

## South Asian Association for Regional Cooperation: Evolution and Prospects

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A most significant development in South Asia in this decade of 1980s has been the establishment of the South Asian Association for Regional Co-operation (SAARC) in December 1985 at the first South Asian Summit held in Dhaka. The establishment of SAARC, with the membership of seven South Asian countries namely, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka, was the culmination of a move formally initiated in May 1980 by the late President General Zia-ur-Rahman of Bangladesh. The evolution and prospects of SAARC present a number of difficult questions to the scholars, statesmen and observers who are trained habitually to compare any such organisation with similar previous examples. SAARC is an example in itself. It makes a significant departure from the conventional pattern of regionalism moves enshrined in its European predecessors like EEC and COMECON as well as its Asian neighbours and contemporaries like ASEAN and GCC. In order to grasp the essence of this departure and divergence, one must look closely at the context and dynamics of the evolution of SAARC, which would also help us to explore its prospects and future tendencies. Before that, however, a word about the growth of regionalism in general and also in the specific context of the Third World is quite in order.

I

Regionalism has not really been a regional phenomenon as such. It has been a product of world politics, initiated most by major power, in the regions adjacent to them or even far-off, to seek a desirable regional order for a global balance that could cater to their respective regional and global interests. There have been two basic impulses behind the major powers moves to establish regional arrangements. One is of preservation of strategic interests through arrangements of strategic burden sharing. Accordingly, regional actors are induced into forging strategic equations among themselves so as to subserve the strategic goals of the sponsoring power. This is done through many ways like evolving a strategic consensus against a so-called common adversary or threat, co-ordination of military exercises and policies and

making available of facilities, bases and even man power to the sponsoring great power to meet hypothetical threat situations. The incentive of overall security umbrella to the regional actors is offered by the sponsoring power but any number of past experiences would show that seldom a great power has involved itself into a military conflict for the sake of its regional ally. The second impulse behind a major power sponsored regionalism move is the integration of the sources of supply of primary products on the one hand and that of the markets for manufactured goods and investments. Lately even manufacturing lines are established in 'safe' and friendly regions to deal with the problems of labour and financial liquidity.<sup>1</sup>

These two impulses do not work in isolation from one another. In a combined and co-ordinated manner, they work as powerful forces behind the great power sponsored regional arrangements. This has been evident since the initiation of Monroe doctrine by the U.S. in 1823 which could be called the first organised move for a security oriented regionalism.<sup>2</sup> The styles and thrusts of regionalism moves subsequently have undergone changes but the principal motives of strategic and economic interests have been sustained. In the post-Second War period this is clearly reflected in the great power sponsored regional organisations in Europe (NATO and EEC on the one hand and COMECON and Warsaw Pact on the other), Latin America (OAS), Middle East (RCD, CENTO and now GCC), South East Asia (SEATO and ASEAN) and the Pacific region (ANZUS and the proposed Pacific Community). Even when a relatively autonomous regional grouping emerged, it was expected to serve the strategic and economic interests of one great power or the other. If it did not, it was not allowed to grow and prosper.

## II

Seen in this background of the phenomenon of regionalism, SAARC is a product of a unique interplay of mutually incompatible sources of security orientation, development thrust and external inducements. There have been several instances where the South Asian countries joined hands in one or the other development oriented

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- 1 Philo O. Keefe, *Regional Restructuring Under Advanced Capitalism*, Croom Helm, 1984
  - 2 K. M. Panikkar, "Regionalism and World Security", in K. M. Panikkar et al., *Regionalism and Security*, ICWA, Oxford University Press, Delhi, 1948. Also there appears to be a close link between American Presidential doctrines and the growth of security oriented regionalism in world politics. Bhabani Sen Gupta, Amit Gupta und Prakash Nanda, "Regionalism in South Asia: Roles and Behaviour" in Bhabani Sen Gupta (ed.), *Regional Cooperation and Development in South Asia*, Delhi, 1986, pp. 5-9.

