military security is paralleled by a very low level of economic exchange between India and Pakistan. "The reason for it is that economic relations are not nearly so much conditioned by geographical proximity as are political and military ones".16 This point gets invalidated itself because as we have argued that we do not take security complex as a geographically compact region. Moreover the late 1990s economic crisis in South East Asia, clearly highlights that economic security of one state is linked with the other states of the complex. Moreover, Buzan himself admits economic factors do play an important role in projection of power in complexes well as in domestic stability.

Moreover waning tensions of the Cold War have coincided with the rising concerns over a variety of non-military threats to security like economic, environmental, and trans-national organised crime calling for a comprehensive framework of security specially at the regional level.

SECTION II

MOTIVATION FOR THE FORMATION OF ASEAN AND SAARC

President Zia-ur-Rahman of Bangladesh took the initiative in forming SAARC against the backdrop of the 1980s Afghanistan crisis. He fully realized the need for cooperation in preserving peace and stability which in turn is important for economic and social development of the regional states. As he wrote in his initial letters

16 op. cit. No. 1.
Recent events and developments in and around South Asia and Middle East represent considerable threat to global peace and stability. The situation in Afghanistan continues to undermine the tension and conflict that characterise the present day world has to be viewed with concern. Under there circumstances we believe there is an urgent need for cooperation among the countries of this area for preserving peace and stability which is so essential for sustaining the process of economic and social development.\footnote{People's Republic of Bangladesh, President Zia-ur-Rahman's letter Addressed to the King of Nepal proposing a Framework for Regional Cooperation in South Asia May 2, 1980, Dhaka (Almost identical letters were also sent through special envoys to Heads of State/Government of Bhutan, India, Maldives, Pakistan and Sri Lanka).}

Further he wrote,

The contemporary experience in inter-state relations all over the world strongly emphasises the need for regional cooperation with a view to maximising either security and stability or accelerating economic and social development. The poignant realisation that no nation big or small, rich or poor can fully realise its potentials in political or economic terms by seeking to work in isolation has led to the formation of the EEC, CMEA, OAU Arab league, the OAS, LAFTA and the ASEAN.\footnote{Ibid.}

It was also in relation to the beneficial effects of regional arrangements in other parts of the world that SAARC was formed.\footnote{People's Republic of Bangladesh, Ministry of Foreign Affairs, Paper on the Proposal for a Regional Cooperation in South Asia, November 1990, Dhaka.}

\ldots while other regions had evolved the institutional arrangements for consultations on matters of mutual interest and cooperation in the economic, social and cultural fields on a regional basis, and had consequently benefited immensely from such cooperation, the only region which did not have any such arrangement for regional cooperation was the South Asian region which comprised one-fifth of the world population.\footnote{\textsuperscript{19}}

Established in Bangkok in 1967, ASEAN was conceived as an association for economic, social and cultural cooperation but it was clear from the very beginning
that the real objectives were regional and national security. ASEAN emerged after the cessation of hostilities between Indonesia and Malaysia. This became possible due to a reversal of the policy of confrontation adopted by the Sukarno regime. Thus one of the most important regional security goals for the ASEAN states was to expand and institutionalise the process of reconciliation which had paved the way for a political settlement to Indonesia’s Konfrontasi against the legitimacy of Malaysia between 1963 and 1966.

This inter-state dimension to regional security was merged with the intra-state dimension of economic development of individual members. All states experienced common threats of internal subversion and insurgency fuelled by lack of economic development. The idea was not to direct precious national resources from economic development to intra-mural fightings. Thus conflict management become a major component of regional security in South East Asia.

At the time of the inception of ASEAN Indonesia, Malaysia and Singapore were just recovering from bitter conflicts with one another, Malaysia and Thailand continued to have strained relations due to border problems and domestic armed dissent. Common security concerns arose as the original five ASEAN states become more and more vulnerable to the externally supported threat of internal subversion by communism. In this sense, formation of ASEAN can be seen as an effort to reduce the vulnerability of fragile domestic political systems as well as reduce the meddling of external power in internal affairs.

Thus ASEAN was formed to pave way for national security via regional security and vice versa. As President Suharto’s exegesis indicates,
'National resilience' means internally: the ability to face the necessary social change while keeping one's own identity, with all its vulnerability, and externally, it is the ability to face all external threats, regardless of their manifestations. 'National resilience', therefore, covers the strengthening of all the component elements in the development of a nation in its entirety, thus consisting of resilience in the ideological, political, economic, social, cultural and military fields. Since 'national resilience' emanates from the need to foster continuously the development process of a nation, it naturally follows that the degree of emphasis accorded to particular problem at a given period or stage of development will be determined by the particular condition and requirements of that nation itself. If each member country develops its own 'national resilience', gradually a 'regional resilience' may emerge, i.e. the ability of member-countries to settle jointly their common problems and look after their future and well-being together.20

Despite these common concerns, different motivations brought the five founder members of ASEAN together. Indonesia in the late 1960s needed to shift away from the People's Republic of China alignment resulting from Sukarno’s policies. Malaysia wanted to stabilize its relations with Indonesia and the Philippines. The Philippines wanted more freedom of action than its sole reliance on United States could provide while Singapore newly separated from Malaysia needed to improve its relationship with Malaysia and Indonesia as well as enhance its status as an independent nation. Sheldon Simon writes,

For Indonesia, ASEAN provided an opportunity to legitimise its regional leadership aspirations. For Thailand (ASEAN) was a mechanism for redressing the imbalance in a foreign policy that had become over-regional, ostensibly a non-aligned group, would signify a return to Bangkok's traditionally flexible diplomacy. Similarly, the Philippines could diversify its foreign alignment links on ASEAN provided an alternative to

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20 Regionalism in South-East Asia (Jakarta: Center for Strategic and International Studies, 1975) p.8.
what appeared to be a declining American interest in South-East Asia... For Malaysia, ASEAN signified the end of its conflict with Indonesia... The least enthusiastic member was probably Singapore - a globally oriented city state that joined the Association because political survival dictated the necessity of a modus operandi with its neighbours.21

With this background, we will now discuss the inception, aims and objectives of the two organizations. See Maps 4.1 and 4.2 for ASEAN (10) Members and SAARC Members.

