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ISSUES BEFORE THE SAARC SUMMIT

We must keep in mind that the condition of our bilateral relations will affect the political environment of our region and determine the future well-being of SAARC¹.

International society today is increasingly rent between its economic and political organisation. On the one hand, powerful technological and economic trends, especially in the later part of the twentieth century, are making nation-states increasingly inter-dependent. Yet at the same time nationalism, national sovereignty and political independence remain the guiding principles of political decision making. Interactions between such economic and political forces produce a most confused and bewildering pattern of international relationships. To paraphrase what Sidney Rolfe aptly said, "The real conflict of our era is between ethnocentric politics and geocentric economy".²

The conflict of political ethnocentrism and economic geocentrism is profoundly manifest in the South Asian Region. South Asia is a showcase of ethno-political diversity and division. Violence in Punjab, Nagaland and Darjeeling in India, the Chakma problem

1. Statement of HM Jigme Singye Wangchuk, King of Bhutan (*SAARC Perspective* Vol. 2 No. 3 May 1988) p. 37
2. See Robert Gilpin "The Politics of Transnational Economic Relations", *Transnational Corporation and World Order*, ed. by George Modelski (W.H. Freeman and Co. San Francisco, 1979).

in Bangladesh, the Tamil problem in Sri Lanka and its subsequent fallout on Indo-Sri Lankan relations, the Muhajir-Punjabi killings in Pakistan and the simmering problem of Nepali-origin Bhutanese are only some instances of ethnocentric convulsions with serious internal and external political dynamics. The continuing Indo-Pakistani antagonism and the recent Indo-Nepalese estrangement have definite ethno-political underpinnings. The different internal political systems and their world views further exacerbate the inherent divisions. A matrix depicting the inherent ethno-political diversity and division in South Asia is presented in Table I.

Within such ethno-political milieu of diversity and division, South Asia, on the other hand, presents a socio-economic picture of amazing symmetry and interdependence. The most distinctive commonality in this symmetry is the trend of increasing population and accompanying poverty. The seven countries of South Asia have one fifth of the world population, with almost half of them living below the poverty line. It accounts for about three quarters of the total number of the world's poor. All seven countries come under the 'low income economies' classification of the World Bank. Table II provides the basic indicators of development for the seven South Asian states.

Amidst the state of poverty and deprivation, South Asia also possesses abundant natural resources that could be utilized for the benefit of the one fifth of humanity that lives in this region. The tremendous water resources is only one example. The hydropower potential of Nepal alone is estimated at 83,000 megawatts of which, at present, only 0.5 percent has been brought into use. Similarly the estimated hydropower potentials of India is 70,000 MW, for Pakistan it is 21,000 MW and 1,772 MW for Bangladesh. However, the actual installed capacity in these countries is 20, 10 and 10 percent respectively.³ Despite such hydropower potential South Asian nations spend

3. See Govind Ram Agarwal, "Himalayan Resources: The strength of SAARC" (*SAARC Perspective*, SAARC Secretariat Vol. 2 No. 3 May 1988) P. 22.

TABLE I.

| Sl. No. | Country | Location | Language | Religion | Recent History | Present Political System/Situation |
|---------|---------------------------------|--|---------------------|--|--|---|
| 1 | Peoples' Republic of Bangladesh | North, East and West-India and South-Burma and Bay of Bengal | Bengali | Islam, generally considered a moderate State with Hindus and Buddhists co-existing. Islam has now been made the State Religion and the use of religion in politics seems to be increasing. | Part of British India Colony. After decolonization, became East Pakistan. Became Independent in 1971 after a bloody uprising against Pakistani rule. India Played an instrumental role in defeating Pakistan. Since independence Bangladesh has had a history of bloody coups and counter coups in which two former presidents have been assassinated. | Presidential form of Government. Attempts towards transition from military rule to democratisation by strong opposition agitation against the ruling party which has a strong military backing. |
| 2 | Bhutan | North-China, South, East and West-India | Dzongkha and Nepali | Buddhism and Hinduism | Bhutan remained an important buffer between British India and China. In 1910 Bhutan signed a Treaty with British India which gave Britain control over its foreign relations. After India's independence, Bhutan's foreign relations and defence were taken over by India. Since the 1950s Bhutan has undertaken the course of internal political reform and seeking increasing international contact. | Active monarchy with monastic institutions playing an influential role. All organized political activities have been banned. There is a "war of nerve" between the two major ethnic groups, the ruling Drukpas and the Nepali-Origin Bhutanese who constitute almost 50 percent of Butani's total population. Bhutan's increasingly outward looking policy is also showing divergence with India. |

