

THE OUTLINE

The South Asian Association for Regional Cooperation (SAARC) has by now become as much a part of the reality in contemporary South Asia as are the problems that face the region. Inter-state relations in South Asia have been bedevilled during the post-World War II period by continued pulls and pressures of political divisions. Factors of history and geopolitics with or without extraregional ramifications, ethno-religio-linguistic configurations, disparity in terms of size, power potentials and resource endowments, and divergences in growth of socio-politico-economic institutions have largely contributed to such divisions. On top of all, there is the proverbial mistrust syndrome which has rendered mutual relations among the states, at both bilateral and multilateral levels, endemically distorted and fragile. In this region of chronic mutual tension and occasional hostilities, security perception of nation-states continue to be divergent, politico-ideological orientations of regimes are all but convergent, foreign policy orientations are at best minimally interacting and dissensions are pervasive and multi-dimensional.

In such a context it is hardly surprising that the prospect of SAARC as an effective organisation for regional cooperation continues to be viewed with scepticism. Indeed, when the SAARC was formally launched in the wake of the first ever summit meeting of South Asian Heads of State or Government held in Dhaka in December 1985, it appeared more to be an event of symbolic value than an opening for concrete cooperation, and for the growth of effective regionalism among

the states of the region, This is due partly to all the factors of mistrust and suspicion and partly to the fact that the new association has adopted what has been called a 'functional approach' whereby, again largely because of mistrust and suspicion, 'core' areas of the economy have been kept out of the agenda of cooperation with the expectation that cooperation in non-controversial sectors will gradually pave the way for greater cooperation. Views on the SAARC are sceptic also because of the lessons from cooperation and integration efforts in many other regions of the developing world which are more often than not discouraging. Such efforts have been evidenced to be 'foundering on the reefs of distrust, noncooperation and parochial nationalism'. The performance of some regional organisations often appeared so moribund that even the theoretical foundations of regional cooperation were shaken. Add to this the fact that the benefits of integration and cooperation for the most part accrue in the long term. The governments and peoples of developing countries are not always in a position to wait for long term benefits and this tends to weaken the will to sustain the integration efforts.¹ As a result there has been an upsurge of literature on viability of regional cooperation and the debate at the theoretical plane continues parallel with the growth of regional cooperation organisations.²

The same thing has happened in the wake of the emergence of the SAARC. A considerable amount of literature is already available, many more would surely be forthcoming, debating on the rationale

1. "Strengthening the Weakest Link, A Review of Certain Aspects of South-South Trade and Finance", UNCTAD/ST/ECDC/28, 1 October 1985.
2. For an interesting review of regional integration theory, see, Charles A. Daffy and Warner G. Feld, "Whither Regional Integration theory ?" in Werner G. Feld, and Gavin Boyd, *Comparative Regional Systems*, (Pergamon 1980) pp. 497-521. Also on the subject, Earnst B. Haas, *The Obsolescence of Regional Integration Theory*, (Beverly 1975) ; Constantine V. Watson, "Crisis in Regional Economic Cooperation Among Developing Countries," *World Development*, June 1978.

and viability of regional cooperation in South Asia.³ There appears to be little scope of consensus out of such deliberations. The debate in all likelihood will continue, contributing in effect to healthy growth of the SAARC process.

In the meantime, one of the constructive contributions that academic exercises can make is by shifting the debate to a more analytical consideration of what has already been achieved. How important are such achievements considering the context, the efforts and the time-span? More importantly, what type of new problems, if any, are emerging as the process of cooperation under SAARC apparently gains ground? A self-scrutiny of this nature which is the concern of the present paper may provide valuable directions for the future.

The main theme of the paper is that counter-arguments and contra-indications apart, the SAARC has made considerable, at the least more than symbolic, progress. Scope of complacency is certainly far off, particularly since tensions at bilateral planes like those between India and Pakistan, India and Sri Lanka and India and Bangladesh continue to be of greater concern to South Asia in general than matters related to the SAARC. The new association has not certainly appeared as a panacea to all the problems that South Asia faces, nor the member-states are ensured of spectacular achievements in terms of development, peace and stability by a SAARC magic. Nevertheless,

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3. For academic views that accompanied the emergence of SAARC see, *Asian Survey*, Vol. XXV, No. 4, April 1985; M. Abdul Hafiz and Iftekharuzzaman, (eds.), *South Asian Regional Cooperation : A Socio-Economic Approach to Peace and Stability*, BIISS/Hakkani, Dhaka 1985; S.D. Muni and Anuradha Muni, *Regional Cooperation in South Asia*, (National Publishing House, New Delhi, 1984); Atiur Rahman, *Political Economy of SAARC*, (UPL, Dhaka, 1985); Pran Chopra (ed.), *Future of South Asia*, (UPL/Macmillian, Dhaka 1986); Iftekharuzzaman, Adbus Sabur, Nilufar Choudhury, "Future of SAARC and South Asia", Seminar paper, (BIISS, Dhaka, 28 August 1986); and Bhabani Sengupta (ed.), *Regional Cooperation and Development in South Asia*, Vols 1-2, (South Asian Publishers, New Delhi, 1986).

benefits of SAARC, although still largely intangible, appear to be transcending the agreed areas and hence the so-called functional approach may gradually yield dividends. And South Asia appears to have taken a hesitant course of transition. The SAARC has emerged as a forum not merely for planning cooperation on non-controversial or 'sanitised' areas, but also for certain degree of 'silent cooperation' on the political and controversial issues. The paper also argues that whatever has been achieved, appears to be by genuine indications cost-effective. It is shown furthermore that as cooperative activities keep on growing, there are indications of a skewed trend in participation, and hence distribution of benefits in favour of the larger member states whilst their smaller partners may be making greater sacrifices to the SAARC cause in relative terms. Thus, appropriate measures may soon be needed for ensuring equity. It is argued further that despite felt need and recognised scope, the intensification of the process of cooperation continues to be inhibited by psychological barriers, if not parochial nationalism. Greater flexibility and pragmatic appreciation of each other's needs and limitations are needed for favour of dynamism in the new association rather than sterility. The rest of the paper is devoted to the development of this theme.

I. THE REGIONAL PERSPECTIVE

We live in an era of regional cooperation endeavours. If regional cooperation is taken to denote a logical extension and international dimension of national efforts for growth and development, the appearance of global regional configuration with about forty-five economic cooperation and integration groupings among the developing countries of the Third World alone⁴ amply testifies to the continued importance of

4. These include nineteen in Africa, five in Asia, eleven in Latin America and the Caribbean and ten inter-regional groupings around the world. For a complete list of Third World regional groupings, see UNCTAD Secretariat Report No. UNCTAD/ST/ECDC/25 (3), Annex.

regional cooperation in contemporary international relations. Caveats of variations in the degree of their success or failure apart, as a vehicle for collective self-reliance and as a joint effort for non-dependent development strategy, the concept of regional cooperation has occupied the centre of gravity of most of the national, regional and international development debates in the contemporary world. The importance of cooperation, particularly among developing countries (by now code-named under ECDC and TCDC) has been widely recognised within the framework of the UN, the Group of 77 and the Non-aligned Movement.⁵ The UN General Assembly has recognised such cooperation as an integral part of the efforts to establish the new international economic order, and emphasized the need to "intensify activities to support economic cooperation among developing countries at the sub-regional, regional and inter-regional levels."⁶

It is certainly difficult to usefully generalize or offer a modulus of circumstances that favour institution of regional cooperation or its success. The basic point in regional cooperation involving developing countries is, however, to make use of deliberate governmental and private efforts to strengthen linkages and cooperation among the countries concerned more rapidly than would be the case if such links were to be left to the forces of market.⁷ This is important, because, the existing infrastructure of global economic interaction including trading, monetary, banking, financial, insurance and marketing institutions have been so designed and developed as to favour North-to-South and South-to-North interaction at the expense of South-to-South linkages and cooperation.⁸ The rationale for efforts towards strengthening this weakest link in the network of international economic

5. "Strengthening the Weakest Link : A Review of Certain Aspects of South-South Trade and Finance", Report No. UNCTAD/ST/ECDC/28, October 1985.

6. See for example, UNGA Resolution No. 39/216

7. "Strengthening the Weakest Link....." *op. cit.*, p. 5

8. Iftekharuzzaman, Nilufar Choudhury, "SAARC-ASEAN Cooperation : Perspectives and Issues," in *Indonesian Quarterly*, January 1988.

relations is more than evident⁹ and indeed plenty of literature on the subject is available. No less abundant and important, however, as already mentioned, is the continued scepticism and the academic debates on the prospects, if not the very viability of such cooperation arrangements. Instead of entering into that debate in much detail, we propose to examine briefly the main thrust of the arguments that have appeared—though by no means without rationale—to undermine the importance and prospect of SAARC as a regional cooperation arrangement.

Factors that are most commonly regarded to be pre-requisites for the success of regional cooperation and which have been so logically picked up in the debate on the prospects of SAARC, include : (a) congruence of security (and/or threat) perceptions, (b) commonalities of politico-ideological orientations, (c) common foreign policy orientation and (d) (in the context of asymmetry) a consensus on the role of the pivotal power.¹⁰ Regional configuration, political sociology and political cultures, political psychology and authority patterns, foreign policy behaviours, interdependencies, cooperation and conflict prevailing among member states are also vital parameters determining the extent of interpenetration which preconditions the success of a regional cooperation association.¹¹ It is too obvious to be disputable that if regional cooperation is recognised to be conditional upon these factors, to anticipate something substantive form SAARC would mean “fly (ing) in the face of evidences.”¹² But, we shall return to that a little later.

9. “Strengthening the Weakest Link.....” *op. cit.*

10. See for example, Mohammad Ayoob, “The Primacy of the Political : SAARC in Comparative Perspective,” *Asian Survey*, *op. cit.*, Atiur Rahman *op. cit.*, S.D. Muni and Anuradha Muni *op. cit.*, and S.I. Khan “SAARC: Any Room For Optimism ?” Seminar Paper presented at BIISS on 24 October, 1987.

11. See for example, Warnen J. Feld, Gavin Boyd, “The Comparative Study of International Regions,” in Warner J. Feld, Gavin Boyd, *Comparative Regional Systems*, *op. cit.*

12. Mohammad Ayoob, *op. cit.*

In the meantime, it would be worthwhile to note that the countries of South Asia have found their post-independence period attended by host of problems from within and outside often inter-twined, some intangible and others imponderable. They have been beset with morbid inter-state relations and complex regional and geopolitical environment as much by legacies of the colonial past as by the developments following political independence. Domestically the countries were faced with problems of political divisions, conflict between 'modernity' and 'primordality' and above all the enormity of demands arising from 'the revolution of rising expectations'. Besides, there were factors that had both internal and cross-national implications like history, geography, ethno-religio-linguistic structure, divergent size and resource endowment, and on top of all, problems connected with the growth of socio-politico-economic institutions.

