

A comprehensive analysis of the future of SAARC: an assessment of its role, problems and Future Prospects



Political Science

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ABSTRACT

This paper aims to examine that the fundamental premise of regionalism among South Asian Countries lies in the recognition of the fact that challenges confronting the region can't be solved through action alone. It is imperative to develop and forge regional cooperation in different areas, even though implementation would primarily have to be done nationally. The formation of SAARC in 1985 was an attempt to integrate subcontinent and promote regional cooperation among the Countries of South Asia. Although, it has achieved some progress in certain areas of cooperation, but at the same time it has not been able to solve various problems and challenges facing the region. South Asian regional integration is seemingly confronting many challenges. The aim of this paper is to identify those challenges and also look for future prospects. Although regional integration in South Asia has adopted a kind of institutionalization, it is yet to deliver any concrete outcome. High-politics and not so conducive regional economic structures hinder any effectual culmination. However, constructivism, as a theory is given due credence in this paper; when looking for future prospects. The paper highlights the issues, and attempts to offer certain policy directions by analyzing the challenges and identifying prospects in the ongoing integration/cooperation process.

Introduction

The concept of regional cooperation has assumed greater significance across the globe, particularly after the adoption of New International Economic Order (NIEO) in the Sixth Session of General Assembly of the United Nations in June 1974. The social, economic and political compulsions prevailing in the South Asian states and pressures within these countries forced them to look forward and seek larger regional cooperation. It is in this context that the idea of regional cooperation emerged in South Asia. The regional organizations are made to develop an area in terms of social and economic development through collective efforts. They also facilitate the states to emerge as developed countries undermining their long history of enmities and hostilities. The European Union is such an example, which integrated the European nations and strengthened their economy. Following this precedent, South Asian countries integrated themselves in the way of European Union by retaining their individual identity and sovereignty under SAARC. The region of South Asia lies in the south of Himalayas and is surrounded by Hindukush Mountains. SAARC consists of eight countries: India, Bangladesh, Pakistan, Bhutan and Nepal are located in Indian sub-continent, while Sri-Lanka and Maldives are part of Indian Ocean. In April 2007; Afghanistan became its eighth member. The world today is witnessing changes in terms of regional and global fundamentals. There is no denying the fact that the importance of peace and development through effective regional and global integration has become an important factor of the present times. The strength and development of the state today is not measured in terms of military and defense establishments alone, but also in terms of how a state is able to promote trade relations, investment and economic integration with in the region and globally as well. It is in this context that the richness in material and human resources coupled with other common features like geographical proximity, historical background, and commonality of social and political norms of development have warranted a constant interaction among the countries of South Asia. It is important to mention here, that the main idea behind the formation of SAARC was promotion of socio-economic and political interaction as well as common vision for using region's potential and independence to counter threat. But, despite its intentions, SAARC as a regional body has for the years grappled with inter-state, intra-state and other regional conflicts. Since its formation, SAARC has been criticized for its failure to forge an effective regional identity. Inter-state conflicts and bilateral interests of member states have led negative influence on the achievements of SAARC; the regional body has also been influenced by external players and other regional organizations. In an interdependent and globalised world, it would be unrealistic to believe that SAARC can prosper in isolation. South Asian integration efforts are often influenced either directly or indirectly

by great power politics and alliances in other regions. It has now become necessary for SAARC to rise above bilateral conflicts and promote sound regional cooperation. Though, unsuccessful in some fields, the overall assessment of SAARC performance shows not very negative trends, but emphasizes the need to collaborate further, so as to resolve all outstanding issues among its member countries. It is important to assess the formation, achievements and future prospects of SAARC.

Role and achievements of SAARC

The South Asian Association for Regional Cooperation came in to being in 1985. The underlying idea behind SAARC was to promote peace, accelerate economic growth, social advancement and ensure better standard of living of the people of South Asia. During its history of 30 years, SAARC has seen many ups and downs. Despite numerous problems, SAARC has made remarkable achievements and played a vital role in realizing its aims and objectives to promote regional cooperation. This cooperation may be witnessed in the establishment and initiation of various programs and forums for mutual benefits. Such programs and forums are as follows;

- South Asian University, New Delhi.
- SAARC International College, Bangladesh.
- Establishment of Development Funds.
- Telemedicine Network.
- SAARC Writers and Literature Foundation.
- South Asian Foundation.
- South Asian cooperative Environment Program.
- South Asian Centre for Policy Studies.
- Establishment of Food Bank.
- South Asian Women's Centre.
- South Asia Olympic Council (South Asian Games).