regional co-operation moves in the past.<sup>3</sup> Pakistan has been the only South Asian country which joined security oriented groupings floated by the Western powers. Two of the lesser known regional moves involving South Asia with developmental objectives and strategic underpinnings have also come to light recently. In one, Pakistan in the mid-fifties had tried to evolve a grouping with Afghanistan and Turkey. The removal of the then Pakistani President Iskander Mirza by General Ayub allegedly with the U.S. backing, scuttled the move which was perceived to be incompatible with the U.S. interests.<sup>4</sup> Pakistan had subsequently joined SEATO, CENTO and RCD. In the other one, Bhutan had proposed a closer regional interaction among itself, Sikkim, Nepal, India and Bangladesh.<sup>5</sup> This was in the immediate aftermath of the emergence of Bangladesh, wherein all the concerned countries had passed through a real possibility of China militarily intervening in the South-Asian affairs and thus posing as a source of common security threat. Perhaps the reluctance on the part of countries like Nepal did not let the proposal gain ground. Subsequently however, the strategic environment in the subcontinent was altered significantly by developments like India's peaceful nuclear explosion in 1974, integration of Sikkim in the Indian Union and overthrow of the Mujib regime in Bangladesh.

The context of the move that led to the establishment of SAARC may have been prepared during 1977-79. This was the time when the region was experiencing considerable economic strains on the one hand and the emergence of, what may be termed as, the like minded political regimes with the replacement of Mrs. Gandhi by Janata rule in India, Mrs. Bandaranaike by President Jayawardene in Sri Lanka and President Bhutto by General Zia in Pakistan. In strategic terms, all these regimes broadly had a pro-West orientation too. The question of regional co-operation as a possibility appeared for the first time during the talks of Bangladesh Foreign Minister with his Sri Lankan counterpart in Columbo in November 1977. Sri Lankan Foreign Minister Hameed called for the establishment of a regional Asian grouping that could include Asian common Market. His Bangladeshi guest shared his views and held that greater economic co-operation in South and South-East Asian region was in the interest not only of the teeming millions in the region but also of easing tensions in the area.<sup>6</sup> The reference to "easing tensions" was important as this

3 Details of some of these moves have been discussed in S. D. Muni and Anuradha Muni, *Regional Cooperation in South Asia*, Delhi, 1984, pp. 10-29.

4 This was disclosed recently in April 1986 by late Iskandar Mirza's daughter in Pakistan in a press conference.

5 This was revealed by Dr. Tobgyal, Bhutan's Ambassador in India, in a seminar on India-Bhutan Relations held in Hyderabad on 15th and 16th March 1986. The present author was present at the seminar as a participant.

6 *Ceylon Daily News*, 17, 18 and 19 November, 1977.

became almost an essential part of the regional co-operation theme during this period. Significantly, in January 1978, during King Birendra's visit to Bangladesh, President General Zia-ur-Rahman asked for progressive reduction of arms in South Asia. This, he continued to emphasize subsequently in his various statements.

This idea of regionalism in South Asia found a prompt support in the West, particularly as it had been voiced by the leaders and the regimes so sympathetically disposed off towards the U.S. There were clearly two aspects of this Western support to South Asian regionalism. One was the Western offer of economic help if South Asian countries could work out multilateral regional co-operation projects in areas like harnessing of water resources. Such help was offered by the U.S. President Carter and the British Prime Minister Callaghan during their visits to the subcontinent in January 1978.<sup>7</sup> The second aspect of Western support was related to security dimension of the region wherein the U.S. and the U. K. had encouraged the move of the whole of South Asia being declared a zone of peace. They also wanted the region to become a nuclear-weapons free zone, in view of India's known and Pakistan's aspired nuclear capabilities. The Western support for Pakistani proposals in the U. N. on South Asia as a zone of peace and as nuclear-weapon free zone during this period was a clear indication in this respect. The American and the British leaders during the visit to the subcontinent in January 1978 had also tried to secure firm commitments from India and Pakistan regarding nuclear non-proliferation.<sup>8</sup> It is difficult to say as to what precisely prompted the West in their support for regional harmony and peace in South Asia at that time. But possibly, the Carter administration's priority coupled with the revival of Super Power tensions in the Indian Ocean<sup>9</sup> and the fall of the Shah regime in Iran, had enhanced South Asia's strategic significance in U.S. calculations and made regional stability and harmony a desirable objective in this respect. There were of course domestic compulsions of the new South Asian regimes to be in harmony with each other for political survival and sustenance.

The context for regional co-operation move prepared by the developments of 1977-79, suddenly assumed greater strategic significance with the Soviet massive

7 For Carter's statement see, *Foreign Affairs Record*, Ministry of External Affairs, January 1978, New Delhi, pp. 47-57 and see Callaghan's statement in the British Parliament on his visit to the subcontinent (3 to 13 January 1978), *The Times* (London), 17 January 1978.