TABLE I. Contd.

| Sl. No. | Country | Location | Language | Religion | Recent History | Present Political System/Situation |
|---------|----------|---|---|--|---|---|
| 3 | India | North-China, Nepal, Bhutan, East-Burma, S. East and S. West-Indian Ocean and N. West-Pakistan | Hindi, Urdu, English and host of others | Hinduism, Buddhism, Islam, Christianity and Sikhism. | India's independence from Britain in 1947 provided the necessary impetus to global decolonization. Although Gandhian Idealism was motive force behind the independence movement, the post-Independence India gave in to Nehru's pragmatism. Critics see modern India torn between the Gandhian ideals of non-violence; championing the cause of poor and development through rural transformation and the ambition of dominant regional power where great sums of money are spent on arms and armaments, while a great number of the population still suffers from hunger, ill health and illiteracy. | Parliamentary Democracy with the Congress Party dominating the national political scene since independence. In the largest democracy and without doubt, a functionally democratic and free society, the Nehru Family has had an almost dynastic hold on power. The president acts as Head of State with only ceremonial position while the Prime Minister is the Head of Government. The influence of religious, ethnic and regional issues in politics is increasing. India is also engulfed in internal turmoil and regional power projection and conflict. |
| 4 | Maldives | Located in the Central Indian Ocean 644 Km South of Sri Lanka | Divehi | Islam | The Maldives was a British Protectorate and gained independence in 1965. Immediately after independence it was a Sultanate and in 1968 it has become a Republic. | Presidential form of government with the President assuming the position of Head of State and Head of the Government. At the end of 1988 a group of Sri Lankan Tamils were hired by a rich Maldivian to invade and overthrow the Govt. of President Mamoon Abdul Gayoom. Although the coup attempt was crushed with India's help it highlighted the Maldivian vulnerability. |

TABLE I Contd.

| Sl. No. | Country | Location | Language | Religion | Recent History | Present Political System/Situation |
|---------|------------------------------|---|-----------------|---|---|--|
| 5. | Nepal | North-Tibet, China, South, East, West-India (Landlocked) | Nepali | The only Hindu Kingdom of the World (89% Hindu). | While the rest of the World was witnessing industrialization, colonization and other forms of changes, Nepal remained isolated from the rest of the world for centuries. After the overthrow of the Rana Regime, Nepal entered the modern era in 1951. The various political experiments that started after the dawn of democracy eventually led to the overthrow of the popularly elected congress party government and institution of partyless panchayat system. | All political parties are banned. The Panchayat System is based on the active role of the King with partylessness as the basic Principle of the System. Nepal has been following an active and independent foreign policy. In recent years the 1950 Treaty of Peace and Friendship with India has come into debate and there has been an estrangement of relations with India over the issue of Trade, Transit and Security. |
| 6. | Islamic Republic of Pakistan | North-China and Afghanistan, South-Arabian Sea East-India and West-Iran and Afghanistan | Urdu and others | Islam, generally a moderate Islamic society although attempts towards more fundamental Islamization have been made. | Pakistan became an independent state as a result of the partition of British India. Islam has been its raison d'etre and hence a permanent antagonism against Hindu India has led to several wars. This "permanent war" relationship has been used as a justification for a strong military rule during most of Pakistan's independent existence. Lost East Pakistan during a War with India in 1971. | After prolonged military rule Pakistan has entered a new era of democratic rule with the Prime Minister Mrs. Benazir Bhutto, the daughter of well-known Pakistani statesman Zulfikar Ali Bhutto-the leader of the ruling Pakistan People's Party, hanged by the Military. She, however, treads a very narrow path between the ever watchful military and the Islamic fundamentalists. |