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Inception, Aims and Objectives of ASEAN and SAARC

Looking at the post World War II period, unlike South East Asia, South Asian region specifically does not have any prior experience of regional associations. Some political conferences can be mentioned here which took place in late 1940s and 1950s in which South Asian and South East Asian countries participated though they did not lead to the establishment of permanent institutions - The Asian Relations Conference, New Delhi, 1947 and the Conference of Asian Australian Middle Eastern Nations on the Indonesian Question, New Delhi, 1949. We can also mention ‘Colombo Powers’ which originated in a Conference of five Asian Prime Ministers in 1954 convened by John Kotelawala of Sri Lanka. India, Pakistan (then) Ceylon, (then) Burma and Indonesia were its members. The members of this grouping were opposed to the polarization of world into two hostile blocs. They believe, “...in setting Asian problems the interests of Asian as perceived by Asian, not the interests of global strategy or conflicting ideologies should play the decisive part.”22 These attempts were mainly dominated by the politico-strategic considerations of decolonization and Asian resurgence. Economic cooperation was not the main idea except through ESCAP and other International organizations.

South East Asia had a somewhat longer history of experiments with regional organisations than South Asia. The Southeast Asian Treaty Organization (SEATO) was formed in 1961 by the US and its allies and included Thailand and the Philippines as its members. It was largely politico-military in nature. The Five Power Defence

Arrangement, (ANZUS) was another experiment in the same direction with Malaysia, Singapore, Australia, New Zealand and the US as its members.

Functionalism holds the view that the desire for inter-state cooperation emanates from the socio-economic and technological compulsions in the countries concerned but in these cases the impetus was provided by extra-regional powers and was political.23

The Association of Southeast Asia (ASA) formed in 1961 was more of an inter-regional effort comprising Thailand, Malaya and the Philippines. However, it did not survive long due to the differences that arose between the Philippines and Malaya over the incorporation of Sabah into Malaysia. MAPHILINDO came into existence in 1963 to bring together the three Malay majority members of South East Asia - the Philippines, Indonesia and Malaysia. It also did not last long as emphasis on bringing together the Malay people of South East Asia did not have much appeal for the substantial non Malay minorities people in those countries.

By the time ASEAN came into being in 1967, South East Asia clearly reflected the larger divide in the world as a whole between the communist and anti-communist powers with the Indo-China states on the one hand and anti communist ASEAN states on the other side. Thus the shared perceptions of a common threat among the anti-communist South East Asian States worked in favour of regional cooperation unlike South Asia where we had Pakistan part of SEATO and CENTO and the other South Asian states members of NAM. Moreover this gave ASEAN much closer affinity with the US in the global power struggle. On the other hand

SAARC stuck more closely to the non-aligned movement. Of course, there was huge time lag between 1967 when ASEAN was formed and 1983 when initiative towards SAARC was taken. Post World War II South East Asia, with the exception of North Vietnam, clings to its Western and Japanese economic and security ties not only because their individual countries were relatively small and weak, but because their ruling elites were fearful both of communism (e.g. Malaya and Thai insurgency) and of China especially PRC.

President Zia-ur-Rahman of Bangladesh initiated the process of working out a regional association among the South Asian States in the late 1970s. In May 1980, he addressed letters to the Heads of Government of South Asian countries urging regional cooperation in South Asia. In December 1980, paper on the “proposal for regional cooperation” in South Asia was circulated by Bangladesh. Explaining the rationale for regional cooperation the paper argues,

The countries of South Asia share many common values that are rooted in their social, ethnic, cultural and historical traditions. Perceptions about certain specific events or political situation of the world may differ, but such differences do not seem to create a gulf between them that cannot be bridged. In fact, the beginning of cooperation on a regional basis may be a positive force in generating a climate of harmony conducive to a better perception of what the countries in the region have in common and the value of this shared heritage. 24

The paper also suggested an institutional framework for regional cooperation. The structure envisaged an apex body in the form of Heads of Government, a Council of Ministers comprising Foreign Ministers of Member States and a Permanent Secretariat. It further spelt out certain spheres where cooperation among South Asian

24 op. cit. No. 19.
states could be beneficial. These included tele-communications, transport, shipping, tourism, meteorology, agricultural/rural sector, joint ventures in the economic field and cooperation in the field of education and science & technology.

While the proposal was immediately endorsed by Bhutan, Nepal, Sri Lanka and Maldives, initially both India and Pakistan did not show much enthusiasm, though for different considerations. The Indian government accepted the proposal “in principle”. India’s then Minister for External Affairs, P.V. Narasimha Rao made a statement in Parliament on 25 March 1981 “India’s approach to regional cooperation is positive, we are convinced that it will add a new and qualitative dimension to the on-going activities among the countries of the region in a meaningful and over-all beneficial manner.” However, India took a cautious approach as it was apprehensive of the proposed regional setup being used as a bargaining counter where the smaller nations could collectively seek to thrust their position on India. In fact, India’s relative size and position in South Asia and its pre-occupation with domestic consolidation and non-alignment precluded both a Java type low key leadership style and a US style assertive leadership. Hence there was stress on bilateralism, not multilateralism until the mid 1980s.