8 Unpleasant exchanges between Indian Prime Minister Morarji Desai and President Carter in New Delhi on the non-proliferation issue in January 1978 may be recalled here. See, *Asian Recorder*, January 22-28, 1978, pp. 14130-131.

9 Dieter Braun, *The Indian Ocean: Region of Conflict or 'Zone of Peace'*, London, 1983, specially pp. 27-47, 131-139, 187-190.

military intervention in Afghanistan in the last days of 1979. Bangladesh President Zia-ur-Rahman's proposal for a South Asian Summit to establish a "framework for regional cooperation" and create a "climate for regional harmony" was made in this new context, in May 1980. Though later, in April 1981, President Rahman, during his visit to Nepal had asserted that his proposal was not directed against Soviet Union and that "the idea of regional Summit came before" the developments in Afghanistan, the significance of the timing of the formal announcement of the proposal can not be overlooked. President Rahman had initiated hectic diplomatic moves to sound his other South Asian colleagues before making the move. It was perhaps, more than a mere coincidence that Bangladeshi President's moves coincided with the declaration of Carter doctrine on 23 January 1980 in which the U.S. objectives to encourage the establishment of a "co-operative regional security framework" in South and South-West Asia was clearly stipulated. President Carter's emissaries, Clark Clifford and Zbigniew Brzezinski visited respectively, India and Pakistan to persuade the two countries to "evolve a regional approach" to "the fundamentally changed situation which the whole region" now faced.<sup>10</sup> The U.S. officials were also directed to persuade Bangladesh, Nepal and Sri Lanka to join in such a regional approach.<sup>11</sup> The nature of South Asian events and diplomatic activities during these first few months of 1980 were such that President Rahman's proposal which underlined his concern for "peace, stability and security" in the region, was perceived even in Dhaka as a reflection of the Carter doctrine in South Asia.<sup>12</sup>

Thus, if the "regional co-operation framework" would have been established in the then prevailing context, it would have meant, for all practical purposes, the setting up of a South Asian organisation for development cum security purposes (more of the latter), with at least an implicit pro-U.S. and anti-Soviet orientation. This was not acceptable to India and was accordingly made known by the new government in New Delhi headed by Mrs. Gandhi which had no particular soft corner for the U.S. strategic moves.<sup>13</sup> In India, the U.S. involvement in the regional move (at least between India and Pakistan) was also seen as an attempt to get Indian

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10 I have discussed these developments in greater details in my "Reagan's South Asia Policy: The Strategic Dimensions", *IDSA Journal*, Vol. XVI, No. 2, October-December 1983.

11 *Holiday Weekly* (Dhaka), 27 January 1980.

12 *Holiday Weekly* (Dhaka), 15 June 1980.

13 See Statements of a senior Foreign Ministry Official Eric Gonsalves in Dhaka (*Bangladesh Observer* (Weekly), 15 February 1980) and Foreign Minister P. V. Narsimha Rao (*New Wave* (New Delhi), 27 January 1980).

endorsement for U.S. strategic ties which were contemplated to be reinforced and expanded to meet the requirements of U.S. interests in South-West Asian and Persian Gulf regions. Even Pakistan was not willing to share its American patronage with any one, least with India, in any regional arrangements. Particularly so with Pakistan's perceived conflict with India remaining in-tact and the credibility of the Carter administration not being very high with General Zia's regime in Islamabad.<sup>14</sup> The U.S. thrust of projecting Soviet Union, in the context of Afghanistan developments, as a common danger to South Asia could not in any case, be endorsed by India and Pakistan. Indian experience of relationship with Soviet Union, has been pleasant which could not be completely neglected by what happened in Afghanistan. For Pakistan, India has always been the major security concern which could not be replaced by the Soviet Union.