The outcome of the interplay of all these factors has been that in the process of articulation of the states and peoples, a "complex, interacting and interlocking web (was formed) with history, asymmetry and geopolitics occupying a central place",¹³ Thus the seven nations of South Asia which shared the cradle of much of the cultural and civilisational heritage recorded in history, has developed into what has come to be called a 'region of mistrust'.¹⁴ Justifiably or not, inter-state relations in the region during the four decades of post-war history came to be characterised by (i) a state of flux, tension, distrust, discord and occasional hostilities; (ii) a climate far from conducive to the growth of wholesome, healthy and stable good neighbourly and bilateral relations; (iii) unfortunate oversight of the shared heritage, values, goals and inspirations which could be the source of enormous strength and potential for nation building efforts and (iv) distortion in inter-country relations created by mutual suspicion, distrust and fear which became a serious impediment to mutual cooperation for fulfil-

13. M. Shamsul Huq, "Problems and Promises", in Pran Chandra, (ed), *Future of South Asia*, (UPL, Dhaka 1986), p. 68.

14. Pran Chopra, *op. cit.*

ment of the political and economic aspirations of these new nation states.¹⁵

An essential ingredient of these is the divergent security perceptions prevailing among the states of the region. "A perception of threat from India is currently common to all its neighbours and it is one of the dilemmas of South Asian politics that while India perceives neighbours as being integral to its own security, the neighbours perceive India as the threat against which security is necessary".¹⁶ One very clear and frequently mentioned reason for this polarisation of threat perception is the asymmetry between India on the one hand and all her neighbours on the other. "India's insoluble dilemma in its own sub-region has its roots in India's size and concomitant natural superiority in all areas that constitute power"¹⁷ The parameters include size, population, economic, industrial, technological and military capability, and the extent of disparity is widening increasingly. The asymmetry is a fact about which neither India nor its neighbours can do much about but accept. But the worst part of all the implications of this asymmetry is a distorted pattern of security perception as mentioned above. The problems are further complicated not as much by the way New Delhi actually behaves vis-a-vis other South Asian capitals as by the way how the latter perceive India may deal with them and vice versa.¹⁸

India's defense and security perception is founded essentially on one inherited from the British colonial period. The strategic doctrine applied by the British Indian rulers was based on Indian defence and security resting on three pillars :

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15. M. Shamsul Huq, *op. cit.*
 16. Shelton U. Kodikara, "Asymmetry and Commonality," in Pran Chopra, *op. cit.* p. 131
 17. Dieter Braun, *Indian Ocean in Global Politics*, (Westview 1981), p. 27.
 18. For details see, Pran Chopra, *op. cit.*, M. Shamsul Huq *op. cit.*, and Imtiaz H. Bokhari, "South Asian Regional Cooperation : Progress, Problems and Prospects", *Asian Survey*, April 1985.

- a) safeguarding of the north-west frontier of India through which successive invading armies had made inroads into Indian territory ;
- b) preventing the area around the Indian subcontinent from falling under the control of foreign powers ; and
- c) command of the Indian Ocean and its environs.¹⁹

In broad and simple terms, a continental concept of security shaped the British Indian security designs under which any threat to any of the 'buffer states' within the above perimeter was to be considered as a threat to India. The underlying logic of the whole system was clearly to prevent and/or contain any threat to India beyond its own borders.²⁰

Contrary to the realities of the post-independence period, this integrated conception of Indian defence and security strategy has been regarded in India as a pride heritage of the Indian colonial past.²¹ Post-independence Indian political leaders and thinkers have carefully nurtured the concept over the years. Nehruvian vision of India was a 'closer union', a confederation of independent states with common defence and economic possibility.²² A unity of South Asian defence and strategic entity as perceived in New Delhi in one or other modification over the years²³ tends to render the smaller states of the region into a virtual buffer status. India's interest in territorial

19. Shelton U. Kodikara, *Strategic Factors in Inter-state Relations in South Asia*, Heritage, New Delhi 1984, p. 13

20. For details see *ibid*, pp. 13-16

21. See for example, K.M. Pannikar, *Problems of Indian Defence*, (Bombay 1960) p. 23, quoted in Shelton U. Kodikara, *Strategic Factors*.....
op. cit.

22. Quoted in S.D. Muni "South Asia" in Mohammed Ayoob (ed.), *Conflict and Intervention in the Third World*, (Croom Helm, London, 1980) p. 48.

23. Pran Chopra, for example, bases his concept of a "SAARC Route to Security" on the same line of reasoning. See his "From Mistrust to Cooperation" in Pran Chopra (ed.), *Future of South Asia*, *op. cit.*, pp. 13-17.

inviolability of her small neighbours has thus its origin in an Indian version of Monroe Doctrine which was reportedly being proclaimed by Nehru in the early fifties.²⁴ This was elaborated during his daughter Indira Gandhi and was established under his grandson Rajiv Gandhi in what came to be widely known as the India Doctrine.²⁵ New Delhi certainly has its own rationale for its strategies and actions, which reasonably or not is in large measure in dissension with those of its counterparts in the region. The result is a continued intensification of the fog of mistrust and suspicion in the region. Under the grip of this distorted pattern of security perception non-political dimensions of threats to the security of the countries, rooted in poverty, disease, illiteracy, underdevelopment, industrial and technological backwardness remained far from being reflected in the states' security and strategic concerns.

The negative impact of the divergent security perceptions is further aggravated by highly unbalanced distribution of economic capabilities and other power potentials. Within South Asia, India accounts today for roughly 76% of the population, 79% of GDP, 68% of manufacturing exports, 62% of the export earnings, 79% of manufacturing value added, 59% of the import market, 41% of external reserves, 64% of total armed forces and 72% of estimated defence spending.²⁶ Whilst these data are only a part of the regional power imbalance, the unipolar South Asian configuration nourishes a two-way misperception among the South Asian states. The weaker states generally fear that they will be disadvantaged in any scheme under regional cooperation while the stronger is suspicious of a joint posture of the weaker ones directed

24. Shelton U. Kodikara, *Strategic Factors*, *op. cit.*, p. 18.

25. See for details, Iftikharuzzaman, Mohammad Humayun Kabir, "The Indo-Sri Lanka Agreement : An Assessment," *Biiss Journal*, Vol. 8, No. 4, pp. 466-480.

26. Rehman Sobhan, "The Logic of Placing Economic Cooperation on the SAARC Agenda", Seminar Paper presented at BISS, 24 October 1987, p.6, And author's calculations from data taken from *World Development Report 1986*, and *Military Balance*, IISS London, 1985-86.

against it. In the shortage of the balance and complementarity the states are scarcely oriented towards integrative behaviour which is largely inconducive to equality in partnership and mutual behaviour.

There is no denying that in nearly every regional configuration there are imbalances in the distribution of economic power, and such imbalances continue to remain even in regions experiencing high level of integration. As a matter of fact, experience suggests that imbalances tend to grow as cooperative activities intensify, particularly in terms of market integration, because forces of market lead to a concentration of benefits in the larger and more advantaged member states.²⁷ South Asia is indeed no exception to this. Levels of complementarity between developing countries in general tend to be low, and although there are scopes of enhancing the same to the advantage of all member states by means of appropriate planning and diversification, little progress is normally achieved for the shortage of collective will.

The adverse effects of the differences may be considerably offset by a strategy of issue-based and step-by-step cooperative endeavours provided, of course, the vulnerability of the arrangements to being dominated by the 'core' member is demonstrably abated. Such prospects are certainly better in cases where the number of 'core' members is more than one, or in other words, power has a multi-polar configuration. In European Community, for example, divergences among member-states are certainly existing. But none of the three major members—West Germany, Britain and France—are apparently interested to dominate the system, nor is there a compact between them to do so. Even in cases where power is uni-polar, as was the case in ASEAN at its formative stage, it is possible to work out a *modus operandi* within the cluster provided the core member volunteers to take a

27. See for example, Werner J. Feld, Gavin Boyd, "The Comparative Study " *op. cit.*, and Peter Robson, *The Economics of International Integration*, Third edition, London, Allen & Unwin, 1987. The distributive aspect of the benefits of SAARC will be examined at a later stage.

low profile the way Indonesia did.²⁸ In case of South Asia, however, divergence in power is rather aggravated by the conspicuous shortage of constructive orientation on the part of India, the core member, which has always preferred to deal bilaterally with small members.

International development is in great measure analogous to national development. There are problems of identity, legitimacy, integration, participation, institution-building, leadership and performance.²⁹ These are among factors that make up the political culture which not merely determine the level of interpenetration but also provide the crucial support for collective decision making. The nature of national polity of a particular country at a particular point of time is the outcome of the interaction of various factors like social and cultural values ; the nature of authority, its base and structure ; the process of decision and policy making ; the level and nature of institutional development and the nature of leadership. The pattern of governance is important. In some cases it may elicit a process of societal cooperation and support while in others it may lack legitimacy and may function in a process of societal alienation. The alienation is sharp in the South Asian states and like in most other Third World regions is compounded by divisions created by social cleavages and group interests. The socialisation process is also vulnerable to parochialism. All these factors combined with value orientation and political behaviour of the elite impinge on the political culture of each national society. Along with national identity these also affect the sense of regional identity.

Commonalities and affinities between peoples in geographic proximity particularly affinities rooted in history, culture, religion and tradition are congenial to, and indeed determine, the possibilities of mutual understanding, trust and cooperation between neighbouring

28. Imtiaz H. Bokhari, *op. cit.*

29. Werner J. Feld, Gavin Boyd, "The Comparative Study....." *op. cit.*, p. 14.

countries. The success of regional cooperation, however is considered to be contingent further upon the extent and possibilities of interpenetration between nation-states, particularly the polities concerned. Such interpenetration is a function of the degree of advancement of the social and political systems and the process thereof, continuity and capacity for spontaneous self-organisation, and above all, the level and support of political institutions.

Like in most other Third World societies, political cultures in South Asian states in general are reflective of a close relationship between personal attributes with political culture. The countries represent generally low and divergent level and pattern of political development, systems and styles. The divergences are the outcome of the varying degrees of socio-economic development and political vicissitudes which the countries have undergone. Most of them emerged with shared colonial past, similar political elite and experience of common socio-political institutions and values. Divergences, nevertheless, are significant. Two of the South Asian states, India and Sri Lanka, are recognised as functioning democracies with varying degrees of success. The Indian experience with democracy has certainly been having severe tests in recent years, particularly since the emergency rule of 1975-77, whilst Sri Lanka had to compromise democratic norms more recently as a result of the ethnic crisis. The two countries have however been generally ranked among the success stories of democracy in the Third World. Pakistan and Bangladesh have always been swinging between military dominance in politics and democratic experimentation. Two traditional monarchies, Nepal and Bhutan have been striving to retain the authority of monarchy as the dominant institution and mould the emerging socio-political infrastructure according to the needs of underpinning the royal authority. Maldives has been practising an one-party rule.

