CHAPTER – VII

PROBLEMS AND PROSPECTS OF SAARC

This chapter contains an analysis of the problems faced by SAARC since its inception and the prospects of its future. Although the period of my dissertation is from 1980 to 1988, I have taken into consideration the developments emerging from the SAARC summits of the 1990s and of the early years of the twenty-first century in order to make the dissertation relevant and up-to-date. It was on 8 December 1985, that regional cooperation in South Asia received its institutional shape through the formal launching of SAARC at Dhaka. A host of problems confronted SAARC since then which inhibited the development of regional integration in South Asia and prevented it from reaching its goals. In fact, the poor performance of SAARC makes it imperative to identify the problems which have created serious obstacles to its development.

The uniqueness of South Asia is considered to be a basic problem which is uncongenial to the promotion of regional cooperation in this region. The region of South Asia is marked by the presence of great disparities which rarely exist in any other parts of the globe, Again, there are very few regions in the world which share such strong cultural affinities like South Asia. In Western Europe, members of the European Economic Community (EEC) are more or less equal in terms of status, power, population and resources but each of them has long separate historical and cultural tradition which led to the development of separate national identities. In South-east Asia, the members of the Association of South-east Asian Nations (ASEAN) too do not share such strong disparities or similarities as found in the case of SAARC. The seven constituent states of SAARC are unequal in status, size, population, possession of natural resources and the level of economic development. These types of dissimilarities have not become conducive to the uninhibited growth
of regional cooperation in South Asia.¹

Since its very inception, the normal activities of SAARC has been inhibited by the strained bilateral relations between India and its neighbours. A number of irritants have often marred the apparently cordial relations between India and the other member-states of SAARC. Let us first take the example of India-Bangladesh relations since 1980s. Intimate political and defence ties forged by the military rulers of Bangladesh with China and Pakistan, support provided by the Government of Bangladesh to the Indian insurgents in the north-east, the issue of the Tin Bigha Corridor, the issue of New Moore Island, boundary fencing, illegal migration from Bangladesh made India apprehensive. On the other hand, Indian support to the Chakmas made Bangladesh Government refused to admit the allegation made by India that illegal migration was taking place from Bangladesh. Above all, the differences over the issues of the sharing of the Ganges water and that of the construction of Farakka Barrage caused a lot of friction between the two and embittered their bilateral relations.² The bilateral relations between India and Sri Lanka worsened over the ethnic crisis. In order to find out a military solution to the ethnic crisis, Sri Lanka sought assistance from various foreign countries. India did not approve of Sri Lanka’s policy as it thought that by inviting external help Sri Lanka overlooked its own security and, in this way, threatened the territorial integrity and sovereignty of India. The crisis further deteriorated when, in early 1987, Sri Lanka attempted to dampen the spirit of the Sri Lankan Tamils by subjecting them to a starvation of essential goods. The Sri Lankan Government imposed economic blockade upon them since the Tamil civilians showed profound sympathy for the Liberation Tigers of Tamil Eelam (LTTE). On humanitarian grounds, India offered to despatch food and other essential articles. At first, India sent the supplies by sea for delivering them directly to the Tamilians.³ Indian boats carrying relief supplies to Jaffna Peninsula for the

Tamils living there were turned back by Sri Lankan navy. The very next day, the Indian Air Force escorted by *Mirage-2000* fighter-bombers dropped relief aid in Jaffna. The Sri Lankan authorities considered this action to be a naked violation of Sri Lanka's independence and sovereignty. Although India had no intention either of escalating tensions or exacerbating the situation of the civil strife in Sri Lanka, the Government of Sri Lanka took the Indian action to be a deliberate act to undermine the sovereignty and territorial integrity of Sri Lanka. Similarly, India’s relations with Nepal is not devoid of problems. Both of them have divergent views over the *zone of peace* concept and also there were differences between them as to whether there should be separate treaties for *Trade and Transit* etc. Moreover, Nepal’s purchase of arms including anti-aircraft guns and medium range surface-to-surface missiles along with *AK-49* assault rifles from China in complete disregard of India’s interests is another conflictual issue. However, India enjoys almost cordial relations with Bhutan and Maldives.