Pakistan was reluctant to endorse the proposal, because of different considerations. It perceived that India would stand to gain maximum benefit from such an association due to its greater economic potential and scientific and technological capabilities. This would further enhance its position politically in the region. Moreover, Pakistan also wanted to develop profitable relations with the

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Muslim states of the South-West Asian region and felt that these chances might be weakened by joining a South Asian regional association. This clearly brings out how differently perceptions of national interests and perceived threats were viewed by South Asian states.

As a result of exchange of views at the Foreign Secretary level during a period of five years a fairly broad-based and comprehensive scheme of South Asian regional cooperation was evolved. Except for tourism and joint matters all other areas mentioned in the 'Bangladesh paper on Regional cooperation' were accepted. The first meeting of the foreign ministers of Bangladesh, Maldives, Pakistan, Bhutan, India, Nepal and Sri Lanka was held in New Delhi in 1983. At the conclusion of the meeting Foreign Minister signed a declaration on South Asian Regional Cooperation (SARC), also known as New Delhi Declaration.

As far as ASEAN is concerned an informal meeting was held at Bangkok which was attended by the original five members of ASEAN to formulate the principles of regional cooperation before the actual signing of ASEAN Joint declaration. A set of points on stability and security and on foreign military bases put forward by Indonesia in a draft to the members was taken up for discussion. Finally, ASEAN was formed with the signing of the Bangkok Declaration by the Foreign Ministers of Indonesia, Malaysia, the Philippines, Singapore and Thailand on 8 August 1967. Brunei became the sixth member in February 1984.

It took only two years in the case of SAARC to convene a meeting of Heads of State or Government in Dhaka whereas ASEAN took almost ten years to meet at the Summit level in Bali, 1976.
We will now compare and contrast the two founding documents - Bangkok Declaration and New Delhi Declaration respectively. The main purpose of both declarations was to declare that the countries of the respective regions are coming together to form a regional association with a view to achieving certain objectives and goals realizing that the interest of the people lies in working together. Bangkok Declaration highlights that the countries are coming together, "...mindful of the existence of mutual interests and common problems among countries of South-East Asia and convinced of the need to strengthen further the existing bonds of regional solidarity and cooperation." New Delhi Declaration says it is, "... conscious of the common problems and aspirations of the peoples of South Asia and the need to accelerate their economic and social development through regional cooperation, convinced that regional cooperation in South Asia is beneficial, desirable and necessary and that it will help promote the welfare and improve the quality of life of the peoples of the region."

Both documents make it clear that the association concerned is an inter-governmental one, not a supranational one. Neither involves a pooling of any part of the sovereignty of the member countries. The Bangkok Declaration specifies, "...the countries of South-East Asia share a primary responsibility for strengthening the economic and social stability of the region and ensuring their peaceful and progressive national development." The New Delhi Declaration says, "...regional cooperation
should be based on and in turn contribute to mutual trust, understanding and sympathetic appreciation of the national aspirations of the countries of the region.\textsuperscript{29}

Both documents stress national development along with regional peace and stability. Both documents further emphasize the spirit of equality (keeping in mind the discrepancies in size and power of the member states). The Bangkok Declaration specifies, "... establish a firm foundation for common action to promote regional cooperation in South-East Asia in the spirit of equality and partnership and thereby contribute towards peace, progress and prosperity in the region"\textsuperscript{30}. The New Delhi Declaration also accepted that "... cooperation shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in internal affairs of other states and mutual benefit."\textsuperscript{31}

Each document refers to the extra-regional involvement or alliances in the region in its own way. Bangkok Declaration categorically states that South East Asian states

... are determined to ensure their stability and security from external interference in any form or manifestation in order to preserve their national identities in accordance with the ideals and aspiration of their peoples... [Southeast states affirm that] all foreign bases are temporary and remain only with the expressed concurrence of the countries concerned and are not intended to be used directly or indirectly to submit the national independence and freedom of states in the area or prejudice the orderly processes of their national development.\textsuperscript{32}

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\textsuperscript{29} op. cit. No. 27.  \\
\textsuperscript{30} op. cit. No. 26.  \\
\textsuperscript{31} op. cit. No. 27.  \\
\textsuperscript{32} op. cit. No. 26.
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In the 1960s there was considerable controversy between Indonesia and Malaysia and the Philippines over the presence of American military bases in the Philippines and ANZUS facilities in Malaysia to which non-aligned Indonesia strongly objected. Similarly, the New Delhi document clearly brings out the importance attached to the call given by Non-Aligned Summit for collective self-reliance among developing countries. SAARC acknowledges,

...the Declaration on collective self-reliance among Non-aligned and other developing countries adopted at the seventh Non-aligned Summit held at New Delhi which called upon all countries concerned to mobilise all necessary resources and deploy the requisite means in support of sub-regional, regional and inter-regional cooperation among non-aligned and other developing countries.33

It indirectly eschews military alliances with external powers.

As far as the stated aims and objectives of the two associations are concerned both ASEAN and SAARC emphasize an active collaboration and mutual assistance on matters of common interest in the economic, social, cultural, technical, scientific and administrative fields. Both declarations also show interest in cooperating with other international and regional associations with similar aims and purposes.

The most glaring difference that comes out between the founding documents of the two associations is that the New Delhi document under the ‘general provisions’ specifically mentions that, “Decisions at all levels shall be taken on the basis of unanimity”34. Thus allaying fears in both India and other members of each other. There is no such rule as far as ASEAN is concerned. However, ASEAN members

33 op. cit. No. 27.
34 Ibid.
cannot force decision on any other member by virtue of being in majority as ASEAN
does not encourage voting so that decisions must be reached by consensus. Another
difference between the two documents is that the New Delhi Declaration under the
'general provisions' bars taking up bilateral issues in SAARC meetings. "Bilateral
and contentious issues shall be excluded from the deliberations."\textsuperscript{35} There is no such
provision in the Bangkok Declaration.