TABLE I Contd.

| Sl. No. | Country | Location | Language | Religion | Recent History | Present Political System/Situation |
|---------|----------------------------------|---|------------------------------|--|--|--|
| 7. | Dem. Soci. Republic of Sri Lanka | In the North of the Indian Ocean and the Southern tip of the Indian sub-Continent | Sinhalese, Tamil and English | Buddhism, Hindu-ism, Christianity and Islam. Buddhists of Sri-Lanka seem to be heading towards a new militancy | After the decolonization of India, Sri Lanka received its independence from Britain without a major political struggle. For a long time Sri Lanka's socio-economic development and functioning and stable democratic political system had become a model for the Third World. However, in recent years the ethnic violence has turned this Island paradise into the Lebanon of the East. | A multiparty democracy with a strong Presidential form of Government. Post independent Sri Lanka has seen two strong Political Parties- the Sri Lanka Freedom Party with leftist predisposition and the United National Party of Sri Lanka with its generally rightist leanings. Problem of ethnic violence- the Tamil problem in the North and the Sinhala militants-Janata Vimukti Peramuna-JVP in the South has exerted great threats to the integrity of the Sri Lanka State itself. |

Table II : Basic Indicators

| Sl. No. | Country | Pop. (million) | Pop. Growth Rate 1980-87 | Area th. sq Km | GNP Percap -ita, 1987 US \$ | Life exp. at Birth | Infant mortality (per 1000 live birth) | Literacy* (1984) |
|---------|------------|----------------|--------------------------|----------------|-----------------------------|--------------------|--|------------------|
| 1 | Bangladesh | 106 | 2.8 | 144 | 160 | 51 | 119 | 33 |
| 2 | Bhutan | 1.3 | 2.0 | 47 | 150 | 48 | 128 | N/A |
| 3 | India | 797.5 | 2.1 | 3288 | 300 | 58 | 99 | 44 |
| 4 | Maldives | 0.18 (1985) | N/A | 0.298 | 398.00 | N/A | N/A | N/A |
| 5 | Nepal | 17.6 | 2.7 | 141 | 160 | 51 | 128 | 26 |
| 6 | Pakistan | 102.5 | 3.1 | 804 | 350 | 55 | 109 | 30 |
| 7 | Sri Lanka | 16.4 | 1.5 | 66 | 400 | 70 | 33 | 87 |

Source : *World Development Report - 1988* * *World Military and Social Expenditures 1987-88*, World Priorities Inc. Washington DC.

* Represents % of adult population (over 15) able to read and write

huge amounts of resources, especially scarce foreign exchange on imports of energy. Energy imports as a percentage of total merchandise exports of South Asian nations is provided in Table III.

Similarly, intra-regional conflict and rivalry has led the states of the South Asian region to allocate disproportionately high percentage of their scarce resources on defense while the percentage of central government expenditures on basic social services like education and health runs very low (Table III). Taking India as an example, while 18% of the central government expenditure goes for defense, only 2.1% goes for education and 2.1% for health services. Pakistan's case is equally serious where almost 34% of the central government expenditure goes on defense, only 3.2% is allocated for education and 1% for health.

Table III: Energy Imports of South Asian Countries

| Sl. No. | Country | Energy imports as a percentage of merchandise Exports (1987) | % of Central Government expenditure (1987) on | | |
|---------|------------|--|---|--------|---------|
| | | | Edu. | Health | Defense |
| 1 | Bangladesh | 21 | 9.9 | 5.0 | 11.2 |
| 2 | Bhutan | N/A | N/A | N/A | N/A |
| 3 | India | 17 | 2.1 | 2.1 | 18.4 |
| 4 | Maldives | N/A | N/A | N/A | N/A |
| 5 | Nepal | 31 | 12.4 | 5.0 | 6.2 |
| 6 | Pakistan | 21 | 3.2 | 1.0 | 33.9 |
| 7 | Sri Lanka | 25 | 8.4 | 4.0 | 8.0 |

Source : *World Development Report 1989*.