Over the years, SAARC agenda has expanded considerably, exhibiting the intent and capacity to work collectively on issues of agriculture, rural development, health, population, women empowerment and economic development. The SAARC form has made significant contribution towards economic integration and social cohesion. A breakthrough in this regard came with the SAARC Preferential Trade Agreement (SAPTA) which was signed in April 1993 and came in to force in December 1995; opening the way for a certain expansion of intra-SAARC trade. At the January 2004 summit meeting, the foreign ministers of SAARC Countries signed the South Asian Free Trade Area Agreement (SAFTA) which came in to force in January 2006. The objective of SAFTA include; elimination of all sorts of barriers in trade and facilitation of free and fair movements of products; promoting fair competition and free trade environment in respect of existing economic conditions which will ensure the

maximum benefit and establish an institution frame to promote regional cooperation. According to this agreement, the terrific reduction plan was chalked out and since 2006; this reduction has been carried out in two phases. In the first phase Pakistan and India pleaded to put tariffs on all the goods down to twenty percent within two years and all other countries to thirty percent within three years. While in the second phase, Pakistan and India decided to put the tariffs on goods down to 0-5 percent within seven years. Though the initiatives taken to trade freely in the region have encountered a lot of problems, but still we cannot ignore the fact that the member countries are preceding a head with their plan to promote regional growth and cooperation. In the 18th SAARC Summit which was held in Kathmandu, Nepal on November 26-27, 2014, the heads of state/Government directed SAFTA Ministerial Council and SAFTA Committee of Experts to accelerate free trade in goods and services in the region putting in to operation simplified and transparent rules. South Asia accounts for 22% of the world population and 35% of the total land area, but their share in the world output is mere 1.3% only. Further their share in world merchandise trade is about 1% and half of the world poor are found in these countries. The economic structure of these countries is basically agrarian. Being a poor region, SAARC Countries can not develop each and every aspect of their economies alone. They need support and assistance of other countries. During the recent years, the member countries have reached to a conclusion that they would welcome any assistance from the observer countries. USA, Japan, China, South Korea, Iran and EU have expressed their willingness to provide different kinds of support and assistance to the member countries of SAARC. E.g Japan has clearly offered help in social infrastructure and china offered donation to South Asian Development Fund. SAARC has also signed Memorandum of Understanding to promote cooperation and collaboration with UNCTDA, UNICEF, (United Nations Children Fund) UNDP (United Nations Development Program), ITU (International Telecommunication Union), EC (European Commission), WB (World Bank), ADB (Asian Development Bank), UNAIDS (United Nations Program on HIV/AIDS) and SACEP (SOUTH Asian Cooperative Environment Program).

Terrorism has been one of the serious problems faced by almost all the countries of the South Asian region. To deal with this problem, the SAARC convention on suppression of Terrorism was signed in 1987, and later the Additional Protocol on Terrorism was signed taking in to account the terrorist financing. This was in accordance with UN Security Council Resolution 1373. In spite of these two important documents on terrorism; there has not been much enthusiasm to cooperate on issues of terrorist violence and funding between the member countries. It is well known fact that youth constitutes backbone of any country. No Country can progress and achieve goals of development, unless its youth are provided equal opportunities to realize their dreams. Majority of youth at present are living in the developing countries and over the years SAARC has come to realize full potential of its youth force. The SAARC Youth Award is given to outstanding individuals from the SAARC region. The award recognizes and promotes the commitment and talent of the youth who give back to the world at large through various initiatives such as Inventions, Protection of Environment and Disaster relief. The Eighteenth SAARC Summit emphasized the need for adopting appropriate national policies and programs for utilizing the youth force and their skills for economic and social development. The leaders welcomed the declaration of July 15, as world Youth Skills Day at the 69th session of the UN General Assembly and agreed to commemorate, as appropriate, the said event. South Asian region is considered as one of the poorest regions in the world. Forty percent of its population is living below poverty line. The region has the highest illiteracy rate in the world and more than fifty percent of its people are still illiterate. Over the years SAARC has taken number of initiatives to eradi-

cate poverty from the region. The Seventeenth SAARC Summit 2011, accorded the highest priority to the alleviation of poverty in South Asian region and decided to strengthen the Independent South Asian Commission on Poverty Alleviation (IASCPA) which was established in 1991. The strategies for poverty alleviation were suggested as; social mobilization, access to education, safe drinking water, health services, nutrition etc. In the Eighteenth SAARC Summit, leaders reiterated their strong commitment to free South Asia from poverty and directed Ministerial and Secretary level mechanism on poverty alleviation to review the progress and revisit the SAARC Plan of Action and its effective implementation and also take in to account the post-2015 development agenda.