India’s conflictual relations with most of its neighbours no doubt have an adverse effect on the overall performance of SAARC, but it is Indo-Pak hostility since 1947-48 that count for any success or failure of SAARC. Indeed, Indo-Pak rivalry lies at the root of all troubles in South Asia. There are several contentious issues between these two rival countries, of which Kashmir problem is the foremost. Besides, there are issues like *Siachen Glacier*, *nuclear arms race*, *Sir Creek*, Pakistan’s support to the *Khalistani* issue and, of late, the issue of *cross-border terrorism* sponsored by Pakistan. The Kashmir imbroglio has triggered three arms conflicts between them so far. Moreover, Pakistan has been accused by India of providing support to the terrorists in Punjab and Kashmir. Similarly, counter-charges are made by Pakistan that India is mainly responsible for fomenting trouble in its domestic politics. India was in favour of finding a bilateral solution to the Kashmir issue

4. See Padmaja Murthy, n.2.
within the framework of the Shimla Accord (1972). But Pakistan referred to this contentious issue in various global fora --- much to the chagrin of India. From the very beginning, India is vehemently against any third party mediation or intervention in the Kashmir. In order to further complicate the bilateral relations between them, Pakistan even attempted to fish in troubled waters between Indian and other neighbours. In addition to this, Pakistan even tried to gang up the smaller neighbours against India by exploiting their grievances against India.6

While Pakistan lags behind India in many respects, it has always tried to achieve parity with India.7 It expected that the USA and China would treat India and Pakistan equally. Pakistan suffers from a paranoia that its economy is going to be swamped by the huge Indian economy. This is why Pakistan opposed the launching of South Asian Preferential Trading Arrangement (SAPTA) proposed by India. Later on, although Pakistan accepted SAPTA, it had not granted the ‘Most Favoured Nation (MFN) Status’ to India, while India had already accorded the same to Pakistan.8 The situation has remained unchanged even in the post – cold war era. The testing of bombs at Pokhran and at the Chagai Hills in May 1998 have intensified their bitterness which is reflected in almost every SAARC summit. Thus, the continuing animosities and mutual suspicion between them on Kashmir explain the slow progress of SAARC. The quest for integration in South Asia, economic and political, will be a far–cry unless the relations between them are improved.

SAARC lacks the essential prerequisite of common threat perception and this is one of the most important impediments to the smooth sailing of SAARC.

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7. Pakistan essentially sought parity with India from U.S.A. and China. Over the last four decades there has been no change which were opposed to India’s interests. If not absolute parity, Pakistan has been used as an effective bulwark by these two countries against India, supported by the USSR. However, the scenario changed during the eighties.
SAARC did not originate in response to a commonly and jointly perceived external threat like the EEC or the ASEAN. All the South Asian countries suffer from a fear of threat from India. The huge size of India has made it the source of internal threat for other SAARC members and this perception has resulted in a distortion of inter-state relations in South Asia characterised by a lack of trust, tension and at times, even armed confrontation. In other words, SAARC is not held together by a common enemy. In SAARC, the smaller members are apprehensive of their perceived hegemonic ambitions of India whereas the latter considers the U.S., China and Pakistan to be its principal sources of threat. In fact, the members of SAARC suffer from a lack of unanimity as to whether the major threat emanates from within or outside the region. In contrast, the members of EEC and ASEAN share a strong degree of cohesiveness brought about by a common threat from Soviet and Chinese communists respectively.  

Though the SAARC members do not face a common threat to security, they have common allergy to India. Most of the members are scared of any possible Indian interference in their internal affairs. Overwhelming predominance of India in South Asia is another major handicap for the smooth sailing of SAARC. No comparison can be made between India’s huge size and the dwarfish image of its neighbours. Because of India’s colossal size, the other members of SAARC look at India with awe. In short, the gigantic size of India is generally regarded as an inimical factor in the development of regional cooperation in South Asia. Apart from size, there is an enormous disparity between India and its wary neighbours in terms of population, resources, military might and the level of economic and technological development. This disparity has given rise to asymmetry, generated a feeling of insecurity and


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created a peculiar fear-psychosis amongst the neighbours of India, thereby inhibiting the healthy growth of regional cooperation in South Asia.\textsuperscript{14} The existence of this asymmetry among other South Asian countries have practically made them apprehensive of India's designs which have thwarted any cooperative move initiated by India. It is for this that disparity between India and its neighbours is described as the bugbear of SAARC.\textsuperscript{15}