There are a host of other economic and environmental issues that affects the states of the region as a whole. Such problem as the deteriorating terms of trade with the developed world, the low share of world tourist business the South Asian region as a whole receives, the problem of ecological degeneration, deforestation and its impact on natural calamities like flood, landslides and drought could best be tackled through intra-regional cooperation. The high military expenditure also calls for a major attempt towards building a more peaceful regional order in South Asia, so that greater transfer of resources from defense to development could be made.

The compelling problems of economic underdevelopment and the obvious rationality of cooperation is regarded as the principal motivating factor for South Asian Regional Cooperation (SARC). Since King Birendra's visionary call for cooperation in the utilization of Nepal's vast water resources for the benefit of all the peoples of this region in 1977⁴ and Late Bangladesh President Ziaur Rahman's

4. Nepal's King Birendra, at the inaugural address of the formal opening of the Plenary session of the Consultative Committee meeting of the Colombo Plan held in Kathmandu on Dec 5, 1977 called on countries like Nepal, India, Bhutan, China, Bangladesh, Pakistan and Sri-Lanka to cooperate in

initiative to give a definite shape to the vision of South Asian Regional Cooperation in 1980⁵, the SARC idea has come a long way. In an attempt towards institutionalization of SARC, the South Asian Association for Regional Cooperation (SAARC) has been formally established. The annual SAARC summit has become a regular affair. The permanent SAARC secretariat has also been established in Kathmandu, Nepal. A number of regional projects are underway within the agreed areas of cooperation known as the Integrated Programme of Action (IPA). The IPA includes the following:

- i. Agriculture
- ii. Health and Population Activities
- iii. Meteorology
- iv. Postal Services
- v. Prevention of Drug Trafficking and Drug Abuse
- vi. Rural Development
- vii. Science and Technology
- viii. Sport, Arts and Culture
- ix. Telecommunications
- x. Transport
- xi. Women in Development.

It is often emphasised that SAARC is not a political organisation, but an organisation for economic cooperation. Besides, the IPA focusing only on economic and technical issues, the SAARC charter, under Article X general provisions, categorically stipulates that (i) Decision at all levels shall be taken by unanimity and (ii) Bilateral and contentious issues shall be excluded from the deliberations.⁶

the development of Nepal's vast water resources for the benefit of the people of the region as a whole, providing a vision for cooperation in this region.

5. Late Bangladesh President Ziaur Rahman is credited for having taken the first initiative to establish a viable framework for regional cooperation in South Asia.

6. See *SAARC Charter*.

In view of the socio-political milieu of division and diversity, it was perhaps prudent that the founders decided to exclude political issues from the agenda of SAARC in order to safeguard the organisation from being destroyed by political controversy in the early stage of its evolution. However, recent events in South Asia and their impact on SAARC compel one to raise the fundamental issue—can the pragmatic necessity for economic cooperation alone sustain the SAARC spirit, without being guided by political will to communicate and cooperate? And if political will to communicate and cooperate does exist, should SAARC not take up some of the more vital political and security issues that have so far bedevilled attempts towards substantive cooperation in this region?

Fundamental to this rather specific question is a more general issue raised earlier about the growing contradiction between the Ethno-political and Socio-economic aspects of contemporary international relations. While the advent of modern technology has made it more pronounced, the question of whether it is economics or politics that primarily determines the course of international relations is not a new one. The debate has been going on for quite some time.

Although cognizant of the importance of power (politics), Adam Smith argued that the contradiction between political relations and economic rationality had to be settled in favour of the latter, in other words, giving primacy to economics.⁷ Opposed to Smith and other classical liberals like John Stuart Mill, who argued that “the requirements of economic rationality ought to determine political relation between nations”, the German Historical School most prominently represented by George Frederick List had emphasised the political determination of economic relations.⁸

The Marxist position may be inferred from their thesis that the mode of production determines the superstructure of political relations, Frederick Engles in his famous polemic “Anti-Duhring” argued

7. See Gilpin, *op cit.*

8. *Ibid.*

that when contradictions arise between economic and political structures, political power adapts itself to changes in the balance of economic forces and yields to the dictates of economic development.⁹ In support of his thesis, he argued that German unity was a function of economic necessity. Contemporary writers like Stephen Hymer, and to some extent, David Mitrany and the functionalists, although each basing their arguments on different premises, have carried the "primacy of economics" viewpoint further.¹⁰