Divergences pervade values and principles followed in statecraft. The Indian political system is based on a blend of democracy, secularism and socialism. Bangladesh started off with more or less

the same principles as the fundamentals of governance, but later on changed the course in favour of an increasing influence of religion—an issue on which a national consensus is yet to emerge³⁰. Pakistan is officially non-secular with Islam as the basis of its political and social system. Maldives is an overwhelmingly Islamic society although with comparatively lesser influence of religion in politics. Nepal is an avowedly Hindu monarchy while Bhutan and Sri Lanka are Buddhist societies. Although it would be inappropriate to suggest that the states are intolerant toward religious and ethnic minorities, the political institutions and social value systems are nevertheless based on dominant ethno-religious culture. The ethno-religious heterogeneity has certainly been a major predicament in the degree of interpenetration and cooperation among the states. The problem has been further compounded by the cross-frontier implications of the ethno-religious dispersion. The problems of ethno-religious assimilation in the process of national integration and nation-building, coupled with the 'deprived psychosis'³¹ of the minority communities have had destabilising impact upon the domestic socio-politico-economic conditions of nearly all the countries. Ethno-religious violences in varying degrees with cross-border implications, particularly an India factor in almost all cases have rendered South Asia into a proverbial 'ethnic cauldron'.³² The maltreatment of Muslims in India or Hindus in East Pakistan (the latter until 1971) had been constant issues in dispute between the two countries.³³ Alleged involvement of Pakistan in the Sikh problem in India and of India in the tribal issue in Bangladesh have been more recent factors

30. For details see, Iftekharuzzaman, Mahbubur Rahman, "Nation Building in Bangladesh: Perceptions, Problems and an Approach," in M. Abdul Hafiz, A. Rob Khan, (eds.), *Nation-Building in Bangladesh : Retrospect and Prospects*, BIISS, 1986, pp. 8-39.

31. *ibid.*

32. Bhabani Sengupta, "South Asia : The Ethnic Cauldron", *India Today*, 31 August 1983.

33. Leo E. Rose, Satish Kumar, "South Asia", in Werner G. Feld, Gavin Boyd (eds.), *Comparative Regional Systems*, *op. cit.* p. 242.

in the embittered inter-state relations in the region, The autonomy demands of the Nepalis of Indian origin in Southern Nepal and correspondingly alleged political activism of the ethnic Nepalese in Sikkim, Darjeeling and other adjoining areas have made Indo-Nepalese relations abrasive.³⁴ Indio-Bhutanese relation for its part is also troubled by the cross-country implications of the conditions of the Bhutias living in Sikkim and parts of Northern Bengal.³⁵ The recent developments in Indo-Sri Lankan relations over the cross-border implications of the ethnic conflict in Sri Lanka have been viewed as an extremely disconcerting outcome of ethno-religious violence. A qualitative change in inter-state relations is thought to be emerging with India now having established itself as an 'interventionist regional power' determined to protect the 'India Doctrine'—something that has led to a new wave of mistrust about India's intentions in the region in general and vis-a-vis its small neighbour in particular.³⁶ There are thus evident reasons for concern over the critical and fragile balance on which Indo-centric inter-state relations in South Asia rests.

In the frame of things described above, regional policy behaviour of states tend to be determined by primordial and parochial interests and attachments, hardly disposed to the positivism of interdependence. Decisions, actions and postures, are, therefore, arbitrary, sometimes ideosyncratic and often directed against each other. On the other hand, the in-built dependency relationship of the states with developed extra-regional powers more often than not entail and aggravate the disinterest in regional interpenetration. The economic, political and military ties with, and support from, these external powers are considered more

34. *ibid*, see also Bhabani Sengupta, *op. cit.*

35. Bhabani Sengupta, *et. al*, "Changing Patterns of Regional Conflicts in South Asia" in Bhabani Sengupta, (ed), *Regional Cooperation and Development in South Asia*, *op. cit.*

36. See for details, Iftekharuzzaman, Muhammad Humayun Kabir, "Indo-Sri Lanka Agreement: An Assessment", *Bliss Journal*, Vol. 8, No. 4, pp. 453-480.

important for development and modernization than regional cooperation. Not only that, such external linkages are in many cases the vital element in consolidation of the political power of the elite and its support base. This of course is a common Third World phenomenon and no exception for South Asia. The prospect of regional cooperation in this region is rendered further difficult by the varying levels of performances and effectiveness in national public policies. Benefits of cooperation, if any, in such condition tend to be inequitably distributed both regionally and nationally.³⁷ Cooperative endeavours are also continually vulnerable to uncertainties because of the wide diversities in authority structures and domestic influence relationships and highly unstable institutions and patronage networks.

The countries concerned have many things from history, culture and tradition in common. But the impact of these commonalities on mutual behaviour pattern have been minimal and ironically enough the attitudes of each other have been influenced by deeply rooted mistrust, suspicion, fears and antagonism deriving from occasional rivalries and hostilities. Interpenetration in the region is minimal, and interactions are merely occasional, symbolic and of little substantive value whereby hardly any concrete benefits emerge to be able to grow confidence in cooperation.

Because of the generally elitist and not-too-rarely arbitrary nature of management of foreign economic relations by the states of the region, the level of cross-national compatibility is very low. As already mentioned, there is hardly any articulation of societal realities, needs and aspirations. in such relations. Primordial and personal attachments, interests and likings and/or dislikings are the main factors in shaping economic relations—both internal and external. As a result, there is at the best a convergence of vested interests of the business and other elite coteries with little or no impact on the prospect of regional socialisation and cooperation among peoples in general.

37. We shall deal with the distributive aspect of the benefits of SAARC in a subsequent section.

What emerges from the configuration depicted above is an overriding importance of political motivations and continued commitment in favour of cooperation. The factors and variables discussed above are certainly important from the point of view of generating the political will in favour of regional interpenetration and cooperation. But, differences in weights attached to these in various contexts may be subjective and may lead to widely diverging interpretations. There are problems of approach and judgement on regional cooperation itself, its specific objectives in specific cases and even the political will necessary to promote and sustain it. Take a simple question of what are the factors that generate the political will among states ? Convergence in politico-security perspective, foreign policy orientation and various other related matters as discussed above certainly have important bearing upon the favourable political will that is being talked of. The fact of the matter is that while conducive no doubt to regional cooperation, they can hardly be called 'necessary' and 'sufficient' conditions to regionalism from operational point of view.

The point here is that regional cooperation needs to be viewed as a means to achieve some greater objectives than as an end in itself. Divergences in political, security, strategic and foreign policy orientations, as much as the levels of domestic performances are realities of contemporary international milieu. It is fashionable but not certainly pragmatic to view the removal of these divergences in a zero-sum format with co-operation. It appears more practicable to see them in an egg-and-chicken tie, so that one set is crucially dependent upon the other, and therefore, regional cooperation can be perceived to progress inspite of the divergences, and indeed to create conditions congenial to bypassing, if not removal of the divergences. This forms the essence of what in literature has come to be known as the functional approach which "suggests that promotion of co-operation in the non-political activities is likely to bring about an environ conducive to resolution of political problems

and thus pave the way for greater political cooperation".³⁸ Thus, by adopting an approach of by-passing conflictual and outstanding politico-security issues and other divergences and cooperating for shared objectives of social and economic development it may be possible to generate the political will for advanced degree of regionalism. More specifically, promotion of socio-economic cooperation in a region may be viewed not merely as an end, however desirable, but as a means to an end, a powerful catalyst for cooperation in the political areas by preparing a fertile ground for the resolution of the existing conflicts.³⁹ This is particularly relevant in case of South Asia, where the shared problems of poverty and underdevelopment pose no less threats to security than political ones. Indeed SAARC appears to be a specific case of the 'functional' approach to regional cooperation in so far as the motivations are not negative, such as external threat perception, but positive, such as promotion of common economic and cultural goals.⁴⁰ The functional content of SAARC approach is also evident in the Charter of the association. It is widely believed that SAARC precludes the possibilities of cooperation on the political front as it keeps the 'bilateral' and 'contentious' issues beyond the purview of deliberations and concentrates itself on 'sanitised' areas of non-controversial and basically socio-cultural and economic nature. But it is also important to note that the SAARC Charter commits the member states to work for contributing to *mutual trust and understanding* and appreciation of one another's problems.⁴¹ In the overall regional configuration portrayed above, it seems that there could be hardly a better way than to adopt such a functional approach to regional cooperation in South Asia. Whether and how far this

38. David Mitrany, *The Functional Theory of Politics*, (London 1975), quoted in Emajuddin Ahamed, *SAARC : Seeds of Harmony*, (UPL, Dhaka, 1985), p. 2.

39. Emajuddin Ahamed, *SAARC : Seeds of Harmony*, *op. cit* p. 2.

40. M. Shamsul Huq. *op cit*.

41. See SAARC Charter, Preamble, at Annexure-A.

approach has by now been effective is the topic of our discourse in the subsequent pages.

II. THE PROGRESS REVIEWED

The formal launching of SAARC through the first Summit of the seven Heads of State or Government of the region in December 1985 was the culmination of long and strenuous process. The process of evolution of SAARC is shown in table 1. It would be pertinent at this stage to highlight some of the core issues and principles identified in the Working Paper on the Proposal for Regional Cooperation in South Asia which was prepared by Bangladesh and which turned out to be the basis for all preparatory work in the evolution of the association.

Firstly, that regional cooperation in South Asia should reflect the spirit of mutual trust, understanding and sympathetic appreciation of the political aspirations and problems existing among countries of the region. Such cooperation should thus be based on respect for the principles of sovereign equality, territorial integrity, non-interference in internal affairs of other nations and mutual benefit.

Secondly, that SAARC was not to be based on any given model or paradigm, nor was it intended to form any new bloc or alliance. It was not intended either that this would intrude on any existing bilateral and multilateral relations of the countries, nor was it envisaged to be a substitution or disruption of existing cooperation between or amongst the countries of the region in other forums. It was intended on the contrary that SAARC would supplement and reinforce existing relations at both bilateral and multilateral levels.

Thirdly, any proposal for cooperation must be formulated with greatest care in order to ensure that the weak are not exploited and that the strong do not dominate. The areas selected should only be those in which cooperation will mutually benefit all the countries irrespective of existing economic disparities so as to make regional

cooperation meaningful, strengthen the spirit of mutual trust and understanding and bridge the development gaps existing among the countries of the region. The process was to be one of gradual evolution that will assist the relatively less developed to overcome their existing problems so that in the long run a system of preference becomes unnecessary.

Fourthly, that divergences in perceptions, particularly relating to specific events or political situation, do indeed exist. But such differences did not seem to create a gulf between the countries that cannot be bridged. In fact SAARC was viewed as a positive force in generating a climate of harmony conducive to a better perception of what the countries of the region had in common and the value of this shared heritage.