These differences are basically due to the differences in the environment when
the cooperative efforts were undertaken among the countries of the respective
regions. When ASEAN was formed there was more or less a strong view in favour of
cooperation. The issue was to cooperate in which sphere to gain maximum benefit. As
far as South Asia is concerned the first concern was whether to cooperate or not due to
differences in the national interests and threat perceptions of the member states,
especially the two largest ones, India and Pakistan.

SECTION III

ORGANIZATIONAL STRUCTURE AND EVOLUTION OF ASEAN AND
SAARC THROUGH THE DECADES

We will now look at the institutional arrangements set out by the two
associations at their inception to carry out their aims and objectives and discuss in
brief, the evolution of the two associations.

As far as ASEAN is concerned, the Bangkok declaration specifies that the
Foreign Ministers of the ASEAN states will meet annually and this meeting will be
referred to as ASEAN Ministerial Meeting (AMM). As and when required special

\textsuperscript{35} op. cit. No. 27.
meetings of Foreign Ministers can also be convened to carry out the work of the Association in between AMM. ASEAN specifies Standing Committee under the chairmanship of the Foreign Ministers of the host country or his representative and having its members the accredited Ambassadors of the other member states. Unlike ASEAN, in the case of SAARC a Standing Committee consists of foreign secretaries of the member countries. In both cases, the Standing Committee meets in the capitals of different member countries by rotation. However, unlike SAARC, the composition of the ASEAN standing committee changes completely with the change in location. It can be argued that South Asian practice is much better as far as continuity in the standing committee is concerned as this is an important link between Foreign Ministers and other sub-communities. Most decisions of the standing committee of SAARC are in the form of recommendations to the Foreign Ministers before the Heads of State or Government of the SAARC countries at their Summit meetings. This is less so in the case of ASEAN for two simple reasons:

- ASEAN standing committee itself consists of ministers
- ASEAN did not have Summit meetings for a long time.

Going further down the line, ASEAN Ad-hoc committees and permanent Committees has specialists and officials on specific subjects. On the other hand, the New Delhi Declaration envisages technical committees responsible for implementation, coordination and monitoring of the programmes in each area of cooperation. See Table 4.1 and 4.2.
Table 4.1
ASEAN Institutional Structure

ASEAN Summit of Heads of Government

ASEAN Economic Ministers Meeting

ASEAN Ministerial Meeting (AMM) consisting of Foreign Ministers of Member Countries

Other Ministerial Meetings

ASEAN Standing Committee under the Chairmanship of the Foreign Ministers of the host country with members, the accredited Ambassadors of other member states to carry out the work of the Association between meetings of AMM

ASEAN Secretariat

Committee on Trade Tourism (COTT)
Committee on Industry, Minerals and Energy (COIME)
Committee on Finance and Banking (COFAB)
Committee on Food, Agriculture and Forestry (COFAF)
Committee on Transportation and Communications (COTAC)
Committee on Social Development
Committee on Science and Technology
Committee on Culture and Information
Committee on Budget

Sub Committees, Ad-hoc Committees, Working Groups

A National Secretariat in Each Member Country
Table 4.2
SAARC Institutional Structure

Summit of Heads of State or Government

Council of Ministers consisting of the Foreign Ministers of the Member States responsible for the formulation of policies, reviewing progress, deciding on new areas of cooperation

Standing Committee comprising the Foreign Secretaries of Member States entrusted with the overall monitoring and coordination of programmes and the modalities of financing

Programming Committee comprising the Senior Officials meets prior to the Standing Committee sessions to scrutinise Secretariat Budget and finalized the Calendar of Activities

Technical Committee to formulate programmes and prepare and monitor implementation of projects in their respective fields

Agriculture (TCO1) Communications (TCO2) Education, Culture and Sports (TCO3) Environment and Meteorology (TCO4) Health Prevention (TCO5) Rural Development and Science and Technology (TCO7) (TCO8) (TCO6) (TCO9) (TCO10) (TCO11)

SAARC Secretariat
As far as financial arrangements go the participation of each country in the financial costs of the programme shall be voluntary. Each Technical committee shall make recommendations for the apportionment of the costs for implementing the programmes proposed by it.

The ASEAN Bangkok Declaration also establishes a National Secretariat in each country to carry out the work of the Association on behalf of that country and to service AMM, and the standing committee meetings.

The second Foreign Ministers meeting of SAARC took place at Male in 1984 and a decision was taken to hold the first SAARC summit in Dhaka in 1985. Another important issue that came up for discussion at Male, was widening the scope of SAARC by adding more areas for cooperative activity. India had regularly been raising this issue at earlier SAARC meetings. Bangladesh was the only country that seemed enthusiastic about the Indian proposal for cooperation in trade and industrial development. These two areas involved significant political implications, so the smaller states saw these as being advantages to India at the cost of their own national identities. An indication of this is available in the almost complete absence of the exchange of newspapers, magazines, books between India and other South Asian states.
Vietnam War provided the impetus for ASEAN's Zone of Peace, Freedom, and Neutrality (ZOPFAN) concept. Interest in fending off great power involvement in the South East Asian region was explicitly articulated in ASEAN's 1971 Kuala Lumpur Declaration where the concept of ZOPFAN was endorsed. The idea was for the external powers to minimize their involvement in the region so that South East Asian States could work out their own differences and cooperate in economic and security fields. (This will be examined further in subsequent chapters).