In contrast to the position of liberals, Marxists and functionalists, the so-called nationalist or realist school has emphasised the primacy of politics. Whereas the liberals and Marxists emphasise the production of wealth as the basic determinant of social and political organisation, the realists stress on power, security and nationalism. Thus, realist scholars have argued that although economic logic would have led to the eventual integration of US and Canada, nationalists in Canada would prefer political independence to a higher standard of living.¹¹

Interestingly, although a proponent of economic liberalism himself, the late Jacob Viner has perhaps made one of the best contributions towards the analysis of economic and political factors in determining the structure of international relations. In his classic study, *the Customs Union Issue*, Viner analyzed all known cases of economic and political unifications from the perspective of whether the motivation was political or economic. His analysis led him to suggest that "political and security considerations are primary."¹² Viner made an authoritative conclusion that the power of nationalist

9. *Ibid.*

10. Mitrany and the Functionalists emphasise on the progressive restriction of the role of political actors in favour of the technicians and it posits the growing importance of welfare demands upon the state and the demands being met through international, regional or global organizations.

11. See Gilpin *op cit.* p. 68.

12. See Jacob Viner, *Customs Union Issue* (studies in the Administration of International Law and Organization, No. 10) (New York : Carnegie Endowment for International Peace, 1950)

sentiment can override all other considerations; it can dominate the minds of a people, and dictate the policies of government, even when in every possible way and every conceivable degree it is in sharp conflict with what seem to be and are in fact the basic economic interest of the people in question.¹³

Viner's observation is substantiated by various experiments and experiences in regional cooperation attempts; if it was only economic rationality that sustained the spirit of regional cooperation, then the East African Community (EAC), the Central American Common Market (CACM), the Latin American Free Trade Association (LAFTA) or such other groupings should have succeeded, since all of them were predicated on the logical consideration of economic cooperation. Despite the tremendous necessity for economic development through regional cooperation, all those attempts have failed, in the absence of either widely shared values or common threat perception.¹⁴ On the other hand, today the European Community exists as a viable example of regional cooperation primarily because political and strategic considerations have played the principal role in providing impetus to European economic integration. The Association of South East Asian Nations (ASEAN) is another example of the politically and strategically-induced regional economic cooperation scheme. What should SAARC learn from these insights, earlier experiments and experiences as well as the general environment obtaining in the region at present?

Despite earlier suspicions of the very *raison d'être* by some and skepticism about its viability by others, SAARC is a reality today. But as it emerges from the threshold of formative stage and enters the plateau of operational reality, it is now that SAARC faces its real test. And, if it is to really emerge as an effective instrument

13. *Ibid.*

14. The East African Community is non-existent. Intermittent attempts are sometimes made to activate the CACM and LAFTA but so far these efforts have produced no significant result.

for substantive cooperation among the governments and peoples of this region, it seems that it must first attempt to develop a political climate conducive to such cooperation. Obviously, the important question is how will this political climate develop?

SAARC is an intergovernmental organisation and governments are the principal actors determining its future course. It is the member states that must first individually and then collectively decide upon the SAARC agenda and its future course. However, in creating the political climate conducive to more fruitful cooperation, the following considerations could be vital.

I. The SAARC Secretariat

In today's state-centric global political system, the ultimate power and authority of important decision making remains in the hands of the state and this will likely to continue for quite some time in the future. In such a system, national interest (or the perception of it) will continue to be the principal issue of inter-state relations. And yet, change, accommodation, proliferation of transnational contacts and international organizations are the hallmarks of the increasingly interdependent world order. Hence, while national interests will predominantly guide national politics, harmonization of these national interests and policies are the principal tasks of today's international organizations. The central secretariats of international organisations generally play this role of harmonizers of national interests and policies.

In order to fulfill its expected role the SAARC Secretariat should:

- (i) Provide efficient administration of programmes authorized and supported by SAARC.
- (ii) Provide leadership and guidance for emerging regional community forces.
- (iii) Provide regional perspective to various problems and programmes and hence develop harmony among the otherwise competing national interests and national policies.