Location of India has increased its strategic importance to all the members of SAARC. In South Asia, India is centrally situated while other members of SAARC are located in the periphery. Another peculiar geographical feature of South Asia is that no country in South Asia shares common border with each other. But all of them share common border with India. Pakistan, Nepal, Bhutan and Bangladesh have common borders with India, while Sri Lanka and Maldives share maritime boundaries. As a result of this peculiarity, each country of the region is closely related to India socio-culturally, economically and politico-strategically. India has become the hub of all regional affairs. Moreover, it is due to this peculiar geographical position of India that numerous problems and tensions frequently erupt between India and its neighbours.\textsuperscript{16} Periodical border clashes and the alarming problem of migration which are the by-products of this unique geographical feature hamper the smooth progress of SAARC.\textsuperscript{17} Also, the absence of territorial contiguity between and among the smaller South Asian countries account for the various difficulties that often obstruct the process of multi-lateral negotiation for solving common problems.\textsuperscript{18}

Irrespective of India's dominant position in the region which affects its


\textsuperscript{15} The Telegraph, 7 November 1986,

\textsuperscript{16} For example, rifts arose between India and Bangladesh during the Awami League Government when a few BSF men were taken into Bangladesh and were brutally tortured and murdered.

\textsuperscript{17} Indo-Pak border clashes, Pakistani sponsored terrorism and the recent wave of Hindu refugees coming from Bangladesh in view of the brutal torturing of the Hindu minorities there by the Muslims who constitute the majority.

performance, the Indo-centric nature of SAARC acts as a real barrier to the
development of SAARC. It is no exaggeration to say that there is the
inevitable presence of India, to a considerable extent, in every other country of
South Asia. In other words, India has strong cultural, religious, historical and
political bonds with the South Asian countries. This is an inescapable fact to
be taken into consideration. For example, Nepal is a Hindu State and in India
majority of the people practise Hinduism. Like Pakistan and Bangladesh,
where the Muslims constitute the majority of their population, India too has a
large number of Muslims living in its territory. Rather, there are certain areas
in India where the Muslims outnumber the Hindus. Apart from the Bengali
language, the people of Bangladesh and those who reside in West Bengal
share a strong cultural affinity. The birth anniversary of Rabindranath Tagore
is celebrated every year both in Bangladesh and in West Bengal. Moreover,
the national anthem of Bangladesh, *Amar Sonar Bangla* is composed by
Rabindranath Tagore who has also written the national anthem of India – *Jana
Gana Mana*. In the same vein, the Urdu language spoken by the people of
Pakistan is also the language of the Urdu-speaking Muslims of India. In
addition, Urdu is also cultivated by a certain section of the Hindus. Further,
the people of Pakistan’s Punjab and India’s Punjab do share a number of
common cultural ethos. Similarly, Tamil community of Sri Lanka and the
Tamils who live in India have cultural affinities. It is thus clear that while
India has some degree of commonality and strong bonds with its immediate
neighbours, the latter do not share any common bond among themselves.19
Such state of affairs is not conducive to the growth of the spirit of regional
cooperation in South Asia. As a result, the unity and integrity among the
people of the region has not developed.

Another factor which has impaired the growth of unity and integrity in
South Asia is the alleged *big brotherly* attitude of India, as perceived by other
smaller South Asian nations. The sheer size of India and its economic,

19. For details on this point, see Rajen Harshe, South Asian Regional Cooperation:
Problems and Prospects, *Economic and Political Weekly*, vol. XXXIV, No.19, 8 May
technological and military superiority to other nations have been mainly responsible for the development of the concept of *big brotherly* attitude of India as alleged by smaller nations. Above all, the vastness of India has generated a feeling of awe and suspicion among the member-states of SAARC. Any measure adopted by India, even in the interest of the smaller members is misinterpreted by them as not favourable to their interests. Thus, when the *Indian Peace-Keeping Force* (IPKF) was sent to Sri Lanka to quell the ethnic uprising and armed forces were sent to Maldives to abort the coup against the legitimate Government of Maldives, the other members of SAARC became anxious without realising the essence of the goal of action. These actions were viewed by them to be an expression of India’s hegemonic ambitions. Thus, they became very much scared of the possibility that what had happened with Sri Lanka and Maldives, might be repeated against them too. Apart from these two glaring examples of India’s *big brotherly* attitude, its alleged role in the dismemberment of Pakistan in December 1971 over the issue of Bangladesh is another major cause for the development of a fear-psychosis among the smaller members of the region. This kind of fear-psychosis of the smaller members against India will always create some difficulties in the promotion of mutual understanding and the objectives enshrined in the SAARC Charter.