Fifthly, it was also recognised that bilateral problems in a regional setting is a part of the reality. And inspite of such problems regional cooperation in economic, social, technical and cultural spheres was possible. It was further anticipated that as regional cooperation grows, it would tend to generate a climate of mutual understanding conducive to reduction of the scope of such disputes.

Sixthly, viewed in a pragmatic outlook, regional cooperation was intended to grow step by step in the economic, social and cultural spheres. Viewed further as a dynamic process, cooperation in the region was expected to grow to widen and to strengthen by drawing from its own strength as it would keep on moving.

Finally, cooperation in South Asia was viewed as a step forward in strengthening global cooperation. It was also perceived to be able to strengthen the position of South Asia in various international fora—a position from which the South Asian states would be able to play a role commensurate with their intrinsic global importance as the habitat of nearly one-fifth of world population.

Table 1
Evolution of SAARC

Review of Official Events in the SAARC Process
(updated till December 1987)

SL. No.	Event	Date/Period/ Venue	Remarks/Outcome
1.	Late President Ziaur Rahman of Bangladesh takes regional trips	1977-1980 Nepal, India, Pakistan, Sri Lanka	Exploratory trips
2.	Special envoys of President Zia carry letter of 2 May 1980 to Heads of State or Government	1980 Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka	Formal proposal
3.	Working Paper by Bangladesh circulated	November 1980	Suggested areas : Telecommunication, Meteorology, Tourism, Agriculture/Rural Sector, Joint Ventures Market Promotion, Selected Commodities, Science and Technology, Education and Technical, and Culture.
4.	First Meeting of Foreign Secretaries	21-24 April 1981 Colombo	Study Groups on Five Areas set up. These were : Agriculture, Rural Development, Telecommunication, Meteorology, Health and Population Activities. A Committee of the Whole set up to identify other areas of cooperation.
5.	Meeting of the Committee of the Whole	31 Aug-2 Sept 1981, Colombo	13 areas recommended for consideration of Foreign Secretaries : Education and Training ; cultural Exchanges; Scientific and Technical

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			Cooperation including new and renewable sources of Energy ; Tourism ; Transport ; Shipping, Monetary Cooperation ; International Economic Issues ; Information and Mass Communication ; Environment including Marine Pollution Control ; Postal Services ; Coordination of Policies on Manpower ; NGOs ; Academic Research and other institutions. (One member state had reservation on the recommendation).
6.	Second Meeting of Foreign Secretaries	1-2 Nov 1981 Kathmandu	Report of 5 Study Groups accepted, Study Groups upgraded to Working Groups with a mandate to prepare comprehensive programme of action. Three new areas (out of 13 proposed) were added to five. These are : Transport, Postal services, Scientific and Technological cooperation.
7.	Third Meeting of Foreign Secretaries	7-9 August, 1982, Islamabad	One new area—Sports, Art and culture included. Ministerial level meeting suggested for May-Sept 1983. Committee of the Whole established to draw IPA on the basis of reports of Working Groups.
8.	Meeting of the Committee of the Whole	10-13 January 1983, Colombo	IPA drawn up.
9.	Fourth Meeting of the Foreign Secretaries	28-30 March 1983, Dhaka	Working Groups redesignated as Technical Committees.

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/outcome
10.	Fifth Meeting of the Foreign Secretaries	28-30 June	Preparatory to FM's Meeting, Financial arrangements discussed.
11.	First Meeting of Foreign Ministers	1 August 1983, New Delhi	Declaration on IPA with 9 areas of cooperation. Standing Committee established with Foreign Secretaries.
12.	First Session of the Standing Committee	27-29 February 1984 New Delhi	Work of the Technical Committees reviewed —Financial arrangement discussed. —World economic situation reviewed.
13.	Second Session of the Standing Committee	7-8 July 1984 Male	—Review of Implementation of IPA. —Financial arrangements discussed. —World economic situation reviewed.
14.	Second Meeting of Foreign Ministers	10-11 July 1984. Male	—Increased emphasis to be given on operational activities and formulation of specific projects, —World economic situation reviewed, —Agreed to recommend holding of first summit meeting in Dhaka in the last quarter of 1985.
15.	Third Session of the Standing Committee	5-7 February 1985, Male	—Review of Implementation of IPA —Financial arrangements, —Re-scheduling or postponement of events due to lack of response highlighted, —Need for inter - ministerial review at national level stressed, —World economic situation reviewed.

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
16.	Fourth Session of the Standing Committee	10-11 May 1985 Thimphu	<ul style="list-style-type: none"> —Review of Implementation of IPA, —Formulation of specific projects demanded of the Technical Committees, —Ministerial Meetings in some vital areas of cooperation suggested, —Financial arrangements, —World economic situation reviewed —Consolidated calendar of activities drawn up, —Priority to activities with high practical value; and to keep the number of activities at a realistic level so that effective participation was possible by all countries.
17.	Third Meeting of Foreign Ministers	13-14 May 1985 Thimphu	<ul style="list-style-type: none"> —Stressed the need of specific projects in agreed areas of cooperation, —World economic situation reviewed —Date of first SAARC Summit, 7-8 December 1987 recommended to Heads.
18.	Fifth Session of the Standing Committee	4 December 1985 Dhaka	<ul style="list-style-type: none"> —Streamlining of the process of implementation of IPA, Intersectoral priority setting stressed, —Programming Committee set up,

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			—Financial arrangements reviewed, —World economic situation reviewed, —Draft Charter, Draft Declaration and SAARC emblem placed before for Summit's approval.
19.	Fourth Meeting of Foreign Ministers	5 December 1985 Dhaka	—do—
20.	First SAARC Summit	7-8 December 1985 Dhaka	—Formal launching of SAARC, —Adoption of Charter, —Issue of Dhaka Declaration, —Decision on establishment of Secretariat, —Three new areas identified, —Terrorism, —Drug Trafficking and Abuse, —Women in Development, —Decision on Expert and Ministerial level meetings on international economic issues, —SAARC Emblem adopted.
21.	Ministerial Meeting on International Economic Issues	2-3 April 1986 Islamabad	—Decision on Coordination of positions on international economic and monetary issues, —A declaration adopted.
22.	Official level meeting on Women in Development	8-10 April 1986 New Delhi	—Detailed discussion sessions held on various aspect of the subject, —Forming of Technical Committee recommended.

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/outcome
23.	Ministerial Meeting on Women in Development	6-8 May 1986, Shillong, India.	<ul style="list-style-type: none"> —Recommendation to Council of Ministers for favour of inclusion of Women in Development as an area of activity with its own Technical Committee, —Detailed calendar of activities and implementation modalities adopted.
24.	Study Group Meeting on Terrorism	12-14 June 1986 Dhaka	<ul style="list-style-type: none"> —Need for cooperation in the area recognised, —Ten specific recommendations placed.
25.	First Session of the Programming Committee	8-9 August 1986, Dhaka	<ul style="list-style-type: none"> —Examined Project Proposals for regional institutions. —Discussed Inter-sectoral priority of Work Programme under IPA, —Reviewed calendar of Activities.
26.	Sixth Session of the Standing Committee	11 August 1986, Dhaka	<ul style="list-style-type: none"> —Follow-up action by national focal points and clear directives for concerned ministries advised for better implementation of IPA —Initiatives for cooperation with external agencies should stem from within SAARC.
27.	First Session of Council of Ministers	12 - 13 August 1987 Dhaka	<ul style="list-style-type: none"> —Setting up of SAARC Agricultural Information Centre in Dhaka and SAARC Meteorological Research Centre in New Delhi approved, —Women in Development as new area of cooperation approved, —Expert Group on Terrorism set up to go into the modalities of implementation of Study Group's recommendations,

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			—Working Group on Establishment of SAARC Secretariat set up.
28.	Study Group Meeting on Drug Trafficking and Drug Abuse	17-18 Sept. 1986 Dhaka	—Need and Modalities for cooperation agreed upon, —Setting up of Technical Committee Recommended.
29.	Expert Group Meeting on Terrorism	20-21 Sept. 1986 Dhaka	—Modalities for implementation of some recommendation suggested. For others, further time required.
30.	Working Group Meeting on Establishment of Secretariat	18-19 October 1987, Dhaka	—Various aspects examined and appropriate recommendations on administrative and financial arrangements recommended, —Draft MOU on establishment prepared.
31.	Ministrial Conference on South Asian Children	27 - 29 October 1986 New Delhi	—Report issued an appeal to South Asian Governments to attach high priority to the uplift of Children in the region.
32.	Second Session of the Programming Committee	11-12 November 1986	—Various aspects regarding setting up of regional institutions examined. Working Group to go into the details set up, —Time-bound and action-oriented activities to be undertaken, —Draft Rules of Procedure for SAARC meetings prepared.
33.	Seventh Session of the Standing Committee	13 November 1986	—Modality of Financing capital costs and Programme cost of regional institutions approved and for other aspects setting up of Working Group endorsed. —Technical Committee on Prevention of Drug Trafficking set up,

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			—Bangladesh Proposal for multi-sectoral investment institution endorsed in principle and Dhaka asked to prepare a concept paper.
34.	Second Session of Council of Ministers	14-15 November 1986, Bangalore	<ul style="list-style-type: none"> —Expert Group on Terrorism recommended to complete the mandate, —Institutionalisation of Ministerial Meetings on International Economic Issues. —Setting up of Secretariat with Secretary General and 4 Directors Recommended.
35.	Second SAARC Summit	16-17 November 1986 Bangalore	<ul style="list-style-type: none"> —MOU on Setting up of Secretariat signed. Mr. Abul Ahsan of Bangladesh appointed Secretary General. Kathmandu to host the Secretariat. —Five new ideas on cooperation approved and Expert level meeting directed. The new areas are : Broadcasting; Tourism ; Documentation Centre; SAARC Fellowships; Scholarships and Chairs ; Organised Volunteer Programme, —Meeting of Planners directed
36.	Setting up of SAARC Secretariat	16 January 1987 Kathmandu	—King of Nepal inaugurates while Council of Ministers was present
37.	Meeting of Experts for Expanding Cooperation	23-26 February 1987 New Delhi	<ul style="list-style-type: none"> —Detailed Programme with various phasing worked out on —SAARC Audio-Vision Exchange (SAVE) —Organised Tourism —SAARC Documentation Centre —Institution of SAARC Chairs, Fellowships and Scholarships —Organised Volunteer Programme

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
38.	Working Group Meeting on Regional Institutions	13-14 May, 1987 Kathmandu	<ul style="list-style-type: none"> —Recommendations on the following made —Institutional arrangements —Staffing pattern, salaries, etc. —Budgeting —Cost sharing
39.	Third Session of the Programming Committee	14-15 June 1987 New Delhi	<ul style="list-style-type: none"> —Secretariat asked to prepare an order of priority for regional institutions —SAIC and SMRC setting up to be expedited on the basis of recommendations of the Kathmandu Meeting of 13-14 May, 1987 —Calendar of Activities of IPA updated.
40.	Eighth Session of the Standing Committee	16-17 June 1987 New Delhi	<ul style="list-style-type: none"> —Endorsed report of the meeting of Experts on Expanding cooperation and advised member states to take appropriate steps towards implementation. —Various issues related to Secretariat discussed and sorted out.
41.	Third Session of Council of Ministers	18-19 June 1987 New Delhi	<ul style="list-style-type: none"> —Economy and efficiency should guide the setting up of regional institutions —Concept Paper on multi-sectoral investment institution prepared by Bangladesh to be commented upon by all member states before next meeting of the Council. —Schemes under five new areas endorsed. —SAVE to commence from the date of the 3rd Summit.