The Indian and Pakistani reservations on the expected (by the U.S.) strategic underpinnings of the Bangladeshi move almost thwarted its initial enthusiasm. What followed was a series of quiet diplomatic consultations including at the U.N. Headquarters among the South Asian countries. As a result of these consultations, the Bangladesh's initial proposal was reformulated in the form of a working paper and circulated to all the South Asian countries in November 1980. In this working paper the objectives of regional co-operation were defined broadly to include political and strategic aspects in a general way. The actual areas of co-operation suggested in the working paper, however, were chosen on the basis of their "non-political" and "non-controversial" character. On the basis of this working paper, discussions were launched in April 1981 in Colombo at the level of Foreign Secretaries to initiate the process for establishing regional co-operation. The first major landmark in this process was reached in August 1983 in New Delhi when the level of discussions was raised to that of the Foreign Ministers and a Declaration encompassing (i) objectives and principles; (ii) institutional arrangements, and (iii) financial arrangement was adopted. The establishment of SAARC in December 1985 can be considered as the culmination of this process as a whole.

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14 Even in past Pakistan, had protested against American support for India's genuine security concerns (1962) and Iran's attempts to expand RCD to include India and Afghanistan (1974-76). We have discussed Indian and Pakistani reservations to Bangla President's proposal in details elsewhere, see, Muni and Muni, op. cit., S. D. Muni, "SAARC: Building Regionalism From Below", *Asian Survey*, April, 1985 and S. D. Muni, "Geo-Strategic Implications of SAARC", A paper submitted at the International seminar on "Regional Security in South Asia", Kathmandu, November 3-6, 1985.

## III

The major issue-areas have emerged from the process of evolution of SAARC so far and they are going to condition its future prospects. These areas are of (i) developmental issues and (ii) political and security issues. In the area of development, SAARC has evolved an integrated programme of action in 9 fields of activities namely, agriculture, rural, development, meteorology, telecommunications, scientific and technological co-operation, health and population activities, transport, postal services and, sports, arts and culture. In addition to these fields, it was also agreed by the South Asian countries to have co-operation among their national planning organisations and academic institutions as also co-ordination in their activities in international forums, particularly with regard to international economic negotiations and negotiations with multinational co-operations. The activities in these fields have, however, remained generally at a preliminary level confined to workshops, seminars, exhibitions, feasibility reports, games, cultural festivals, exchange of information etc. Various technical, officials and ministerial meetings have confessed that progress has been much below expectations. The Dhaka summit did not devote much serious attention to the problem of either speeding up the pace of co-operation activities in these agreed areas or even expand them to include fields that have been kept out of the regional forum so far.

India has shown particular keenness to expand the fields of developmental activities so that greater social, cultural and economic interaction takes place in the region and the fruits of such interaction are made available at the mass level which can reinforce regional harmony and homogeneity.<sup>15</sup> Plea for the expansion of areas of co-operation has been made consistently by India in all the meetings and discussions prior to the Dhaka Summit. Even in Dhaka, Foreign Minister Bhagat emphatically asked for the inclusion of "trade, industry, energy and environment" in the scope of regional co-operation activities. Without doing this, he said:

The full potentialities of regional co-operation can not be realized until the hard core sectors of development are brought within its ambit. This is also the only way in which we can ensure equitable distribution of the benefits of regional co-operation. Moreover, projects and programmes of SAARC will not acquire internal coherence and consistency and can not be integrated with the development plans and policies of the individual countries until we start co-operation in these areas of economic activities also.

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15 An Indian note regarding the areas of co-operation was submitted to the first meeting of the Committee of the whole meeting in Colombo (31 August-2 September 1981).

Indian attempts to persuade the regional forum to undertake these basic fields of economic co-operation have not succeeded so far. This is so, largely due to the reluctance of other South Asian countries, particularly Pakistan, Bangladesh and Sri Lanka. Their apprehensions are that regional activities in these areas would tie them with India more closely in economic terms and reinforce India's "hegemonistic" designs in the region. Such apprehensions are nothing but the inflated and even distorted, manifestations of the political economy of these countries. Over the past several years, the ruling regimes in Nepal, Pakistan, Bangladesh and Sri Lanka have so developed their economies that it keeps a distance from India and forges closer dependant ties with Western or West backed extra-regional economies under the encouragement of IMF and World Bank. Any weakening of this economic structure in favour of greater co-operation with India is considered politically unwise and economically non-profitable by the dominant politico-economic forces in these countries. In his analysis of this situation, an eminent Bangladeshi economist said:

It is generally conceded that trade between India and Pakistan would expand exponentially had not the Government of Pakistan imposed both visible and clandestine restrictions on imports from India.

Similar interventions of a less publicised nature may be traced in other LDSAEs (Less Developed South Asian Economies). The decision to keep trade out of SARC may owe to these concerns.