Related to these problems, is the varying levels of economic development and growth among the SAARC members which have made cooperation among them to be a very difficult task. The gigantic size of the Indian economy makes intra-regional economic cooperation a Herculean task. Moreover, since each of the other member-states of SAARC exhibits an excess or adequacy or a shortage of the same commodity and service as the others (whether in food grains, chemical or marine products or power generation), the level of intra-regional trade is too low.

Table: 3 TRADE OVERLAP OF SOUTH ASIAN COUNTRIES, 1990

<table>
<thead>
<tr>
<th>Principal Export Markets</th>
<th>Principal Products</th>
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<tr>
<td></td>
<td>Import</td>
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<tr>
<td>Bangladesh</td>
<td>USA, UK, Italy, Japan</td>
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<tr>
<td>Bhutan</td>
<td>India</td>
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<tr>
<td>India</td>
<td>USA, FSU, Japan, Germany, UK</td>
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<tr>
<td>Maldives</td>
<td>USA, Thailand, UK, Sri Lanka, Singapore</td>
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<td>Nepal</td>
<td>Germany, India, USA, Switzerland, UK</td>
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<tr>
<td>Pakistan</td>
<td>USA, Germany, Japan, UK, Hong Kong</td>
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<tr>
<td>Sri Lanka</td>
<td>USA, Germany, UK, Japan, Iran</td>
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As a result of producing more or less the identical type of goods, the seven members of SAARC compete in the jute goods while India and Sri Lanka in respect of tea. India and Pakistan compete in respect of rice; but India, Pakistan and Sri Lanka compete in respect of cotton textiles. This clearly shows that SAARC members lack in complementarity and the unhealthy competition among them for the same goods imported from Japan, the U.S.A and the E.U. has resulted in price hike and unfavourable terms of trade. Rivalry and conflict of common interests act as a stumbling block to the growth and expansion of greater cooperation. Thus, while Pakistan is very keen to have economic cooperation with Islamic states, Sri Lanka is inclined towards the ASEAN members.

Vastness of the economy of one of the member countries of the association, i.e. India, has made economic cooperation among the SAARC nations a distant dream. Without economic cooperation among members, a regional cooperative venture cannot achieve success. The other six member-states of SAARC fear that by virtue of its huge economic potential, India will dominate upon them. Unlike other regions of the world, the countries of South Asia exhibit enormous disparities with wide gaps in their resource bases and production capacities. No comparison can be drawn between India and the other members of SAARC as India is well endowed with resources, economically diversified and buoyant and very much self-reliant.\(^\text{22}\) As a result of wide disparities in economic resources, the smaller members of the organisation, especially the second largest country—Pakistan—has often sought to develop economic linkages with countries outside South Asia. Moreover, the smaller neighbours of India have often hesitated to accept economic reforms proposed by India, namely the South Asian Preferential Trading Arrangement (SAPTA), for the fear of being swamped by the Indian juggernaut.\(^\text{23}\) This apprehension explains why Pakistan imports iron ore from Africa and not from India, and Sri Lanka imports apples from Australia instead of from India.\(^\text{24}\)

\(^{22}\) Zillur R. Khan (ed.), *SAARC and the Superpowers*, n.18, p.71
\(^{24}\) See Rajan Makan, n.14, p.20.
Divergent security perspectives of different members of SAARC, leading to varying strategic perceptions of these countries, is another major bottleneck in the promotion of regional cooperation in South Asia. Dissimilarity in security parameters of South Asian states, the divergent perceptions of threat to the region, regime security and territorial integrity obstructed the growth of strategic harmony in the region.

There was a fundamental disagreement between India and other South Asian states with regard to the question of security. "While the former regards the entire region as forming its security parameter and wants the latter to collaborate with it in keeping the external powers out of the region's political and military affairs, the latter welcome the presence of external powers because they see the principal threat to their security in India."25 Since the smaller members of SAARC like Bangladesh, Nepal and Sri Lanka considered India to be the main source of threat to their security, they welcomed either directly or indirectly, the role of extra-regional powers in the region to counter the military might and the alleged military threat of India. Thus, they developed cordial relations with China and U.S.A.26

Pakistan, the second largest member of SAARC, too, had developed friendly relations with the U.S.A. since 1954 and is pursuing since then. China is Pakistan's traditional ally since the Bandung Conference of 1955. Since then their relations developed in all dimensions, with Pakistan receiving military hardwares from China. This constituted a veritable source of threat to India from mid-1950s to mid-1980s. In the post cold war era, China is continuing with its policy of supplying nuclear missiles, technology and various sophisticated tanks, anti-aircraft guns etc., although there has been a noticeable change in China's stand on the Kashmir issue from what it was in the cold war era with China now regarding the Kashmir issue as a bilateral

problem. So, China is still Pakistan's friend as before with, however, a changed policy on the sub-continent corresponding to the ground reality of the international situation.