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			<ul style="list-style-type: none"> —Organised tourism from 1.7.88. —Documentation Centre to be set up at a later date. —SAARC Chairs, Fellowships and Scholarships from Academic year 1988. —Youth Volunteer Programme from a date to be fixed. —Decided to convene a Group of legal experts to prepare a draft regional convention on terrorism. —South Asian Food Security Reserve (SAFSR) to be set up, Necessary formalities to be complete for signing of agreement at Kathmandu Summit.
42.	Meeting of Legal Experts on Terrorism	17-19 September, 1987, Sri Lanka	<ul style="list-style-type: none"> —Draft Convention on Prevention and Suppression of Terrorism in South Asia prepared to be placed before the Standing Committee in Kathmandu.
43.	Fourth Session of the Programming Committee	26-28 October 1987, Kathmandu	<ul style="list-style-type: none"> —Recommended rationalisation of Calender of Activities —Secretary General requested to prepare an analytical report on implementation of IPA. —Status of proposals on regional institutions reviewed.
44.	Ninth Session of the Standing Committee	29-30 October 1987, Kathmandu	<ul style="list-style-type: none"> —Expert Group on Multi-sectoral Investment Institution set up, —Modalities on implementation of activities under new areas set up —Reviewed the situation of Children in South Asia

Table 1 Contd.

Sl. No.	Event	Date/Period Venue	Remarks/Outcome
			<ul style="list-style-type: none"> —Recommendation of Planners meeting endorsed. These include studies to be undertaken on : <ul style="list-style-type: none"> —trade regime —quantification of benefits of intraregional trade expansion —Possibilities of joint ventures, —industrial promotion and regulation.
45.	Fourth Session of the Council of Ministers	31 October -1 November, 1987 Kathmandu	<ul style="list-style-type: none"> —Salaries, allowances etc. of the Secretariat Staff finalised, —Recommended and forwarded the draft Final Act and the Draft Convention for the approval of Heads of State or Government, —Standing Committee asked to examine the question of admission of new members and grant of observer/guest status in the Association.
46.	Third Summit meeting	2-3 November 1987, Kathmandu	<ul style="list-style-type: none"> —Agreement on Food Security Reserve signed, —Convention on Prevention and Suppression of Terrorism signed, —Study to be undertaken on the possibility of cooperation on disaster management and protection and preservation of the environment, —Possibility of cooperation with similar other associations to be examined.

Note : The Chart includes events that are considered as part of the official process of SAARC. Sessions of Technical Committees which have been meeting twice a year since the launching of IPA are not included.

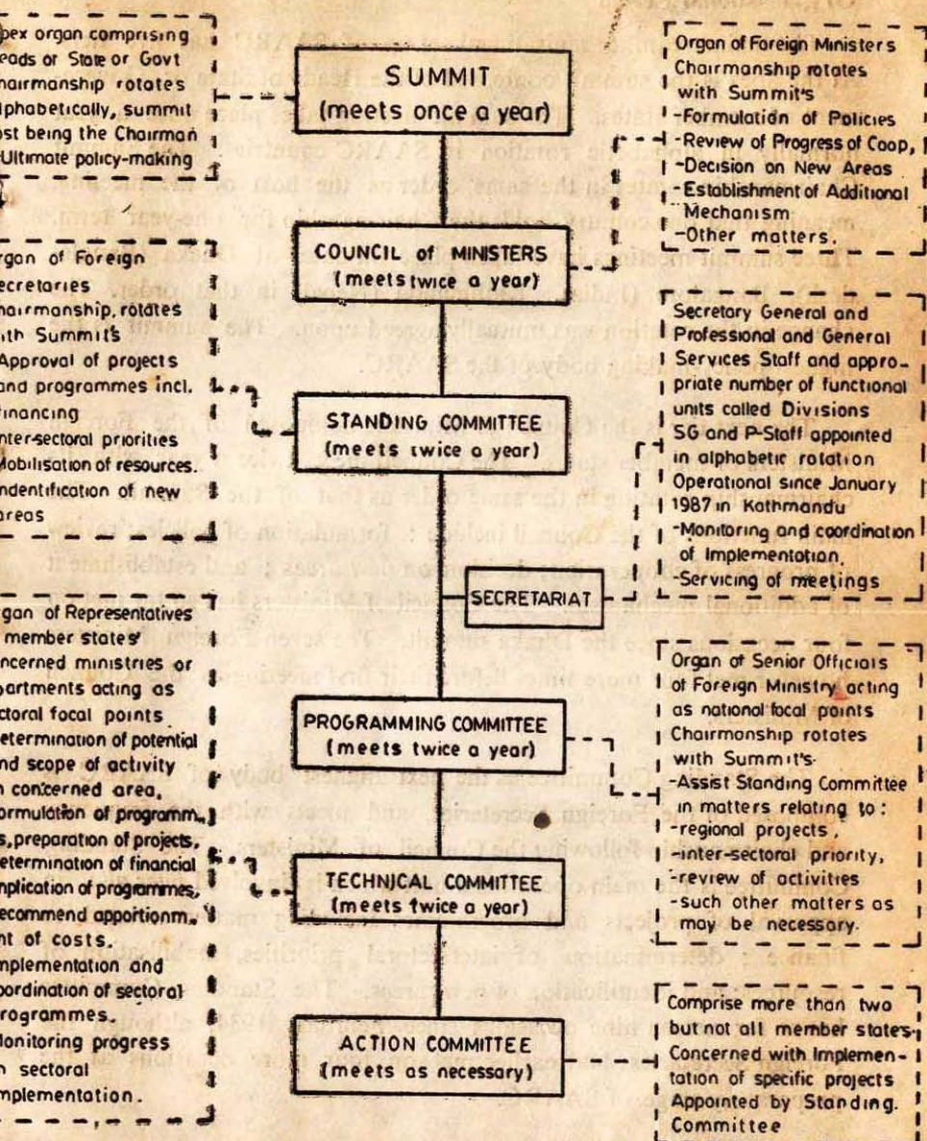
Source : *Evolution of SAARC*, Ministry of Foreign Affairs, Dhaka. *SAARC Documents* Ministry of Foreign Affairs, Dhaka, and Various other official Documents.

The fact that the idea, "when mooted less than a decade ago was received with reservations, doubts and even suspicion",⁴² is self-explanatory. Despite that the association has come into being as a culmination of intensive and accumenous regional diplomacy initiated by Bangladesh in late seventies and early eighties. Compared to any other segment of regional history the period since then may be regarded as most eventful in terms of positivism in inter-state relations, measured particularly in terms of official and political meetings at various levels. As a result of the process, SAARC has a fairly elaborate institutional set-up, quite comprehensive programme of activities, ableit with a bias currently on short-term ones, and a small but operative Secretariat.

As shown in Table 1 Seven Heads of State or Government have met thrice, the Foreign Ministers on eight occasions (of which four times as the Council of Ministers), the Foreign Secretaries have met fourteen times (of which nine times as Standing Committee) and Senior Officials as separate bodies as well as on the occasion of higher level meetings on many more occasions. Besides, various study groups, working groups and expert groups met to deliberate on matters of specialised nature including terrorism, drug-trafficking and abuse, broadcasting, tourism, documentation, fellowships, scholarships and SAARC Chairs and on setting up of Secretariat and other institutional matters. As a result of these meetings at various levels the association has now a comprehensive organisational set-up with a full-time secretariat in operation. (See Chart) The Dhaka Summit adopted the Charter of association (Annexure A) and the 'Dhaka Declaration' which symbolized the highest level political commitment of South Asian Heads of the State or Government in favour of regional cooperation. The practice of adopting a Declaration continued during the two other summit meetings held subsequently. (See Annexures B-D)

42. Eric Gonzalvez, "Agenda for the Next Decade", *South Asia Journal* (New Delhi 1987) Vol. 1, No. 1. p.

SAARC · ORGANISATIONAL STRUCTURE



Note: Prepared on the basis of the SAARC Charter and MOU on Secretariat

Organisational Set-up

The mainstream organisational set up of SAARC has five tiers. At the apex is the summit composed of the Heads of State or Government of member states. The summit meeting takes place once a year normally in alphabetic rotation in SAARC countries. The Summit Chairmanship rotates in the same order as the host of the meeting, meaning that one country holds the Chairmanship for one-year term. Three summit meetings have taken place till date, at Dhaka (Bangladesh), Bangalore (India), Kathmandu (Nepal) in that order. The change in the rotation was mutually agreed upon. The summit is the highest policy-making body of the SAARC.

The next tier is the Council of Ministers composed of the Foreign Ministers of member states. The Council meets twice a year with its chairmanship rotating in the same order as that of the Summit. The main functions of the Council include : formulation of policies; review of progress of cooperation; decision on new areas ; and establishment of additional mechanism. The Council of Ministers has so far met on four occasions since the Dhaka summit. The seven Foreign Ministers however met four more times before their first meeting as the Council of Ministers.

The Standing Committee as the next highest body of SAARC is composed of the Foreign Secretaries, and meets with the frequency and chairmanship following the Council of Ministers. The Standing Committee is the main operational unit which is involved *inter alia*, in approval of projects and programmes including matters related to finance ; determination of intersectoral priorities, mobilisation of resources; and identification of new areas. The Standing Committee has so far met on nine occasions since February 1984, although the Foreign Secretaries had earlier met on four more occasions at the preparatory stage of SAARC.

The Programming Committee as the organ of senior officials of Foreign Ministries which act as the national focal points of SAARC

activities meets with frequencies and chairmanship coinciding with that of the Standing Committee. The Programming Committee was established in the wake of the first SAARC Summit with the specific objective of assisting the Standing Committee in matters relating to : regional projects, inter-sectoral priority, review of activities and such other matters as may be necessary. The Programming Committee has met four times since its first session in August 1986. The senior officials however met several times earlier at the preparatory stage mainly as the Committee of the Whole.