In all these countries, however, there is a growing contradiction between the inherited political apprehensions at Indian economic domination with the market determined interests of segments of the local bourgeoisie. As these economies under the sponsorship of the World Bank and IMF, liberalise themselves, this conflict will need to be resolved

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Because of the constraints of political economy, India has also not succeeded in effective terms, to expand and deepen its economic relations with the neighbours

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- 16 Rehman Shobhan, "The Political Economy of South Asian Regional Economic Co-operation", key note address for International Conference on South Asian Regional Economic Co-operation, Dhaka, 21-23 January 1985, Also see, Atiur Rahman, *Political Economy of SARC*, University Press Limited, Dhaka, 1985; W. D. Lakshman, "IMF-World Bank Intervention in Sri Lankan Economic Policy: Historical Trends and Patterns", *Social Scientist*, Vol. 13, No. 2, February 1985, Nepali fears of closer economic relations with India coming through SARC have been argued in N. P. Banskota, "Nepal Towards Regional Economic Co-operation in South Asia", *Asian Survey*, Vol. 21, No. 3, March 1981, and Sridhar K. Khatri, "South Asian Regional Co-operation, Its Implications for Nepal", *Asian Survey*, Vol. 25, No. 4, April, 1985.



through the establishment of bilateral channels. It is important to recall that Indian efforts have been vigorously directed at establishing Joint Commissions with some of the important neighbouring countries. It was hoped, that benign impact of increase in bilateral economic and sociocultural interaction with the neighbours would be felt on regional activities also. But after considerable efforts, even bilateral efforts to normalize India-Pakistan trade have achieved nominal success. The dropping of India's reservations on accepting multilateral approach to what it considered earlier as bilateral issues, like the question of river waters<sup>17</sup>, has also not made much difference to the traditional and politically inspired economic fears of the neighbouring countries.

It is obvious that the basic framework of South Asia's economic relations with the world remains oriented towards North-South nexus. Growing influence of multilateral economic agencies like the IMF and the World Bank in South Asian countries has only sought to consolidate this North-South nexus. Ronnie de Mels, Mehbubul Huqs, Bhik Bahadur Thapas and L. K. Jhas of South Asia have contributed their bit in this process which in fact is causing difficulties in any serious and genuine reorientation, even on small scale, of South Asian economies in favour of South-South regional co-operation. With the North-South relations increasingly becoming stalemated and frustrating, and with the northern economies becoming stingier every year, South Asia really has bleak prospects of meeting the fast growing challenge of poverty and distorted development. The regional forum has made the South Asian countries conscious of this fact and they have adopted consensus positions on some important global economic issues, particularly those related to the flow of concessionary resources. Recently, a ministerial meeting of SAARC countries met in Islamabad (April 2-3, 1986) to adopt a consensus position on a wide range of international economic issues and decided that "representatives of SAARC countries should co-ordinate their positions at the headquarters of international and regional organisations as well as in relevant international conferences to further the common objectives of member countries."<sup>18</sup> There is, however, a risk in taking such consensus positions, that the strong 'north' connections of some of the South Asian countries may influence them and manipulate adoption of such positions which may be in the larger interests of the developed countries and not of the South Asian countries. There is need to guard against such possibilities.

With regard to the developmental issue area, there is a vital question of the role of

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17 At Dhaka on December 8, 1985, Indian Prime Minister, Rajiv Gandhi declared India's willingness to have multilateral talks with Nepal and Bangladesh on the question of sharing of Ganga waters.

18 Text of the Declaration issued after Islamabad meeting, para 42.

external funding of SAARC projects. The consensus, as it exists at present in SAARC framework is to accept help only from multilateral agencies like EEC, ITU (International Telecommunications Union), FAO and UNDP. Even here experience with EEC and ITU aid has not been all that encouraging so far. Now many of the influential members of the Western economic grouping including Japan and the United States of America, are keen to get involved in SAARC projects, and have started sounding SAARC countries informally in this respect.<sup>19</sup> In some cases, some of the Western donors have offered assistance through the co-ordinating country of a particular programme, by passing the procedure laid down in this respect, of going through the SAARC Standing Committee where decisions are taken on the basis of unanimity. Whereas India has not appeared to be very happy about this, other members of SAARC are quite willing to let external resources flow into SAARC in any manner. India's reservations are partly procedural. But even otherwise, SAARC programmes are still very modest and the resources for them can be easily mobilised from within the region. Further, no external donor would invest resources in any project unless it sees political or economic advantages out of it. Thus flow of funds from external sources may, in due course, become a channel of political influence on SAARC activities. This India does not prefer though, other South Asian countries may desire it as a factor to "contain" India which is meeting the maximum financial burden of SAARC activities. With the expansion of SAARC activities, this question of external funding may acquire crucial significance. The manner in which South Asia tackles this issue would decide about the character of SAARC in future.