On the contrary, since the 1950s, India followed a policy which was intended to keep the external powers out of intra-regional affairs, so that it would be able to exert influence upon the smaller countries of the region. However, as the friendly relations were forged by India's smaller neighbours with the great powers, India, too, developed friendly relations with the Soviet Union. Thus, India's security concern was completely different from those of its neighbours whereas the source of India's principal security concern was China, Pakistan, Bangladesh and Sri Lanka enjoyed cordial relation with that country. China is traditionally the source of India's security problems. The validity of this argument became clear since 1959-60 and was fully manifested in the India-China border war in October 1962. Since then their relations were frozen until 1975 when Indira Gandhi took the initiative of improving the relations with China and sent K. R. Narayanan as India's ambassador to Beijing. The initial favourable response of China to Indira's initiative encouraged the two countries to hold eight rounds of border talks which of course were not of much avail. But since Rajiv Gandhi's visit to Beijing in December 1988, the relations between the two countries somewhat improved with the exchange of visits of the top leaders of the two countries in the subsequent years until 1998 when India tested its nuclear missiles on 11 and 13 May at Pokhran. After one year, especially since the Kargil crisis, China sent some positive signals of improving its relations with India and the Joint Working Group (JWG) meeting suspended earlier for Pokhran II was now held to indicate a definite change in the attitude of the Chinese leaders towards India. Today, there exists somewhat an uneasy relation between China and India although there is no immediate chance of the outbreak of an armed confrontation

between them with both the countries adjusting their policies on the basis of
the ground-reality of the international scenario and trying to adopt a mutually
coooperative policy. The border dispute is still unresolved but there has been
considerable improvement between India and China in economic and cultural
fields. Pakistan’s changed stance on Kashmir throws a ray of hope in the
improvement of their relations, which, however, is balanced by China’s covert
supply of nuclear technology and other sophisticated military weapons.

Bangladesh had friendly relations with the Soviet Union and India during and
after the civil war and the 1971 Indo-Pak war. It existed until the death of
Mujib-ur-Rahman since which the Bangladesh Government abandoned its
previous friendly relations with India and the Soviet Union and embraced
China. With the development of China-Bangladesh relations in the subsequent
years, Bangladesh also revised its policy on Pakistan and adopted a closely
conciliatory and cooperative attitude towards it. Except during the Awami
League’s new regime in the nineties, the Bangladesh Government has been
maintaining all through a coordinated policy towards China and Pakistan. 28

Two general provisions of the SAARC Charter --- ‘unanimity of decision and
the exclusion of bilateral and contentious issues’ from the deliberations of
SAARC summits are the most difficult obstacles that are inhibiting SAARC’s
progress. There is no doubt that hostile bilateral relationships are the root
cause for all troubles in South Asia. This problem was very much relevant in
the 1980s. There should be some conflict-resolving mechanism for finding an
amicable solution. Moreover, by prohibiting the discussion of bilateral issues
at the summits the framers of the SAARC Charter have crippled SAARC to a
large extent. Unless and until bilateral disputes are discussed freely and
frankly by all the members at the annual summits, chances for improving the
regional atmosphere will remain a search for the will-o’-the wisp. Unless a
favorable atmosphere is created, the SAARC members’ attempts to fulfil the

28. For a detailed study of Bangladesh’s relations with China, India and Pakistan, see
Suchita Ghosh, China - Bangladesh – India Tangle Today: Towards a Solution?,
socio-economic objectives of SAARC will remain an illusion.\footnote{Pervaiz Iqbal Cheema, “SAARC needs revamping”, \textit{South Asian Survey}, vol. 3, Nos. 1 & 2, January-December 1996, p.318.} Unanimity in decision-making is another provision which is creating difficulties in the progressive development of SAARC. As a result of this provision getting incorporated in the SAARC Charter, important decisions cannot be taken. Since there are several differences among the members of SAARC, they are unable to take decisions on many occasions. Strained bilateral relations thus prevent the members from arriving at an unanimous decision. Unless and until this provision is modified it will go on putting a check on SAARC's progress.