The last tier of the SAARC organisational set up are the Technical Committees on agreed areas of cooperation and comprise representatives of member states' concerned Ministries or departments acting as sectoral focal points. As the main implementational unit the Technical Committees report to the Standing Committee via the Programming Committee. At present there are twelve Technical Committees, the Chairmanships of which rotate in alphabetical order among member states every two years. The Technical Committees which until the third SAARC Summit used to meet in the same frequency as the Standing Committee will now be meeting only once in a year. This is a revision introduced as a part of the strategy for streamlining and rationalisation of activities in conformity with the shift in emphasis on more action and result-oriented activities as against events of academic and/or routine nature. The main functions of Technical Committees are : determination of potential and scope of activities in concerned sector, formulation of programmes and projects, determination of financial implications of programmes and projects ; recommendation on apportionment of costs ; implementation and coordination of sectoral programmes ; and monitoring of progress in sectoral implementation.

Besides, according to Charter provisions, the Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two, but not all

member states. This, of course, is a provision which has not so far been made use of.

The Charter of the association made provision for establishing a SAARC Secretariat, and accordingly the Secretariat, has been set up in Kathmandu, which is operational since January 1987. The need for a secretariat was recognised at the highest political level during the first summit meeting. The main idea is to have a body of full-time regional staff to coordinate and monitor implementation of various activities and to service and assist such implementation. The Secretariat is composed of a Secretary General, seven Directors and appropriate number of General Services Staff. The post of Secretary General is to be rotating in alphabetical order among member states every two years. The seven Directors will come from seven member states. The Secretariat has started its operation with the Secretary General and four Directors instead of seven because of financial constraints. The Secretary General reports to the Standing Committee. Although there is reportedly certain degree of misgivings among member states on the role, functions and powers of the secretariat, it has already taken shape and is being increasingly involved in various SAARC activities.

Areas of Cooperation

In 1981 it was agreed that SAARC will have five areas of cooperation, in 1983 the number of agreed areas increased to nine, and by 1986 there are eighteen areas, twelve of which have full-fledged Technical Committees. The areas are:

- i) Agriculture,
- ii) Health and Population,
- iii) Meteorology,
- iv) Postal Services,
- v) Prevention of Drug Trafficking and Abuse,
- vi) Rural Development,
- vii) Science and Technology,
- viii) Sports, Arts and Culture,

- ix) Telecommunications,
- x) Transport,
- xi) Women in Development,
- xii) Audio-Vision Exchange,
- xiii) Organised Tourism,
- xiv) Documentation Centre,
- xv) SAARC Chairs, Fellowships and Scholarships,
- xvi) Youth Volunteer Exchange,
- xvii) Prevention of Terrorism, and
- xviii) International Economic Issues.

A look at the list of agreed areas confirms the most commonly labelled criticism against SAARC, namely, cooperation is not only confined to areas of socio-economic and technical nature but even within the socio-economic areas vital sectors like trade, industry and investment are left out. The rationale behind adoption of such an approach has been elaborately discussed and it has by now been nearly recognised that the functional content of the approach is anticipated to create conditions congenial to go for and/or explore expansion of co-operation to include not merely 'core' areas of the economy but also to areas which are more political in content.⁴³ This indeed is what may be read between the lines of the process of expansion as presented in Table 1. It may be observed that four of the new areas that are now included in the cooperation agenda, namely, Audio-Vision Exchange (Information), Tourism, Documentation Centre and SAARC Chairs, Fellowships, Scholarships (Academic research and institution) were among the areas that were recommended by the Committee of the Whole way back in 1981 when these were apparently considered premature to be included. The ideas were re-floated in 1986 and soon a consensus was found to emerge in favour. It may be noted that the thrust of these four areas and Youth Volunteer Programme is people-to-people contact, the need for which has apparently been recognised once at the

43. See for example, Iftekhharuzzaman, Abdus Sabur, Nilufar Choudhury, "Future of SAARC and South Asia," Seminar Paper. BIISS, Dhaka, 28 August 1986.

official and political levels there has been a two-way realisation. Firstly, the exchange and contact that have taken place at their levels in past few years have certainly been beneficial at least from the viewpoint of knowing each other's problems and perspectives better and closer, if not for anything else. Secondly, there has also been a realisation that benefits of such exchanges should be expanded beyond the confines of Government departments.

On the agreed areas still, it would be difficult to establish that they are too less important for the development of the countries of the region compared to those which have been kept apart. There is no denying that trade, industry and investment are among the most vital sectors and cooperation in them is most effective and visiable in any regional grouping. But, even among the agreed areas there are such sectors as are basic to development pre-requisites of all the countries of the region. Consider, for example, the importance of agriculture, rural development, health and population activities, meteorology and transport. The need for extension of national efforts for development in these areas through regional cooperation can hardly be overstressed.

Nature of Activities

The next obvious question is what type of programmes or activities have taken place or are planned within the agreed areas. The on-going and planned activities may be classified into three broad types. These are short-term, medium term and long-term. Let us examine them separately:

Short-term Activities

Short-term activities in the agreed areas include such events as seminars, conferences, workshops, meetings of counterpart scientists and experts, experiment-oriented sessions, training and coaching courses, sporting events, art festivals and exhibitions. In the agricultural sector mention may be made of such short-term activities as :

- Workshop on Agricultural Research System,
- Meeting of Counterpart Scientists on Rice Hispa Control,
- Meeting for Multilocation Trials on various crops,
- Meeting on Plant Exploration and related activities,
- Seminar on Forestry,
- Training Programmes in Wheat Agronomy, Entomology for Identified Crops, Rice Breeding, Management of Problem Soils, Farm Water Management, Agricultural Research Management, Artificial Insemination, etc.

A total of 36 such activities have been held or planned during 1985-88 (see table 2). In the Health and Population sector 10 such activities have been held or planned during the same period, which include :

- Conference on Leprosy, Tuberculosis, Maternal and Child Health,
- Seminars on Rabies, Family Health, and
- Workshops on Diarrhoeal Diseases.

Meteorology sector has 8 short-term activities for the period under consideration. These include :

- Joint inter-comparison of Barometers,
- Seminars on Meteorological Instrumentation, Agricultural Meteorology,
- Seminar-cum-workshop on Numerical Weather Forecasting, and
- Training course on the Management and Establishment of National Data Centres.

In Postal Services sector notable among the 13 such activities are :

- Seminar on Mechanisation of Postal Services,
- Seminar-cum-study tours on Postal Services in Hilly regions,
- Training in International Mail Accounting and Routing, and
- Training programmes of Middle Grade and Junior Grade Officers.

Two meetings of Non-Governmental Organisations have been planned in the Prevention of Drug Abuse and Drug Trafficking sector

which has started functioning since late 1986. In the Rural Development sector, table 2 shows 16 short-term activities. These activities include :

—Seminars on Evaluation of Local Government Systems as a Vehicle for Rural Development and Rural Child Development,

Table 2. Country and Sector-wise Distribution of Short-term SAARC Activities (held or planned 1985-1988)

Sl. Sector No.	Number of Activities held or planned to be held in							Total
	Bangla- desh	Bhutan	India	Maldi- ves	Nepal	Pakis- tan	Sri Lanka	
1. Agri- culture	6	3	14	—	3	8	2	36
2. Health and Population	2	—	3	—	2	2	1	10
3. Meteorology	—	—	5	—	2	1	—	8
4. Postal Servi- ces	2	—	6	1	1	2	1	13
5. Prev. of Drug Traffic- king and Abuse	—	—	1	—	—	1	—	2
6. Rural Deve- lopment	4	—	4	—	1	5	2	16
7. Science & Technology	—	—	8	—	—	3	—	11
8. Sports. Arts and Culture	3	—	13	3	6	10	6	41
9. Telecommu- nications	2	—	3	—	1	2	3	11
10. Transport	4	—	7	—	2	4	—	17
11. Women in Development	2	1	4	1	1	2	2	13
Total	25 (14.04)	4 (2.24)	68 (38.20)	5 (2.80)	19 (10.47)	40 (22.47)	17 (9.55)	178 (100.00)

Sources : *Evolution of SAARC*, Ministry of Foreign Affairs, Dhaka, Reports of Programming Committee.

Figures in parentheses indicate percentages.

- Training programmes in Poverty Focused Rural Development Strategy and Programmes, People's Participation in Rural Development, Planning of Social Development, and Administrative Decentralisation for Rural Development, and
- Workshop on Disaster Management.

Eleven short term activities were held or scheduled during the period in the Science and Technology sector. These include :

- Workshop on Renewable Energy Resources, Pesticides Development, Experimental Geophysics for Ground Water Exploration, Medicinal and Aromatic plants, Women in Science and Technology,
- Seminars on Photovoltaics, Post-harvest and Food Technology,
- Training of Technicians and Experts, and
- Meeting of Expert Group on Solar Energy and Biogas.

Sports, Arts and Culture sector appears to be most eventful in terms of short-term activities with 41 such programmes held or scheduled during the period which include :

- Coaching and Clinic in various sports like Hockey, Weight lifting, Table Tennis, Squash, Swimming, Basket Ball, Athletics,
- Tournaments of Boxing, Football, Athletics and Marathon,
- Workshops/Seminars on Mural Paintings, Aritsans at Work, Preservation of Oral Traditions, Terracotta Art,
- Festival of Arts, and
- Archaeological Congress, History Conference, Children's Festival, Mobile Craft Exhibition, Photographic Exhibition of Monuments and Natural Heritage.

In the Telecommunications Sector 11 short-term activities were held or scheduled for the period under consideration. Notable among these include :

- Seminars on Adoption of New Technologies in Telecommunications, Latest Trends in External Plant Partices, Quality of Services, Software Maintenance, Network Management,

Operation and Maintenance of Switching Systems, Data Transmission, and

—Training on General Software Development.

Notable among 17 short-term activities in the Transport Sector are :

—Seminars on Road Transportation and Road Safety, Energy Conservation in Road Transport, Rural Roads, Containerization, Inland Water Transport, Control of Axle Loads and Road Maintenance, Railway Track Maintenance, and Upgradation and Manpower Planning,

—Workshops on Ocean Going Ships, Building Coastal Ships, Railways Electrification, and Regional Traffic Flows and Intermodal Distribution,

—Meetings of Air-worthiness, Safety and Licencing, Air-Traffic Control and Communications,

—Training on Highway Bridges,

—Senior Supervisor's Development Course, Executive Development Course, Executive Development Programme, Corporate Planning Course, and

—Expert Group Meeting on Containerization, Road and Railway Interface, Shipping Conference, Formation of SAARC Shippers Council, Feasibility of Setting up of a Design Centre.

Women in Development as a separate area of cooperation started operation in 1986, Since then 13 activities have been held or scheduled.

These include :

—Workshops on Women and Law, Women and Environment, Women Employment, Women in Agriculture and Extension, Female Child, Women's Education, Training, Non-formal and Formal Education in Family Welfare and Development, and on Women in Social Forestry and Wasteland Development,

—Exhibitions of Handicrafts and Design by Women,

—Training in Rural Management of Women,

—Seminars on Women in Industry and Women in Media and Communication, and

—Study Tours of Specialized Groups of Women.