Except for AMM, other structures were not used very often during the first decade of ASEAN. But this was in tune with what Singapore's Foreign Minister S. Rajaratnam said, "ASEAN has quite correctly chosen to move forward through a series of small steps".36

The withdrawal of the US armed forces from Vietnam in 1975 and the subsequent reunification of North and South Vietnam somewhere generated a feeling among ASEAN states that they were left on their own to face future expansions from the communist bloc. Here, one can recall the domino theory that predicted that after the fall of South Vietnam other countries in South East Asia would one by one succumb to communist aggression. Thus, the Indo-Chinese scene had a sort of consolidating effect on ASEAN.

This provided the backdrop to the first ASEAN Heads of State Summit held in Bali in 1976. This led to the institutionalization of the already existing norms and procedures of political cooperation among the ASEAN members. Thus from the Bangkok declaration of July 1967, ASEAN moved on to the declaration of ASEAN

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Concord of 1976. Similarly, SARC also moved on to form South Asian Association of Regional cooperation (SAARC) with the signing of Charter at the first Heads of State of Government Summit in Dhaka in 1985.

An important element of the structure of SAARC, the Secretariat, is provided for in a document the Memorandum of Understanding, which was signed a year later, at the SAARC Summit in Bangalore in 1986. Similarly, the ASEAN Concord was accompanied by the Treaty of Amity and Cooperation signed in Bali itself. SAARC’S Memorandum of Understanding derives its sanction from the Charter. Similarly the ASEAN treaty is sanctioned by the Concord.

Both the ASEAN Concord and the SAARC Charter are signed by Heads of States of South East Asia and South Asia respectively. Both the documents reaffirm corresponding founding declarations i.e. the Bangkok Declaration and New Delhi Declaration. Both the documents show adherence to the UN Charter. Both SAARC Charter and ASEAN Concord define objectives and principles very similarly as earlier in their corresponding founding document. Objectives include cooperation in economic, social, technical & administration fields. As SAARC Charter goes, "to accelerate economic growth, social programmes and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potentials."37 The ASEAN Concord says, "The elimination of poverty, hunger, disease and illiteracy is a primary concern of member states. They shall therefore intensify cooperation in economic and social development, with particular

37 SAARC, Charter of the South Asian Association for Regional Cooperation, Dhaka, 8 December 1985, Kathmandu, SAARC Secretariat, 1985.
emphasis on the promotion of social justice and on the improvement of the living standards of their people."

After enumerating objectives and principles, the ASEAN Concord and the SAARC Charter both proceed to elaborate the institutional structures necessary to achieve their respective aims. Both provide for Meetings of the Heads of states (though ASEAN Concord mentions it to be called as and when necessary; Charter calls for it to be held once a year or more often if necessary). As also mentioned in the New Delhi Declaration, the SAARC Charter provides for Council of ministers, standing committees technical committees and action committees. The Concord improves on earlier institutional machinery. For cooperation on economic matters it calls for regular meetings of Economic or Finance Ministers of member states, "to formulate recommendations for the consideration of Governments of member states for the strengthening of ASEAN economic cooperation; review the cooperation and implementation of agreed ASEAN programmes and projects on economic cooperation; exchange views and consult on national development plans and policies as a step towards harmonizing regional development..."

Regular review of the ASEAN institutional structure with the view to improving its effectiveness has been suggested in the Concord. In fact it goes a step further and provides for. "Study of the desirability of a new constitutional framework for ASEAN."

Both the documents provide for Secretariat of the respective Associations and in both the cases the structure and other details of the Secretariat are to be part of later

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39 Ibid.
40 Ibid.
agreement. ASEAN Secretariat was established in 1977 and SAARC'S in 1987. It took ASEAN 10 years to establish a regional secretariat and SAARC only three years. In 1984 the Foreign Ministers considered the report of the ASEAN Task Force set up in 1982 to review the association's performance and recommend measures to improve it. As the report drew its inspiration from the institutional experience of the European Community, it was rejected by the member states who were wary of centralisation of institutional processes as had taken place in Brussels.

Coming to differences, the most glaring and basic difference between the Concord and Charter is in the field of political cooperation among the member states. The Charter mentions that member states are, "Desirous of promoting peace, stability, amity and progress in the region..." but excludes bilateral and contentious issues from its deliberations. It only stipulates cooperation in economic, social, cultural, technical and scientific fields. On the other hand, the Concord as said earlier institutionalised already existing forms and norms of political cooperation among member states. Whereas the Bangkok Declaration did talk about promoting regional peace and stability, but mainly envisaged cooperation in economic, social & cultural fields, the Concord clearly spells out common perceptions of members states in the political along with economic and social fields. Though the Bangkok declaration did not mention political and security cooperation, one of the principle aims of ASEAN was to institutionalise cooperative efforts that brought peace in Indonesia - Malaysia relations. Moreover the Kuala Lumpur Declaration of 1971 also adopted the ZOPFAN Concept, quite clearly a matter of political cooperation.

op. cit. No. 37.
The Concord highlights the political and security purpose of the Association by giving a set of objectives and principles in pursuit of political stability. It says, “Member states, in the spirit of ASEAN solidarity, shall rely exclusively on peaceful process in the settlement of intra-regional differences.” The political programme of action adopted for ASEAN cooperation further suggest, "Strengthening of political solidarity by promoting the harmonization of views, coordinating positions and, where possible and desirable, taking common actions."\(^{42}\)

The ASEAN Concord further highlights that member state realise interdependent nature of their individual security as well as relationship between individual and regional security. “The stability of each member state and of the ASEAN region is an essential contribution to international peace and security. Each member state resolves to eliminate threats posed by subversion to its stability thus strengthening national and ASEAN resilience... Members states shall rigorously develop an awareness of regional identity and exert all efforts to create a strong ASEAN community, respected by all and respecting all nations on the basis of mutually advantageous relationships, and in accordance with the principles of self - determination sovereign equality and non- interference in the internal affairs of nations."\(^{43}\) This highlights the importance that members states attach to ‘regional identity. The Concord also stipulates the need by the member states to insulate the region from rivalries among external powers.