Another obstacle faced by SAARC is that it suffers from some institutional deficiencies. It is lacking a well-organised Secretariat and a competent Secretary-General. In a striking contrast to ASEAN which has a very professional and independent Secretariat, suffers from professional expertise and skill. In fact, without a highly organised and technically equipped Secretariat, SAARC cannot do justice to the accumulated volume of commitments, projects and initiatives assumed by SAARC summits. Moreover, the recruitment procedures of the Secretary-General and the directors suffer from some shortcomings. Since the Secretary-General and the seven directors, in the case of SAARC are appointed by the member-states for a fixed and limited tenure, they tend to assume a political colour. The tenure of office of the Secretary-General is too short to make an effective and meaningful contribution to the organisational success. The directors, whose terms are limited to three years also lack the varied technical skill. Because of these reasons, the SAARC Secretariat has been unable to discharge its functions properly.\footnote{I. H. Zaki, “SAARC: Beyond the First Decade”, \textit{South Asian Survey}, vol.3, Nos. 1 & 2, January-December 1996, p.62.}

The framers of the SAARC Charter have made a blunder by making the SAARC summit the sole decision-making body. Summit meetings with their organisational extravaganza and ritual declaration are over-emphasised in SAARC. Because of these institutional gaps, the cooperative activities by the
SAARC members lose their significance.\textsuperscript{31}

People–to–people contact which is a must for any successful cooperative venture is found to be lacking in SAARC. This is primarily because of travel formalities such as visa and lack of proper communication facilities in some SAARC countries.\textsuperscript{32} The picture is quite contrasting in the European Union (EU). No visa is required by EU members to travel and the adoption of a common currency (EURO) facilitate tourism to a great extent. People-to-people contact is extremely necessary for promoting subjective unity of the people in the region. The inter-state relations in this region are often marked by conflict and hostility which have serious repercussions on the functioning and stability of the organisation. Promotion of people-to-people contact will ensure the viability of the organisation. And this subjective or psychological unity and integrity among the nations will make the material unity among the nations permanent, and will be regarded as a pre-requisite for the political unity among the nations.

Cross-border terrorism is at present the main reason for SAARC’s failure. In the post-cold war era, this problem has become very prominent. India and Sri Lanka are the main victims of terrorism. Rebel organisations have sprang up in Kashmir with the help of Pakistan. Terrorists through their heinous crimes have made the life of South Asian people miserable.

Another factor which has affected the smooth functioning of SAARC is the attempt made by SAARC leaders to raise bilateral contentious issues at the deliberations of SAARC summits. Indeed, completely violating Article X of the SAARC Charter which specifies that no bilateral controversial issues could be raised at the SAARC meetings, Pakistan and some smaller nations have often raised bilateral problems at different SAARC summits, as has been seen in the Dhaka and the Bangalore summits in 1985 and 1986 respectively.

\textsuperscript{32} Vernon L. B. Mendis, “Perspectives on SAARC”, \textit{South Asian Survey}, vol. 3 nos. 1 & 2, January-December 1996, p.44
Moreover, as a result of the anti-Indian feeling shared by the majority of the SAARC nations, they have frequently tried to raise their bilateral problems vis-à-vis India within the SAARC forum --- with the hope that they would be able to exert collective pressure on India and join a better bargaining deal vis-à-vis India. Instead of showing any cooperative attitude towards India, the smaller members of SAARC have often made an attempt to embarass India.33

In spite of these problems faced by SAARC, some modest achievements have been made by SAARC mainly in the non-political fields.34 Launching of the Integrated Programme of Action (IPA) at the New Delhi Meeting of SAARC Foreign Ministers in August 1983, is the first major initiative taken by the SAARC leaders. The IPA has succeeded in fostering personal contacts between the experts of the region and in organising seminars, workshops and training programmes which has resulted in the sharing of experience and building of human resources capabilities.

Since South Asia is a poverty-stricken region and majority of the South Asian people live below the poverty line, the leaders of SAARC have paid adequate attention to eradicate this formidable problem. By setting up a SAARC three-tier mechanism on poverty eradication, the SAARC leaders have provided the member-states with a useful institutional mechanism to constantly monitor and review the conditions of poverty of the member-states. Moreover, by announcing the establishment of an Independent South Asian Commission on Poverty Alleviation at the Colombo Summit in 1991, the leaders have expressed their determination to alleviate the miserable condition of the poor South Asian masses.