#### IV

Stated and apparent thrust of the process that led to the establishment of SAARC has been on developmental issues. But underneath that thrust, political and strategic issues have remained the major concern of the activities related to the regional forum. We have noted earlier, how the idea of regional co-operation was pursued by some South Asian countries and supported by extra-regional powers in the given politico-strategic context, during 1977-79 as well as since 1980. We also noted that

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19 See, Bhabani Sen Gupta, "Japan and the SAARC", *Hindustan Times*, 11 April 1986. For the U.S. interests, Reagan had said so in his support for the Dhaka Summit. Recently, Robert Peck, Deputy Assistant Secretary of State Department speaking at a seminar on the potential of SAARC in Washington said that "if SAARC comes forward with good regional proposals, we will be prepared to see whether we can make resources available to support them", *Indian Express*, 2 April 1986.

reservations of India and Pakistan, on the desired political and strategic profile of the regional forum, brought about a reformulation of the original proposal by Bangladesh. Even this reformulated proposal, in the form of November 1980 working paper, indirectly sought to imbibe the proposed regional forum with political and strategic potential. The draft declaration proposed in the working paper underlined the objective of the forum as "seeking to promote peace and stability in the region" and included "non-use of force and peaceful settlement of disputes" among its principles.

These strategically oriented phrases were not endorsed by the first foreign Secretaries' meeting held in Colombo in April 1981. Accordingly, the New Delhi Declaration of 1983 also ignored these formulations. The seemingly innocuous principles of "non-use of force and peaceful settlement of disputes" was not acceptable to Pakistan first. This reminded the Zia regime of the Simla Agreement of 1972 with India about which it had expressed its uneasiness before 1980. Pakistan's proposal for "no-war pact" with India came five months after the first Foreign Secretaries meeting in Colombo which had laid down principles, objectives and other ground rules for the proposed regional co-operation. The New Delhi Declaration of 1983 had only reiterated them. However, the Dhaka Summit proved to be a big advance over this position. The preamble of SAARC Charter adopted at Dhaka began by saying that the Summit leaders were "Desirous of promoting peace, stability, amity and progress in the region through strict adherence to the principles of ... non-use of force ... and peaceful settlement of all disputes", (para 1). The preamble also asked for "fostering mutual understanding, good neighbourly relations and meaningful co-operation" in the region (para 2). This inclusion could be possible because of the generally relaxed political atmosphere in the region particularly between India and Pakistan on the one hand, and India and Sri Lanka on the other in the latter half of 1985. The new approach of Rajiv Gandhi's government to try out neighbours on their face value on the known and lingering contentious issues was mainly responsible for this. Resumption of talks with Pakistan on trade, no-war pact and peace and friendship treaty, conclusion of an Agreement between Rajiv Gandhi and General Zia on 17 December 1985 on "no-attack on each other's nuclear installations" and India's role in helping a peaceful settlement of Sri Lanka's ethnic problem were all results of this relaxed atmosphere.

We have noted earlier that the ground rules of keeping bilateral and contentious issues out of the regional forum and take all decisions on the unanimity principle were adopted to keep the developmental issue-area protected from political controversies of intra-regional relations. The South Asian countries were actually aware of the prevailing strategic discord and the persisting bilateral conflicts and misunderstandings in the region. These ground rules were generally observed during the

evolutionary process of SAARC. This is not to deny the influence of bilateral political matters at the back of the minds of diplomats and leaders interacting under the regional forum.