SAARC has made immense progress as for as financial cooperation is concerned. The Meetings of Finance Ministers of SAARC take place at regular intervals and so for various meetings have been held among them. The establishment of an Inter-Government Export Group on Financial matters was the outcome of such meetings which laid down a roadmap for achieving the South Asian economic cooperation in phased manner. Sixth meeting of this type took place at SAARC Secretariat on 23-24 April, 2013 and progress is being made in positive direction. Apart from its goal of financial integration, a significant focus of SAARC has been social cohesion among member countries so as to promote a vibrant South Asian identity. The SAARC social character was signed in Islamabad in 2004, to address such issues as population stabilization, human resource development, promotion of health, nutrition and the protection of children, all of which are key issues for the welfare and well being of South Asian people. Some initiatives taken by SAARC in this regard include;

- SAARC Chairs, Fellowships and Scholarship Schemes
- SAARC Youth Volunteer Program.
- SAARC Visa Exemption Schemes.
- SAARC Audio-Visual Exchange Program.
- Association of SAARC Speakers and Parliamentarians.
- SAARC Law (Association of Legal Communities of the Member Countries)
- SAARC Chamber of Commerce and Industry.
- SAARC Scheme for Promotion of organized Tourism.
- SAARC Documentation Centre.

Major problems of SAARC

Regionalism has a different meaning and purpose for each nation especially when they become a part of any regional organization. In most cases states that join hands in any regional cooperation mechanism, have certain basic differences, for most regional cooperation is limited to economics through free-trade agreements. Differences among member states of the regional organizations are greater in the presence of inter-state conflicts. Even if states seem to agree on some issues at the platform of that particular regional organization, their intentions behind the concept and purpose of regionalism are fundamentally different. Since the formation of SAARC, it has been facing various types of problems. Inter-state conflicts have passed hurdles to regionalism. This phenomenon is clearly visible in the functioning of SAARC.

SAARC was established with a vision to forge a South Asian identity and promote regional cooperation. However, SAARC has been unable to fulfill this promise and it is being criticized for its failures and short comings. Some constraining factors that can be identified in the SAARC frame work are its inability to tackle inter-state conflicts, which have often made it hostage to bilateral conflicts and national interests of member countries. Apart from this, an Indo-centric strategic perception exists both among India's neighbors as well as among big players in global diplomacy. The lack of trust among member states has often led

manifestation itself in the ineffective administration of several of the initiatives taken by SAARC. A prime example is that of the SAFT' A. Though the eight signatory nations of SAFTA implemented the first tariff reduction from July 1, 2006, Pakistan and India have not yet allowed each other to be facilitated under this agreement. In July 2006, India called for an urgent meeting of SAFTA and accused Pakistan of backing away from its commitment under the multilateral SAFTA agreement. There have been several such occasions with both countries debating contentious issues delaying the actual implementation of very important regional instruments for peace and economic integration. Apart from the continuing Indo-Pakistan conflict, a concern that has often come up at SAARC forums is the dominant position of bigger states particularly India, in the regional set up. The discrepancy of size and power between India, a nation of more than one billion people, and all its neighbors leads to national concerns among the latter about India's dominance in the region and potential interference in their affairs. At occasions there has been a significant strand in the policy thinking of states such as Bangladesh, Nepal and Sri-Lanka, have led them to seek security assistance first and foremost from outside South Asia when they need it. Cooperative policies of SAARC are influenced by the fear among some states around India that interdependence will lead to the erosion of their political autonomies and therefore undermine their advantages for securing honorable settlement of bilateral disputes with India. Over the years member countries of SAARC have tremendously increased their defense budgets because of the growing regional security concerns. This huge increasing defense spending will not only aggravate the countries internal and external disputes, but also exacerbate human security in region and increase poverty. Thus, all the above mentioned factors have been responsible for the slow progress of SAARC. Apart from this SAARC has been facing some other problems which have hindered its smooth functioning. Some of these problems are discussed as under;

- Strict rules followed at the official level and by the SAARC Secretaries.
- Redtapism, paper work and bureaucratic hurdles at the secretariat level.
- Unnecessary formalities.
- Lack of political will at the leadership level.
- Absence of collective vision for rejuvenating region in the face of the globalization challenge.

Challenges for SAARC

In order to fulfill the high aspirations of its people in the face of current world scenario, SAARC will need a new strategic vision. In South Asia, over the past six decades, development practitioners, economists and politicians have presented a number of measures and approaches to address and fix South Asia's socio-economic problems, but nothing sufficient has been done in this regard. Unfortunately, South Asia happens to be a region afflicted with terrorism, ethnic rivalries, different kinds of fatal diseases, shortage of food, intra and inter-state wars, political turmoil, instability, leadership crisis and security issues. The region is bestowed with enormous natural resources, but has little to demonstrate for it. It is a region bestowed with fertile land but cannot feed its people, a region that has given birth to human resources in all walks of human endeavor, but has not yet been able to liberate itself from the shackles of underdevelopment, foreign intervention and vested interests. These factors besides limiting the development of the region raise one basic question: what role has leadership played to help and improve the situation? Could South Asia have been better with visionary, devoted leaders? It is often said that "the only safe ship in a storm is leadership." Martin Luther King, Jr. once said, "The ultimate measure of a man is not where he stands in moments of comfort, but where he stands in at times of challenge and controversy." Unfortunately, leadership has not played its due