Taking into account the importance of environmental protection and natural disasters, the SAARC leaders at the third SAARC summit held in Kathmandu in 1987, had initiated cooperation in this sphere. This is a significant decision

33. For example, Sri Lanka decided not to attend the seventh session of the SAARC Council of Ministers' meeting, as a result of a dispute with India over the withdrawal of the IPKF from its soil. Sri Lanka's decision ultimately led to the postponement of the meeting.
taken by the seven member countries considering the growing environmental problems in the region, especially those related to deforestation and the frequent occurrence of floods, cyclones, tidal waves etc.

The SAARC Heads of State or Government have endeavoured to promote the concept of self-help in various other areas through the conclusion of regional agreements or conventions. Two such conventions have been concluded till today --- namely, the SAARC Regional Convention on Suppression of Terrorism (1987) and the SAARC Convention on Narcotic Drugs and Psychotropic Substances (1990). In order to meet acute food shortages in the member-states, SAARC Food Security Reserve has been set up to provide for a reserve of foodgrains.

At the seventh SAARC summit held in Dhaka in April 1993, the SAARC leaders signed a framework agreement on South Asian Preferential Trading Arrangement (SAPTA). This is the most significant economic initiative taken by SAARC and it is expected to promote economic as well as commercial cooperation among the member-nation of SAARC on reciprocal grounds. Regional funds like SAARC Fund for Regional Projects (SFRP) and SAARC Regional Fund (SRF) were set up to make available credit on easy terms and to expedite the implementation of approved projects or programmes under IPA respectively. Apart from this, the SAARC Chamber of Commerce and Industry (SCCI) has been set up with a view to promote trade cooperation in the South Asian region.

Several short-term activities have been completed in the field of culture such as South Asian Archaeological Congresses, History Conferences, Photographic Exhibition of Monuments and Natural Heritage etc. SAARC quiz competitions are held which have evoked keen interest among the youth of the region. South Asian festivals are organised which focus on the region’s common cultural heritage.

In the field of sports, coaching camps had been conducted in Table Tennis, Squash, Hockey, Basketball, Swimming, Volleyball and Athletics. Basketball and Football tournaments and SAARC Marathons had been organised. South
Asian Federation Games are held. These achievements are quite minor and SAARC has failed in its main objective of bringing about political integrity in South Asia and promotion of economic well-being of the people.

The prospects of the future of SAARC does not appear to be too much encouraging --- considering the present state of relations between India and Pakistan, the two principal members of SAARC ---- which have fought three wars between them since their independence, and one low-intensity conflict – the Kargil war in mid-1999. Indo-Pakistan relations constitute the key to the success or failure of SAARC, and therefore, to the welfare and well-being of the people of the region. The origin of Indo-Pakistani dispute can be traced back to the Hindu-Muslim dispute during the years of India’s freedom movement. The difference in attitudes of the Congress and Muslim League during those years had given birth to the conflict between India and Pakistan soon after they became independent. The relations between the two countries have severely deteriorated in the post-cold war years over the issues of Kashmir, nuclear arms race, cross-border terrorism etc. which have produced severe repercussions on the different SAARC summits. India and Pakistan are engaged in a nuclear arms race since late 1970s after India’s first nuclear explosion in Pokhran in 1974. It severely intensified in the subsequent years and culminated in their respective nuclear explosions at Pokhran and Chagai in 1998. It is imperative for both India and Pakistan to dissociate themselves from the path of nuclear arms race and concentrate more on the economic development and welfare of the common people of the two countries. Thus, India and Pakistan must identify the issues of their common concern and strive to pursue them so that the goals of SAARC (Article I (a)) can be fulfilled. It will be very difficult of course, for the two countries to abandon their old hostile policies towards each other, given the traditional misunderstanding and suspicion between them. But, it is strongly recommended that instead of cooperating only in the non-political spheres, the two countries must try to solve their problems on which depends the future of SAARC, i.e., to say, the millions of common ordinary people.
Thus, the quest for a substantial regional integration in South Asia and the fulfilment of the goals of SAARC will be a search for the will-o'-the wisp unless at least, there is some understanding and cooperation between India and Pakistan on minimum common issues.