However, as far as defence is concerned, cooperation under the ASEAN umbrella has been rejected by the member states, instead, “continuation of

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\(^{42}\) op. cit No. 38.  
\(^{43}\) Ibid.
cooperation on a non-ASEAN basis between the members states in security matters in accordance with their mutual needs and interests” has been stressed.

Though SAARC keeps the political sphere out of its formal agenda, all SAARC Summits, bilateral meetings between leaders on such occasions, ministerial meetings, foreign secretary meetings are conducted at the political level and frequently bilateral political issues are discussed, even decisions are taken. These will be discussed in detail in the subsequent chapters.

The SAARC Charter delineates the institutional structure in greater detail while it is left for the ministries, foreign secretaries and committees to work out the details of areas of cooperation. On the other hand, the Concord, like the Bangkok declaration, spells out the areas of cooperation in great detail.

As far as economic cooperation is concerned, the Concord provides for cooperation in basic commodities, particularly food and energy, establishment of large scale ASEAN industrial plants, cooperation in trade to safeguard and increase foreign exchange earnings and reserves, work for establishment of preferential trading arrangements and joint efforts to improve access to markets and sources of supply from outside ASEAN.

Another step towards building a regional identity and solidarity was taken when the Concord states that, “Joint approaches to international commodity problems and other world economic problems such as the reform of international trading system, the reform of international monetary system and transfer of resources in the

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44 Ibid.
United Nations and other relevant of multilateral fora, with a view to contributing to the establishment of the New International Economic Order.\textsuperscript{45}

In the social field the programme of action calls for cooperation for active involvement of women and youth in developmental efforts, meeting the problems of population growth and, "intensification of cooperation among member states as well as with relevant international bodies in the prevention and eradication of the abuse of narcotics and the illegal trafficking of drugs.\textsuperscript{46} The cultural field involves, "support of ASEAN scholars, writers, artists and mass media representatives to enable them to play an active role in fostering a sense of regional identity and fellowship".\textsuperscript{47}

Financial arrangements under the ASEAN and SAARC show remarkable similarities stressing on intra-regional generation of resources, though they are not averse to extra-regional funding. The Concord says, "Member states shall take cooperative action in their national and regional development programmes, utilizing as far as possible the resources available in the ASEAN region to broaden the complementarily of their respective economies.\textsuperscript{48} The SAARC Charter says, "In case sufficient financial resources cannot be mobilised within the region for funding activities of the Association, external financing from appropriate sources may be mobilised with the approval of or by the standing committee.\textsuperscript{49}

The ASEAN Concord explicitly calls for settlement of intra-regional disputes by peaceful means. To serve this purpose the Treaty of Amity and Cooperation was

\textsuperscript{45} Ibid.
\textsuperscript{46} Ibid.
\textsuperscript{47} Ibid.
\textsuperscript{48} Ibid.
\textsuperscript{49} op. cit. No. 37.
signed by the member states in Bali. It institutionalised already existing norms and informal mechanisms among the member states to bring about peace. As Sheldon Simon puts it, "ASEAN mediation [based on consultative methods and adherence to certain norms] over Sabah proved so successful that the procedure was written into treaties on settlement of intra-ASEAN conflict signed at the Bali summit of 1976."50

The Treaty includes 20 articles in five chapters. Chapter I *Purpose and Principles* reiterates "mutual respect for the independence sovereignty, equality territorial integrity and national identity by all nations...Non-interference in the internal affairs of one another... settlement of differences or disputes by peaceful means".51 A highlight of this treaty is the call for the signatories to renounce threat or use of force. Chapter II of TAC, *Amity* asks member states to develop and strengthen ties among themselves. Chapter III *Cooperation* addresses various forms of cooperation - economic, social, cultural to accelerate growth and "...strengthen the foundation for a prosperous and peaceful community of nations in South-East Asia." It further stipulates, "Each High contracting party shall not in any manner or form participate in any activity which shall constitute a threat to the political and economic stability or territorial integrity of another High contracting party."52 Chapter IV on

*Pacific Settlement of Disputes* provides for Institutional mechanisms to settle conflicts. It begins with Article 13 which states, "The high contracting parties shall

52 Ibid.
have the determination and good faith to prevent disputes from arising. In case disputes on matters directly affecting them should arise, especially disputes likely to disturb regional peace and harmony, they shall refrain from the threat or use of force and shall at all times settle such disputes among themselves through friendly negotiations. Article 14 proposes a 'High council' comprising "a representative at ministerial level from each of the High contracting parties to take cognizance of the existence of disputes or situations likely to disturb regional peace and harmony." High council shall recommend to the parties in dispute apt means and measures of settlement of dispute. But this can only be done if all the parties agree. Thus the Treaty also upheld the national sovereignty of individual member states.

This highlights one of the basic principles of ASEAN. Member states do not envisage a supranational authority in the form of ASEAN. National sovereignty and regional identity, national security and regional security go hand in hand. In fact they are seen as reinforcing each other. Article 11 of the treaty specifically states, "The High contracting parties shall endeavour to strengthen their respective national resilience in their political, economic, socio-cultural as well as security fields in conformity with their respective ideas and aspirations free from external interference as well as internal subversive activities." Article 12 further states, "the High contracting parties in their efforts to achieve regional prosperity and security, shall endeavours to cooperate in all fields for the promotion of regional resilience, based on the principle of self-confidence, self-reliance, mutual respect, cooperation and

53 Ibid.
solidarity which will constitute the foundation for a strong and viable community of nations in South-East Asia.”