The importance of the events listed above are self-explanatory particularly from the point of view of their impact on the participants in the fields. Further details on the benefits of these would however be taken up in the following section. In the meantime it may be noted that table 2 also shows countrywise distribution of short-term activities. Out of 178 such events India is the host for 68 (38%) followed by Pakistan (22%) and Bangladesh (14%). This is of course in conformity with resource strength and potential of the member-states. Bhutan and Maldives are the hosts for the least number of events. We shall return to the implications of this distributive aspect in the next section.

Ever since the Integrated Programme of action (IPA) has been the launched, one of the major concerns at the official level has been the subject of proper implementation and coordination of the short term events. It has been observed that a significant part of the scheduled events do not take place in time; many of these are re-scheduled, in case of still others participation rate has reportedly been low. Table 3 presents information on the sector-wise status of implementation of short term events over the period 1985-1988. It may be noted that in 1985 the performance of all sectors was extremely poor, with only one event held out of projected twenty-one. Ten events were carried over to the next year while the status of the other ten was not known. In 1987, however, the implementation picked up substantially. Out of the 73 events (63+10), fifty-one were held in the year while 6 were carried over to 1987-88 and the status of 6 others was not known. Data on implementation during 1987-88 are yet to be available. But, assuming that the trend of 1986 would at least be maintained it may be suggested that although implementation has picked up there is still scope for improvement. It is often suggested that the number of events have gone beyond the limit of manageability, so that it is not possible to ensure proper implementation and full participation. Looking at the table it appears that such suggestion is far from valid, because, holding of say 100 short-term events

Table 3 : Status of Implementation of Short-term Activities under IPA

Year	Sl No.	Sector	Total No. of activities	Status of Implementation		Status unknown
				Held (duly or delayed)	Carried over	
1985	1.	Agriculture	3	—	2	1
	2.	Health and Pop.	1	—	1	—
	3.	Meteorology	1	—	1	—
	4.	Postal Services	2	—	2	—
	5.	Rural Dev.	2	—	1	1
	6.	Science & Tech.	4	—	2	2
	7.	Sports, Arts, & Culture	4	1	1	2
	8.	Telecommunications	2	—	—	2
	9.	Transport	2	—	—	2
Sub-Total			21	1	10	10
1986	1.	Agriculture	15	12	1	2
	2.	Health & Pop	5	5	—	—
	3.	Meteorology	2	1	—	—
	4.	Postal Services	6	6	—	—
	5.	Rural Dev.	8	8	—	—
	6.	Science & Tech.	3	3	—	—
	7.	Sports, Arts & Culture	13	7	5	1
	8.	Telecommunications	5	4	—	1
	9.	Transport	4	3	—	1
	10.	Women in Dev.	2	2	—	—
Sub-Total			63	51	6	6
1987-88	1.	Agriculture	18	—	—	18
	2.	Health & Pop.	4	—	—	4
	3.	Meteorology	5	—	—	4
	4.	Postal Services	5	—	—	4
	5.	Prevention of Drug Trafficking	2	—	—	2
	6.	Rural Dev.	6	—	—	6
	7.	Science & Tech.	4	—	—	4
	8.	Sports, Arts & Culture	24	—	—	24
	9.	Telecommunications	4	—	—	4
	10.	Transport	11	—	—	11
	11.	Women in Dev	11	—	—	11
Sub-Total			94	—	—	94
Grand Total			178	52	16	110

Source : Computed from Various Reports of Programming Committee and Standing Committee.

Note : Data do not include Technical Committee meetings and activities carried out on on-going basis.

with a duration range of three days to about two-three weeks by seven governments in a year should hardly be too much of a load unless there is a shortage of commitment. Resources, particularly financial, do not appear to be a big problem, but we shall return to this subject in the subsequent section. It seems meanwhile that what may be in shortage is proper planning, scheduling and above all appropriate coordination and streamlining. This last factor particularly appears to be quite important because coordination is required at various levels : government-to-government, sector-to-sector and within government.

Medium-term Activities

Medium-term activities in the agreed areas are those programmes, studies, reports and publications which are undertaken and carried on by the member states jointly or separately on a continued basis. Some examples are:

- Status Papers on the Rehabilitation of the Handicapped, and on the Experience in the field of Family Welfare,
- State-of-the Arts Reports on
 - Long Range Prediction of Monsoon Rainfall,
 - Tropical Cyclones including Prediction of Re-Curvature,
 - Storm Surges,
 - Thunderstorms,
 - Western Disturbances,
 - Short-run Prediction of Monsoon Rainfall,
- North-East Monsoon,
- Printing of Postage Stamps,
- Letter Writing Competitions,
- Exchange of information and intelligence among law enforcing agencies on suspect traffickers of drug and drug trafficking,
- Inter-country Comparative Analysis of Rural Development,
- Study on Impact of Poverty-Focussed Programme,
- Study on Rural Water Supply,
- Study on Transfer of Technology,

- Study on People's Participation,
- State-of-the-Art Reports on Biogas, Mineral Resources Exploration, Producer Gas, Remote Sensing Technique in National Resource Surveys, Use of Organic Fertilizers in Agriculture, and
- Guidebook for Women in Development.

Long-term Activities

By long term activities is understood here those projects and schemes which are designed to have direct and permanent value and existence and are to be operational on a continued basis. Projects or schemes already undertaken or under process include the following :

- SAARC Agricultural Information Centre (establishment approved).
- SAARC Meteorological Research Centre (establishment approved),
- Centre for Cataloguing and Data Collection of Animal Genetic Resources,
- Centre for Tuberculosis,
- Centre on Malaria,
- Centre for Postal Research and Development,
- Regional Institute for Appropriate Technology,
- Regional Software Centre,
- Institute for Transport Technology and Training,
- Design Centre for Floating Craft,
- Shipping Conference of SAARC Countries,
- SAARC Shippers Council,
- SAARC Documentation Centre (establishment approved), and
- SAARC Art Gallery.

While the above is the list of proposed regional institutions, certain other activities are forthcoming. These are designed to have permanence and continuity. These include:

- SAARC Chair, Fellowships and Scholarships,
- SAARC Audio-Vision Exchange,
- Organised Tourism,
- SAARC Youth Volunteer Exchange,
- Publication of Newsletter on Science and Technology,
- Opening of Bureaufax Services,
- Augmentation of Inter-Country Telecommunication Links,
- Direct Airlinking of SAARC Capitals,
- Publication of "Solidarity", SAARC Women's Journal,
- Exchange of information, national experience and data regarding women,
- Updating of National Reports on Status of Women,
- Annual Review on the Situation of Children in Member States, and
- Concerting of Member State's Position on International Economic Issues on a Regular Basis.

Besides, an agreement on the establishment of the SAARC Food Security Reserve has been signed during the 3rd Summit meeting held in Kathmandu in November 1987. In view of the fact that nearly all member states are chronically food deficit, the establishment of the reserve should be considered as a notable contribution of SAARC. Member states have also signed a SAARC Convention on Prevention and Suppression of Terrorism. Another milestone in the process of expansion of cooperation in 'core' areas with long-term implications is expected to be a Multisectoral Investment Institution, the various aspect of setting up of which are being reportedly examined. Member states have agreed to attach high priority on the uplift of the situation of children in the region. Annual review of actions taken in that direction is already a part of the SAARC agenda. Consultations of member states with a view to concerting position on international economic issues have also become a regular activity. Consultation among planners of the countries have already been reportedly found useful and may soon be institutionalised. Member states have decided

to intensify regional cooperation with a view to strengthening their disaster management capabilities. A study is going to be commissioned for exploring ways and means of cooperation on the protection and preservation of the environment and on the causes and consequences of natural disasters in a well-planned comprehensive framework. The prospect of trade cooperation is the subject of yet another study. The possibility of establishing relations with similar organisations for mutual benefit is also reportedly being examined. Efforts are also being made to expand SAARC activities in such concrete areas as to ensure more tangible benefits from SAARC to the peoples of the region, to increase greater people to people contact, and to orient SAARC increasingly to the people's needs and aspirations so that the masses of the region could be drawn to a greater extent into the mainstream of SAARC activities.

III. BENEFITS : TANGIBLE AND INTANGIBLE

Benefits of regional cooperation, as already indicated, as a rule take long gestation period. SAARC can hardly be expected to offer itself as an exception to this rule. Despite this, considering the backdrop in which the association has been launched and the milieu of inter-state relations in which it operates, the progress has certainly to be considered commendable and the benefits considerable. Looking at the activities, short, medium and long-term elaborated above, it is possible to view the benefits out of them in three main ways. *Firstly*, the activities have certainly brought the peoples of the region closer than ever. True that those involved in the activities at the both official and programme level are largely parts of the elite or semi-elite. But they are also a vital part of opinion-making elite so that it may be expected that the activities have opened up opportunities for knowing each other's problems and perspectives better than before. *Secondly*, the academic exercises and exchanges under the banner of all three types of activities have not merely opened up the avenues for greater and effective exchange of knowledge and information but also produced enormous amount of reports and literature on the various specialised

subjects which should undoubtedly be regarded as valuable addition to regional store-house of knowledge. *Thirdly*, the exercises have demonstrably prepared and strengthened the base for entering into more and more vital and heretofore considered complex areas of cooperation, many of which may soon begin to generate quantifiable benefits.

Silent Cooperation at the Political Front

There is another dimension of the benefits of SAARC which, as indicated earlier, relates to functionalism in operation. It is well-known, and most often subject of criticism that political and oft-quoted 'bilateral' and contentious' issues are not included in SAARC agenda. It is worth noting that SAARC is not an exception among regional associations in having so arranged. Indeed, hardly any of the other regional associations including the ASEAN involve itself into dealing with much of 'bilateral' and 'contentious' matters. What is striking about SAARC is perhaps the fact that it has had the compulsion of having the provision incorporated in its Charter. Other organisations have certainly no such clear-cut sanitised approach, but in reality they have hardly allowed such matters to impinge on their multilateral proceedings. We have already indicated the view that in the given state of inter-state relations in the region there could hardly be any better approach to initiate regional cooperation. However, it would be interesting to observe that, thanks in great part to the increasing frequency of multilateral meetings under SAARC, a process of what may be called silent cooperation at the political front appears to be in motion.

The intensive diplomatic efforts that followed the mooting of the proposal of SAARC were accompanied by certain developments in inter-state relations in South Asia which tends to auger better than what would perhaps be without SAARC. It may be difficult to establish direct cause-effect relationship of this with SAARC. But the fact the two developments ran parallel, are indicative of an on-

setting trend whereby progress in SAARC and inter-state relations may mutually feed each other. This is not to suggest that the irritants in the inter-state relations have been removed or are likely to be so by a SAARC magic. Indeed, South Asia continues to be bedevilled by the host of outstanding bilateral issues of both retrospective and prospective nature, with those in Indo-Pakistan, Indo-Sri Lankan and Indo-Bangladesh equations causing the gravest strains.