There was, however, one serious exception. Sri Lanka sought to vitiate the activities at the regional forum to highlight its differences with India on the question of its internal ethnic crisis. Sri Lanka, which was an enthusiastic supporter of South Asian Summit and a regional Secretariat until July 1984, suddenly turned cold on them at the 3rd meeting of the Standing Committee held in Male (5-7 February 1985). By now the domestic situation in Sri Lanka had deteriorated, consequently enhancing tensions with India. Accordingly, Sri Lanka discovered a "diminution of political will" since the New Delhi Declaration of 1983, resulting in what was termed as "an apparent falling away of participatory enthusiasm". Accusing finger was clearly raised against India for this change in Sri Lanka's stance.<sup>20</sup> Next to Male, Sri Lanka almost precipitated a crisis at the Thimpu Ministerial meeting (May 1985), where taking exception to a statement of Indian Minister of State for Foreign Affairs, Khurshid Alam Khan, it refused to participate in the meeting saying "we are not going to join a club where the biggest member is the biggest bully".<sup>21</sup> Since the Male meeting, Sri Lanka has been a reluctant participant in regional activities. There were apprehensions about Sri Lanka's participation in Dhaka Summit but that proved unfounded. However, Sri Lanka continues to show only notional interest in SAARC.

The self-imposed constraint of avoiding bilateral and contentious issues was virtually set aside by India's neighbours at the Dhaka Summit. Not only that, such issues like Kashmir, cross-country (Tamil) terrorism, India-Pak nuclear controversy, and sharing of river waters, were introduced through the back-door but clear statements were made to indicate that now on, SAARC could not avoid vital regional political and strategic questions if it has to grow and become relevant.<sup>22</sup> This was a not too subtle attempt to put India in the dock. India's initial apprehensions that SAARC may be used to put collective pressures on it appeared to be well-founded in the aftermath of the Dhaka Summit. Enhanced frequency of Summit meetings was planned as a possible means to get India involved into talking bilateral issues in a

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20 See, S. U. Kodikara's contribution in Bhabani Sen Gupta (ed.), *Regional Co-operation and Development in South Asia*, Vol. 1, op. cit.

21 For details see, *IDSANews Review on South Asia/Indian Ocean*, June 1985, Also *Hindu*, 9 to 16 May 1985, *Times of India*, 10, 11, 12 May 1985, *The Telegraph*, 9 to 16 May 1985.

22 I have discussed the implications of Dhaka Summit in details elsewhere, see, *The Telegraph* (Calcutta), 18 to 19 December 1985, *Mainstream*, 21 December 1985, Also, B. Udayashankar, "Limits and Limitations of SAARC", *Strategic Analysis*, Vol. IX, Nr. 11, February 1986.

regional forum. Inclination to have Summit consultations at intervals shorter than two years had been disclosed by Pakistan at the Male (February 1985) meeting. Sri Lanka followed it up at the Dhaka Summit. There were reports that strategy to corner India at SAARC was prepared by Kissinger through Pakistan.<sup>23</sup> If so, this was indirectly facilitated by India's conscious decision to let its neighbours have their say at Dhaka.

Pre-occupation with India and pronounced political stance adopted by most of India's neighbours at the Dhaka Summit also reflected their respective domestic concerns for political stability, survival and legitimacy. The Summit helped Bangladesh President Ershad to build his image in national politics and he consciously used the occasion to gain maximum political advantage. He had of course planned to hold elections to legitimize his regime soon after the Summit. President Zia of Pakistan even deviated from his prepared text to disclose that he shared President Jayawardene's concern that "establishment of peace and stability in each of our countries and the whole region is vital" if the regional forum has to be effective. It was in this context that SAARC decided to take up the question of terrorism. The initially proposed formulation on terrorism discussed by the Foreign Ministers at Dhaka on 5 December 1985 was concerned with "international terrorism". This was subsequently changed to "the problem of terrorism as it affects security and stability of member states of SAARC" in the joint Press Release issued at the conclusion of Dhaka Summit. India's preference was for a wider formulation saying "terrorism in all its manifestations" was ignored.

The problems of legitimacy and political survival are not going to be resolved in South Asia, particularly for the narrowly based and vulnerable regimes. Benazir Bhutto's challenge to General Zia in Pakistan, refusal of a number of political parties, including BNP, to take part in Bangladesh elections, non-participation of major banned parties in Nepal elections and the recent by-election victory of SLFP in Sri Lanka are clear pointers in this direction. Looking at the past experiences, including of the Dhaka Summit, this does not augur well for the growth of SAARC. India on its side, has also not been too happy with the outcome of the Dhaka Summit notwithstanding polite official declarations. Indian leaders have been disillusioned to see that even a major change in its own stance of going out of the way to accommodate its neighbours was being misunderstood for naivety and weakness, and misused accordingly. The revival of tensions in India's relations with Pakistan and Sri Lanka are an obvious evidence in this regard. Looking at the totality of present trends in South Asia, nothing significant may be expected out of SAARC in the coming months and years.