As said earlier, the US withdrawal from Indochina and the unification of Vietnam provided background to the ASEAN Summit held in Bali. A unified Vietnam with its military capability and Soviet backing was seen as a potential threat by most of the ASEAN states. Not only did they fear that Vietnam might pose direct military threat to Thailand but it might also encourage subversive or revolutionary activities in other ASEAN states. Thus the TAC was to deal with the potential threat in an ASEAN way. One of the most notable points of the Treaty was in Chapter V, General Provisions “It shall be open for accession by other states in South East Asia”. This profound hope was a sort of bridge for other South East Asian nations, specially Vietnam, to join the original five ASEAN signatories to the TAC. As TAC signatories have to subscribe to the ASEAN norms and procedures of mutual respect for territorial integrity and sovereignty, settlement of differences by peaceful means and strengthen regional cooperation in all fields, they hoped that Vietnam might accept these in the interest of regional order. As TAC involves a sort of code of conduct to be followed by signatories in regional matters, by keeping it open for accession by other states ASEAN members hoped to involve Vietnam in the process of regional cooperation.

However, TAC did not initially attract the interest of the Indo Chinese states. Vietnam had always seen ASEAN as an imperialist organization backed by the US

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54 Ibid.
55 Ibid.

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and aimed against it. Vietnam went on to invade Cambodia in 1978 and as a result ASEAN
in the next decade tried to seek the economic and diplomatic isolation of Vietnam. Vietnam had violated the basic ASEAN principle of respect for territorial integrity and sovereignty of other member states. ASEAN could not have tolerated this violation of regional security without creating a precedent with strong implications for security of all members. Moreover Vietnamese troops along the Kampuchea - Thailand border also threatened Thailand’s security.

ASEAN kept the Kampuchea issue high on the United Nations (UN) agenda, urging international community not to recognise Vietnam's puppet regime in Cambodia. It also urged the international agencies not to provide aid to Vietnam till its troops vacated Cambodia. This issue brought ASEAN forward as a 'Diplomatic community' and a success at that but it also severely tested ASEAN's solidarity. It was a question of different threat perceptions among member states with Indonesia and Malaysia regarding China and Pol Pot as a bigger threat than the Heng Samrin regime and Thailand-Singapore taking a harder line. But despite such differences, Indonesia and Malaysia were able to adjust their views with other ASEAN states. This shows the importance of the 'ASEAN way' of consultation and consensus.

As Sukhumbhand Paribatra writes, "It is a style that can be called the consensus approach. It attaches importance to process, rather than end-results per se. It requires that a decision be arrived at unanimously (which is termed mufakat) through largely informal discussions and consultations without coercion or fanfare (termed musyawarah) and that a decision, once reached, be accepted without public
criticism or show of public disapproval by all parties involved in the process. Two corollaries of this consensus approach are, first, deliberate avoidance of addressing issues considered too divisive and, second, deliberate procrastination in putting forward for deliberation new issues considered too controversial. This process might be slow but it helps in confidence building and conflict management and allows members with divergent perspectives to come together. Brunei soon after gaining independence joined ASEAN in 1984 after being an observer for a number of years.

A second ASEAN Summit was held in 1977 in Kuala Lumpur to commemorate the tenth anniversary of ASEAN. The second SAARC Summit was held in Bangalore in 1986. This Summit also placed SAARC on a higher institutional plane with the signing of an agreement on the SAARC Secretariat. The third SAARC Summit was held in Kathmandu in 1987. One of the highlights of this summit was the signing of the “SAARC Regional Convention on suppression of Terrorism.” It defines the concept of terrorism and specifies the obligations of the member states in this context. (This convention and its implementation or otherwise will be examined in the chapter on Transnational Organised Crime).

Afghanistan applied for membership of SAARC just before the Kathmandu Summit. It argued that Afghanistan historically belonged to South Asia and shared the cultural heritage. However, no consensus was reached on its admission to SAARC as Pakistan was opposed to it and argued that Afghanistan’s problems should be settled before SAARC adopted a stand on its admission. The fourth Summit addressed the wide gap that existed between what SAARC had so far achieved and its

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potential. The most notable achievement of SAARC'S fifth Summit was signing of the "Convention on Narcotics Drugs and Psychotropic Substances". The fifth Summit was held against the background of controversy concerning Indian Peace Keeping Force in Sri Lanka. The Summit was repeatedly postponed due to Sri Lanka's refusal to host the meeting.

Third Summit meeting of ASEAN was not held till 1987. One of the reasons for delay was the continuing difference between Malaysia and the Philippines over Sabah. Only after the overthrow of President Marcos of the Philippines in 1986, could the third Summit be held in Manila to inaugurate ASEAN'S third decade.

ASEAN, member states do have their difference but they always fell short of pressing them and so jeopardizing the interests of the association. Even though the third Summit was not held for almost a decade, ASEAN's work did not come to a standstill. Moreover, unlike SAARC, where Summit meetings of the Heads of the Government are vital for any major decision to be taken, ASEAN gives full authority to Foreign and Economic Ministers in their respective fields.

Economic issues are discussed in the next chapter on Regional Economic Security. Briefly, since the Bali summit of 1976, it has become a standard practice for ASEAN economic ministers to meet regularly. They head five committees dealing with economic matters like trade, tourism, energy and finance. Consensus eluded member states for a long time regarding regional liberalised trading policy. Some progress was made only in mid 1970s. To promote regional industrial cooperation and intra-regional trade, the ASEAN Industrial Project (AIP) was signed in 1976 and ASEAN Preferential Trading Agreement (PTA) in 1977. It gave preferential access to
selected items from member states through tariff preferences, reduction of non-tariff barriers and other financial support measures. These programmes were not very successful. In 1981, the ASEAN Industrial Complementation Scheme (AIC) was signed. This was to give an opening to the private sector in the ASEAN countries through vertical industrial integration. ASEAN Industrial Joint Ventures (AIJU) signed in 1983 called for equity partnership by at least two ASEAN states who could jointly secure technology or capital investment from non-ASEAN sources such as Japan. These two schemes did make some progress but did not have much impact on intra-regional trade.