role to tackle the challenges and problems plaguing the region. Developing South Asia's human resource base is particularly important in pursuing an outward-looking, pro-poor growth strategy in the current global scenario. However, it is very unfortunate that SAARC has not yet delivered on its promise. In order to fulfill the high aspirations of its people, SAARC will need a new strategic vision. It will have to change its ways and its structure and will have to make efforts to revitalize itself. SAARC's new vision could be seen as a bridge between East Asia rich in its human resources and technology and West and Central Asia rich in resources as well finance. The regional organization must play its positive role and solve the challenges facing the region. It must look forward to realize its objectives. The SAARC region's massive population and educated elites could complement the needs of both nations, with India overseeing the Eastern flanks and Pakistan providing the linkage to West and Central Asia. This will help to realize the dreams of the Asian century. One of the major challenges before SAARC has been financial integration. Almost all the member countries of SAARC have not fully cooperated as for as their economies are concerned. The imbalances continue to remain there. SAARC leaders have to make it relevant by advocating for regional cooperation and trade. While addressing the 18th SAARC summit Prime Minister of India said, "Today less than five percent of the region's global trade takes place between us. Even at the modest level, less than ten percent of the region's internal trade takes place under SAARC Free Trade Area. Indian companies are investing billions abroad, but less than one percent flows into our region. It is still harder to travel within our region than Bangkok or Singapore; and more expensive to speak to each other." South Asia, in other words is facing a major problem of integration, despite the obvious economic benefits of doing so and the lack of cultural barriers. So it has become need of the time that SAARC has to update itself keeping in view the conditions prevailing in the region. It has to evolve a consensus to solve all the major problems and challenges facing the region.

Future prospects of SAARC

SAARC was established with the aim of bringing some significant contribution for ensuring a comprehensive regional cooperative mechanism which would be consensual as well as future oriented. Though the formation of SAARC is a landmark step taken by the leaders of the region, the main rationale behind its establishment is the development of congenial environment where all nations may interact peacefully with one another, cultivate sustainable peace and promote economic well-being by utilizing available resources in the region through peaceful process of economic cooperation. Nevertheless, after three decades of its establishment, neither South Asian nations have been able to push the process of integration in to full swing nor the organization itself has become viable enough to promote harmony in the region. Everything with SAARC is not gloomy. In fact, the establishment of this important organization is the proof that the regional neighbors want to achieve progress and promote regional cooperation.

We can be optimistic about the future of SAARC and hope better that this organization has got enormous in the face of changing trends. Some of the suggestions for the future prospects of the SAARC are proposed as under;

- There is need to prioritize regional objectives and streamline them as national priorities.
- The physical and soft connectivity among SAARC countries need to be developed and strengthened.
- To develop policy approaches that takes in to account the political and economic complexities of SAARC equally.
- Trade integration needs to be expedited through faster implementation of SAFTA.
- Care needs to be taken not to hold regionalism as hostage

to the twilight of bilateral relations.

- The focus needs to be on taking practical and quantifiable steps such as to associate all stakeholders, especially the private sector and think-tanks in the formulation and implementation of regional policies in different areas.

Conclusion

South Asia is seen as a geo-strategic, geo-economic unit by some and single Civilization whole by others. The program of regional formation of SAARC in 1985, as an organization for promotion of regional cooperation, was expected to benefit immensely from the historical and cultural ties connecting people across national borders in South Asia. It was considered to be an instrument for the promotion of peace, progress and stability in this part of the world through economic integration. Nevertheless, after almost 30 years of its existence, it has not been able to push the process of integration in full swing. It has not achieved satisfactory progress to promote peace and economic growth as well as to prevent conflicts in the region. Most of the scholars are of the

opinion that unless problems like Kashmir, Siachen, illegal immigration, sharing the water of common rivers, trade and transit facilities are not solved, cooperation among South Asian countries cannot be successful. The organization has always become the victim of bilateral disputes among the member countries. In order to achieve its objectives, SAARC would have to evolve itself in to full-fledged regional entity that can cultivate peace in the region. Though challenges confronting SAARC are huge, the regional body cannot be termed as failure. SAARC provides its member states as a forum to discuss regional issues and voice national concerns. Discussions on counter-terrorism, preferential trading, energy cooperation, climate change and control of trafficking in narcotics have allowed the South Asian states to develop a regional agenda. SAARC may flourish only when the South Asian states perceive it, as an important tool for enhancing prosperity and stability in the region. The realization of durable peace and the future of economic integration through SAARC depend upon the ability and interest of South Asian leaders to resolve their long-standing differences through peaceful deliberations.

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