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23 *Muslim* (Islamabad), February 1986.

## V

It flows from above discussion that there are two mutually contending approaches to SAARC in South Asia. One, based upon neo-functional framework, seeks to make SAARC an instrument of regional peace and stability by advancing socio-economic development and reinforcing inherent cultural and geo-strategic unity and harmony of the region. India appears to be an advocate of this approach.<sup>24</sup> The other seeks to secure peace and stability through SAARC on the basis of "arms control measures" in its narrow political sense with only incidental reference to the issues of socio-economic and cultural development. Pakistan and Sri Lanka, are major spokesmen of this approach. Hence their repeated reference to ASEAN as a model for SAARC. Other smaller countries of the region endorse a good deal of this approach. Accordingly, their emphasis is on proposals like anti-terrorism measures, no-war pact, regional nuclear non-proliferation and mutual regime support. The peace, security and stability perspective of this approach is confined to the regional issues alone. The thrust of this approach would therefore, tend to preserve existing socio-political status quo in order to achieve peace at the surface. There is a conscious attempt to ignore the reality of the subcontinent that this very status quo is the main source of conflict, instability and mutual suspicions in the region. There seems to be very little meeting ground between these two approaches. Therefore, SAARC can not make much headway unless the basic question of which approach to be pursued is decided firmly.

The existing balance of forces is however, in favour of the second narrower and limited approach. Besides its regional adherents, the extra-regional powers like the U.S. (and its Western allies) and China favour this security biased approach to SAARC. This aspect of U.S. support to regionalism in South Asia has been evident since 1977, particularly since 1980 as we noted earlier. The Dhaka Summit which endeavoured to give a political and strategic profile to SAARC was promptly welcomed by the U.S. and China. This is understandable in view of strategic interests of these extra-regional powers in the South Asian countries. China looks upon SAARC as a conducive factor to help it consolidate its growing political and strategic influence in India's neighbourhood.

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24 The merit of this approach has been forcefully argued by K. Subrahmaniam. See his "Strategic Aspects of SAARC", *Mainstream*, Vol. XXIV, No. 13 and 14, November 30, 1985 and "Security issues in South Asia", *Strategic Analysis*, Vol. IX, No. 9, December 1985, Also see, R. V. R. Chandrashekhar Rao, "Regional Co-operation in South Asia", *Round Table* (London), No. 293, January 1985, pp. 53-65.

For the USA SAARC is a means to numb India's resistance to U.S. strategic stakes in Pakistan, Sri Lanka and the Indian Ocean. The fact that the expanding U.S. strategic stakes in Pakistan are inhibiting the latter to relinquish its option regarding giving "bases to foreign powers" and finalize no-war pact and friendship Treaty with India, does not bother the U.S. Even when prospects of political solution of the Afghanistan issue are building up, the U.S. enhances its strategic aid package to Pakistan (from \$ 3.2b to \$ 4.02b) ignoring India's protestations. Similarly, U.S. had expressed its reservations on Tamil homeland question and Annexure-C proposals and fully backed the Jayawardene government on the Tamil issue even through military supplies. This in turn has made Jayawardene regime more adamant and kept the ethnic conflict alive with its adverse implications for Indo-Sri Lanka relations. The absence of Mrs. Gandhi in India gave a spurt to U.S. initiatives in building South Asian regional harmony. It welcomed meetings between Rajiv Gandhi on the one hand and President Zia and President Jayawardene on the other. These meetings did contribute towards improving political climate in the region. It seems, therefore, that the U.S. wants a regional co-operation atmosphere to prevail in South Asia without any permanent resolution of region's simmering intra-national and bilateral conflicts. What sort of progress SAARC can achieve under these circumstances? The U.S. and Western interests may also not favour SAARC to bring about collective self-reliance in the region. South Asia has the potential to become a major market for Western goods, investments and technologies as a dependent rather than a self-reliant region. The Western efforts are, therefore, geared to adjusting South Asia in their desired patterns of East-West and North-South relations. If these efforts succeed, will a SAARC, incapable of meeting rising developmental aspirations of the millions of South Asian people become a viable entity? At the same time, it would also be a miracle if SAARC can develop as an autonomous regional factor for peace through development in the face of adverse regional and extra regional pressures.