SAARC signed an agreement on the establishment of the SAARC Food Security Reserve in 1987. Another important initiative taken by SAARC was to establish a SAARC Agricultural Information Centre in Dhaka, as agriculture is still a major contributor to the GDP and employment pattern of the region.

The signing of the framework agreement on SAARC Preferential Trading Agreement (SAPTA) at the seventh SAARC Summit by the Heads of State in Dhaka in 1993 was the first major step towards expanding trade among the member states. However it did not make rapid progress. The first round of negotiations led to India offering concessional customs duties for South Asia partners on 106 items, Pakistan offered 53 items but limited 29 items only to four Least Developed States (LDS) of South Asia - Bangladesh, Bhutan, Maldives and Nepal. During the second round of talks India had offered tariff concessions on 911 product lines. In the 1998 SAARC Summit held in Colombo, India lifted restrictions on more than 2,000 products on a
preferential basis for fellow South Asian states. Regional economic security issues would be further analysed in a subsequent chapter.

The ASEAN Post-Ministerial Conferences (PMC) were innovative and successful. These involve representatives of ASEAN and its dialogue partners holding discussions on wide ranging issues. By 1980 ASEAN dialogue partners included the US, Japan, Canada, Australia, New Zealand, South Korea and the European Union.

In the early 1990s, Vietnam also started taking ASEAN more seriously. Vietnam (which had earlier called ASEAN, a ‘SEATO’ in disguise) and Laos asked for observer status in ASEAN in 1990 and signed Treaty of Amity of Cooperation in 1992. International relations analysts predicted that with the settlement of the cambodian problem, ASEAN would loose its solidarity and would weaken. Vietnam intervention in cambodia acted as a catalyst for its cohesion. Instead, ASEAN not only expanded but also moved towards deeper institutionalization. In 1992, the fourth ASEAN Summit was held in Singapore. The ASEAN Secretariat was upgraded in functions and resources with a top official being assigned the designation "Secretary General of ASEAN".

ASEAN fifth Summit was held in Bangkok, and its leaders decided to meet informally in a year. With the growing uncertainly in the international economic market and greater economic integration movements in Western Europe and North America, ASEAN too in 1992, concluded an agreement for the establishment of a free Trade area (AFTA) to be actualised within 15 years (this term was later reduced to 10 years and subsequently it was decided to achieve AFTA by the year 2003) through Common Effective Preferential Tariffs (CEPT) arrangement. AFTA too like SAPTA

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57 Deccan Herald, Bangalore, 30 July 1998, p. 1
faced many problems. Another important forum is the Asia Pacific Economic Cooperation (APEC) where ASEAN members participate along with other extra regional states to discuss trade related matters.

In the aftermath of the Cold War another initiative was -formation of the ASEAN Regional Forum (ARF). It was modelled on ASEAN'S Post-Ministerial Conferences (PMCs) and is a forum for multilateral discussions on Asia-Pacific security issue. It consists of ASEAN members, dialogue partners of ASEAN - Australia, Canada, China, the European Union, Japan, New Zealand, Russia, South Korea and the US. ARF also follows the cardinal ASEAN principle of consultations and consensus. So far it had discussions on issues like nuclear proliferation on the Korean Peninsula, South China Sea disputes and confidence building measures. ARF is discussed in detail in the chapter on political - military security.

**Conclusion**

Established in Bangkok in 1967, ASEAN was conceived as an association for economic, social and cultural cooperation, but it was clear from very beginning that the real objectives were regional and national security. ASEAN emerged after the cessation of hostilities between Indonesia and Malaysia. Common security concerns arose as the original five ASEAN states become more and more vulnerable to the externally supported threat of internal subversion of communism. Looking at the post World War II period, the South Asian region specifically does not have any prior experience of regional association like South East Asia which has the experiences of externally sponsored. SEATO and ANZUS to more indigenous ASA and MAPHILINDO. The withdrawal of the US armed forces form Vietnam in
1975 and the subsequent unification of North and South Vietnam provided the backdrop of the first ASEAN Heads of State Summit in Bali in 1976. This led to institutionalization of the already existing norms and procedures of political cooperation among the ASEAN members with the declaration of ASEAN Concord and the Treaty of Amity and Cooperation.

On the SAARC front, President Zia-ur-Rahman of Bangladesh took the initiative informing SAARC. He fully realized the need for cooperation in preserving peace and stability which in turn is important for economic and social development of the regional states. It was also in reaction to the beneficial effects of regional arrangement in other parts of the world that SAARC was formed.

Both the documents, the ASEAN Concord and the SAARC Charter stress national development along with regional peace and stability. Both documents further emphasis the spirit of equality. Both ASEAN and SAARC emphasis active collaboration and mutual assistance in matters of commerce, economic, social, cultural, ethnical, scientific and administrative fields. The glaring difference that comes out between the two associations is that the SAARC Charter specifically rules out taking up of bilateral and contentious issues in its agenda. It further says that all decisions shall be taken on the basis of unanimity. On the economic front since the Bali summit of 1976 it has become a standard practice for ASEAN Economic Ministers to meet regularly. APTA was signed in 1977 and AIJV in 1983. South Asian PTA was signed in 1993. SAPTA, too like AFTA, faced many problems.

In the aftermath of the Cold War, another initiative was the formation of ARF, modeled on ASEAN PMCs. In the early 1990s Vietnam also started taking
ASEAN more seriously and signed TAC in 1992. Today ASEAN comprises all the 10 South East Asian states.