Secondly, the SAARC members must strive to find out their common socio-economic interests to be promoted by them in order to ameliorate the life of the people of the region, thereby causing economic prosperity. There is a classical debate in the literature on regional integration between those who advocate a frontal approach to political problems and others who prefer an incremental and sideways approach. The *functionalists* and *neo-functionalists* argued that expanding areas and habits of cooperation in economic and technical sectors would spill-over into the political arena in due course because of the extensive logic of sector integration.\(^\text{35}\)

It is recommended that there must be the growth and expansion of intra-SAARC trade on the basis of the principles of the theory of the *Comparative Cost Advantage* and the *International Division of Labour*. With the expansion of intra-regional trade, the spirit of cooperation is expected to be created which might spill-over in the political sector of SAARC. It is true that different countries of SAARC may not gain significantly from this expansion of trade. For example, India would not benefit from the Indo-Pakistani trade to the extent to which it would gain from an increase in its relations with, say, the U.S.A. But the major countries of SAARC might gain political mileage from this expanded trade among the members. Moreover, this would create a spirit of cooperation in the non-political sphere and might bring about an overall improvement in the inter-state relations within SAARC.

In this context, mention may be made of the *model of 'economic integration'*

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developed by the economist Bela Balassa. Balassa identifies five levels of economic integration. The free trade area implies only the abolition of intra-regional tariffs or quotas. At the second level, there is a customs union which is marked by the additional presence of common external tariffs. At the next higher level, is a common market which is characterised by the free flow of factors. At the fourth level, there is an economic union, which includes, in addition to all the characteristics of the first three levels, the harmonisation of economic policies. At the fifth and the highest level, there is complete economic integration, which also includes the unification of political institutions and politics. Although this model is purely economic, it has two formal characteristics which are relevant for integration from the perspective of International Relations. The first is the distinction between the different levels of integration, while the second is the integration of both economic and political institutions and policies at the highest level. This model may be useful from the perspective of SAARC. The essence of this model can be applied by the SAARC members as the integration of SAARC includes both economic and political factors at different stages for its overall success.

Whatever be the position of different thinkers on the relative importance of economic or political factors, it is the political conflict, misunderstanding and suspicion between India and Pakistan which will finally influence any common economic programme by the South Asian countries. For instance, Pakistan was opposed to the idea of South Asian Preferential Trade Arrangement (SAPTA) as it was proposed by its arch-rival India. It also apprehended that only India would be benefitted by SAPTA. Still, without giving up hopes, the South Asian nations must sincerely act in the pursuit of common socio-economic programmes which would help the organisation to reach its cherished goals.

Thirdly, since India is alleged by the smaller members of SAARC for

37. For detailed discussion of this model, see Jayantanuja Bandyopadhyaya, General Theory of International Relations, Allied Publishers, New Delhi, 1993, p.189.
displaying a *big brotherly* attitude, it should change its policy and attitude towards its neighbours —— of course, not compromising its vital interests. India should be prepared to sacrifice some of its non-vital interests. It is hoped that a change in India’s attitude would usher in an environment conducive to the promotion of regional cooperation in South Asia.

Fourthly, it is suggested that Article X of the SAARC Charter should be amended so that the bilateral problems might be raised for discussion within the framework of SAARC. There are scholars who do not reconcile to this view and believe that this alteration would be of no avail so long as the solution of bilateral problems (for e.g., between India and Pakistan or between India and Sri Lanka or Nepal) are concerned. It is apprehended by some that reference to bilateral issues might exacerbate the relations among the SAARC members. Moreover, it is argued that the contentious issues might be deteriorated if they are allowed to be raised in SAARC.

However, it can be alternatively argued that during the last 17 years of SAARC’s existence, no major bilateral problem between the important regional members (e.g., India-Pakistan, India-Sri Lanka or India-Nepal) has been solved by not being raised in the SAARC. Secondly, any major conflicting issue (between two or three important powers of the region) which seems to be bogged down having been discussed by only two countries, might now be looked at by different regional powers with different perspectives. At least, a fresh discussion may be initiated to tide over the problem. This arrangement can be followed for some years temporarily on an experimental basis, and can be amended if it ultimately becomes unsuccessful.

In sum, it has been stated before that the prospects of the future of SAARC does not appear to be too much encouraging. But the question is: why can’t the seven countries try to strive to make the organisation a success, at least partially, when we see the successful functioning of other organisations like ASEAN, EU, etc? Primary emphasis should be concentrated on their economic, cultural and other non-political areas, which would ultimately foster the spirit of political cooperation among the nations. This statement is
buttressed by the success of the Ping-Pong Diplomacy between China and U.S.A. in improving the relations between these countries in early 1970s.