However, for the SAARC Secretariat to fulfill its desired role, it should have the mandate, the necessary structural framework, resources and independence. Is the SAARC secretariat to function only as an administrative support unit for SAARC intergovernmental meetings? Or is it also to be an active participant, and as a matter of fact, lead in nurturing the SAARC spirit? This is a political decision SAARC leaders must collectively take.

II. NGO Involvement in SAARC

Non-governmental organisations (NGO's) have emerged as an important aspect of today's global system. While there are approximately 300 International Organizations (IGOs), there are at present close to 3000 International Non-governmental Organisations (INGOs) in the world¹⁵, functioning as important instruments of communication, dissemination of information and advocacy for cooperation. IGOs are now starting to work in closer coordination with INGOs.

NGO's could help SAARC by creating a favourable public opinion so vital for its growth and consolidation, especially in the early years of evolution. Similarly, NGOs could be the best medium for mobilizing popular support and participation for grassroot development activities to be carried out under the SAARC banner. But most importantly, SAARC could utilize the NGO forum to test programmes that are seemingly too controversial to be undertaken officially, but potentially too valuable to discard totally. The nuclear issue, issues of trade and tourism, immigration and migration and environment are some examples. Take the example of the West where previously the anti-nuclear movement and the issues of environment were considered as untouchables in official circles. These issues were only championed by NGOs. Yet now, the recent summit of the World's seven industrial powers was dubbed "The first Green Summit", signifying the change in attitudes and policies.

15. A Leroy Bennett, *International Organisation, Principles and Issues* (Prentice-Hall, Inc. Englewood Cliffs, N.J. 1984) p. 42.

SAARC could also make use of the NGO forum. This, however, calls for a comprehensive SAARC strategy to involve the NGOs in its activities. Once given the mandate, the SAARC Secretariat could take the lead in this matter.

III SAARC "Council for Dispute Settlement"

The problem lying at the very core of interstate relations in South Asia—mutual fear and distrust embedded in the long traumatic history and existing ethno-political milieu of the region, continues to plague the South Asian psychology. Such psychology in turn finds expression in the decision making process, especially of government leaders, who obviously, are bound by the prevailing "psychomilieu" and the "operational environment" obtaining in their respective countries.

As an intergovernmental body SAARC remains vulnerable to domestic political considerations, intra-regional bilateral relations and extra-regional influence. In such a situation, the organization cannot take up contentious issues since they might threaten the organization itself. However, without the capability to confront important issues *which invariably will have some political content or some elements of controversy (emphasis added)* SAARC also runs the risk of being a ceremonial forum for mere exchange of diplomatic niceties, and dealing only with issues of peripheral importance. In order to discuss important economic, political and security issues of bilateral or regional nature, in an informal setting, without being bound by the legacies of the past and burdened by governmental obligation or rigidity, SAARC needs a forum with "recognition", but transcending strict government line. A SAARC "Council for Dispute Settlement" consisting of well known individuals from the SAARC region could play such a role. This Council will have 15 members—one each nominated by the respective Heads of State or Governments and eight (one from each member country and the coordinator) nominated by the Chairman of the SAARC Heads of State or Governments.

The Council members should have no formal governmental responsibility at the time of their nomination. The Council should be able to undertake discussion on any issue of importance to SAARC. This Council could also mediate in disputes between SAARC members as well as act as a regional advisory body to the SAARC Chairman, and when directed or required, to the SAARC Secretary General.

Conclusion

Although nation-states are the primary actors and nationalism is the chief motive force in world politics, major developments in recent years have enhanced the need as well as the potential for inter-state cooperation. Problems of hunger, poverty, environmental degradation, Ocean resources, violence and insecurity could be tackled more effectively through cooperative endeavours at the regional and global levels. The tremendous scientific and technological transformation in this era have shrunk distances and resulted in increased physical means and opportunities for greater transnational contact and cooperation. Will such physical means and opportunities actually lead to greater international cooperation or conflict? This is fundamentally a political decision.