An examination of bilateral issues that continue to bedevil inter-state relations in South Asia is not in the scope of this paper, nor it is intended here to underestimate the importance of these issues for the future of the region. It is important, instead, to note that the last few years have witnessed a remarkably heightened—perhaps record level—frequency of mutual visits and interactions at official and political levels. Meetings upto summit level have taken place between the countries both bilaterally and multilaterally on occasions ranging from national tragedies through goodwill gestures and sports events to those strictly official in character—both within and beyond SAARC forum.

One significant aspect of SAARC meetings at the highest political levels is that beside the strict agenda items of SAARC the leaders and officials have unique opportunities to exchange views on matters of common, and not-too-rarely bilateral or trialateral concern. This happened during the Dhaka Summit, during the Bangalore summit, and during the Delhi meeting of Council of Ministers. At Dhaka the leaders in their informal meetings disussed inter alia the possibility of extending cooperation to an area like terrorism which is not only a complex issue but has more of political than socio-economic and technical content. In the period since then Study Groups and Expert Groups went through strenuous process of deliberations on the subject. Considering the background of inter-state relations in South Asia very few people would have given a chance to the prospect of cooperation on terrorism. Belying all such doubts, the leaders of South Asia have

not only recognised the need to cooperate on the subject,⁴⁴ but a SAARC Convention on Prevention of Terrorism has already been signed. Under the convention the member states have agreed on a number of measures for the prevention and suppression of terrorism. These include a list of offences which shall be regarded as terroristic and for the purpose of extradition shall not be regarded as political. The member states have also recognised the importance of the relevant UN principles and resolutions which require that each state should refrain from organising, instigating, assisting or participating in acts of civil strife or terrorist acts in another state or acquiescing in organised activities within its territory directed towards the commissioning of such acts. These commitments show the political content of the cooperation that SAARC is gradually embarking upon (See the Convention in Annexure-E).

In the wake of the Dhaka summit the Indian Prime Minister indicated the willingness to discuss the possibilities of trilateral examination of Ganges water issue involving Bangladesh, India and Nepal, a long-standing Bangladesh suggestion. Following that, during all high level SAARC meetings and also beyond, the issue is being trilaterally discussed. During the Bangalore summit other 'beyond-agenda issues' that were discussed were the Indo-Sri Lanka problem on Tamils and Indo-Pakistan controversy over the nuclear issue. On the eve of the third session of Council of Ministers held in New Delhi, Indo-Sri Lanka relations reached a critical stage centering around the incident of airdropping of relief materials. As a part of Sri Lankan diplomatic efforts to offset the humiliation caused by the "naked violation of Sri Lanka's sovereignty and territorial integrity",⁴⁵ Sri Lanka called for an urgent meeting of SAARC, although Colombo knew it very well

44. Bangalore Declaration of the SAARC Heads of State or Government, see Annexure 3

45. See for details, Iftekhharuzzaman, Mohammad Humayun Kabir, "Indo-Sri Lanka Agreement : An Assessment", *Biiss Journal*, Vol. 8, No. 4.

that SAARC was yet to be mandated to do so. The SAARC Council of Ministers however met for the scheduled meeting two weeks later wherein the Sri Lankan delegation not only made a pointed reference to the situation but also called for signing a SAARC convention that would bind member-states together by a solemn declaration to respect one another's independence, sovereignty, territorial integrity by refraining from any acts of aggression, interference, violence or oppression.⁴⁶ The Sri Lankan concern may not have directly affected the proceedings of the meeting itself, although some of the other delegations including Bangladesh and Pakistan made references to the event indirectly by pointing to the principles of non-interference in internal affairs of each other as enshrined in the UN and SAARC Charters. It is notable that following discussions between the Sri Lankan and Indian Foreign Minister, even during the days of the Council meeting India and Sri Lanka reportedly found ways to diffuse the tension. It is true that the issue was not discussed as a SAARC agenda, but the fact that some member-states found SAARC as an appropriate forum to raise such an issue has once again reaffirmed the importance of the new association as a tension diffusing platform.

The point here refers also to an allied dimension. During the past few years of SAARC journey there have been more than one occasions on which interstate relations had not only severely deteriorated but also threatened to jeopardize even the SAARC process itself. The fact that SAARC has withstood such threats and leaders and officials continue to meet and exchange views on proliferating and wideranging issues, many of them having flavour of matters that were originally considered 'contentious' (as indicated earlier), is an eloquent testimony of the vitality and importance of SAARC as a catalyst for better future of South Asia.

SAARC has reasonably or not, committed itself to be a non-political organisation. It is worth noting however, that in the past

46. Statement of Sri Lankan Foreign Minister at the Third Session of the SAARC Council of Ministers, New Delhi, 18-19 June 1987.

three years it has deliberately or not, taken a course that can hardly be called apolitical. Beside the 'beyond-agenda' cooperation mentioned above, the member-states have already joined hands in a number of issues that can be called political, if anything. The SAARC forum has been used at the highest political level to discuss and make commitments on such matters as sovereign equality of states, peaceful settlement of disputes, non-interference in internal affairs, non-use of force against territorial integrity and political independence of other states. Besides, issues of global political concern like disarmament, peace, security and respect for international law figured in the deliberations of the Heads of State or Government. Pronouncements were also made on Great Power policies and practices of domination and intervention, aggression, occupation, pressure and violation of the UN Charter.⁴⁷ The association can certainly not resolve all the problems that South Asia faces, it is indeed not expected to do so, none of the other similar associations has done so for any region. But, within its limited terms of reference the SAARC seems to be poised now to be regarded as an effective and positive content in the overall milieu of inter-state relations in South Asia, and in the increasingly complex world politico-economic scenario.

Cost-benefit Analysis

In the meantime, it may be worthwhile to compare the benefits indicated above with the cost of all this. Table 4 presents the contribution of member-states toward SAARC activities. They are also compared with the GDP and defence spending. It should be mentioned that contributions to programme (cols. 3-8) indicated in the table include expenses for all events at both official process and at programme level. Thus at the cost of little over US \$ 11 million over a period of five years, 178 short-term activities have been (or will be) held, more than 20 medium-term studies or projects have been sponsored, and the whole lot of official level meetings have been held.

47. See for details, Annexures 2-4

Table 4. Financial Contribution of Member States Toward SAARC Activities Compared with GDP and Defense Spending

Member State	Contribution to Programmes (Figures in US\$)						Sub-total
	1983-84	1984-85	1985-86	1986-87	1987-88		
1	2	3	4	5	6		7
Bangladesh	196,240	245,290	294,350	392,450	294,350		1,422,680
Bhutan	48,970	97,940	146,920	195,890	195,890		685,610
India	410,510	615,760	821,020	1,026,270	1,231,530		4,105,090
Maldives	11,100	11,100	11,100	16,650	33,290		83,240
Nepal	89,720	149,520	149,520	209,330	418,660		1,016,750
Pakistan	274,910	378,000	721,650	721,650	893,470		2,989,680
Sri Lanka	76,980	96,230	115,470	115,470	192,450		596,600*
Total :	1,108,430	1,593,840	2,260,030	2,677,710	3,259,640		10,899,650

Contd. Table 4

Member State	Contribution to Secretariat 1987 (US \$)	Total Contribution (US \$)	GDP(1984)	6+9 as	10 as	Def. Exp.(1984)	6+9 as	10 as
			Amount (US \$ m)	% of 11	% of 11	Amount (US \$ m)	% of 14	% of 14
8	9	10	11	12	13	14	15	16
Bangladesh	50,510	1,473,190	12,320	0.003	0.012	253	0.14	0.58
Bhutan	22,250	707,800	136	0.140	0.453	n.a	—	—
India	842,840	4,247,930	162,280	0.0008	0.002	5,963	0.02	0.07
Maldives	22,250	105,490	90	0.061	0.117	n.a	—	—
Nepal	50,510	1,067,260	2,290	0.002	0.046	28	1.67	3.88
Pakistan	106,130	3,0945,810	27,730	0.003	0.011	2,046	0.05	0.15
Sri Lanka	50,510	647,110	5,430	0.004	0.019	75	0.33	0.82
Total	445,000	11,344,650	210.296	0.0017	0.059	8,369	0.044	0.13

Source : Computed from various Standing Committee Reports. For Columns 11 and 14 World Development Report 1986, World Bank and SIPRI Yearbook 1985 respectively

* Unconfirmed

Note : Original figures in local currencies converted at 1984 exchange rates. Figures rounded upto one digit.

The whole amount is merely 0.059% of the combined GDP of 1984. Compared with defence expenditures of the countries also the amount spent during the period appears to be much below any level of significance—0.013% of the combined defence expenditure of the countries for which data are available. The amount to be spent in 1987-88 would be barely 0.044% of the defence spending for the year 1984. There are some inter-country variations in the SAARC burden, India having to bear the largest absolute amount and Maldives the smallest. But in terms of relative burden India is having to bear the least share under both the criteria, namely share of GDP and defence spending. Nepal on the other hand appears to have taken the heaviest relative load. Whatever may be the impact of inter-country variation, which is going to be elaborated a little later, the fact remains that the cost of SAARC activities is rather low. In simple terms the total cost of SAARC endeavour for last five years has been not more than that of a moderate size bridge construction project or a couple of modern Tanks. In a word, the SAARC process, and its various activities have generally been cost-effective.

IV. PITFALLS BEYOND THE POSITIVISM

Mutual distrust is something deeply ingrained in inter-state relations in South Asia and progress in SAARC would certainly be inhibited to that extent. Thus, as well-known, vital areas of the economy like trade, industry, investment, monetary cooperation continue to remain outside the purview of SAARC for reasons explainable by none other than inhibitions originating from mutual mistrust. Reference was made to this problem by one of the Heads of State when at the conclusion of their deliberations in Kathmandu he said, "Although there is a clear recognition and need for gradually incorporating some of the 'core' areas of the economy in the SAARC agenda, psychological barriers continue to inhibit our progress. What is needed is an objective and comprehensive appreciation of our needs

and capabilities."⁴⁸ There appears to be indeed a wide gap in the appreciation of needs against capabilities leading to even contradictions in the position of individual member states on various issues. The fact that cooperation is yet to start in these vital areas indicates that member states are not unanimous on the usefulness of such cooperation although few, if not none, of the positions held are backed by appropriate and objective cost-benefit analysis. Because of the mutual apprehensions some are often averse to undertaking such analyses either.

Take the case of a Bangladesh proposal to establish a multi-sectoral investment institution to support projects in agreed areas. The idea, if realised, may turn out to be a substantive progress in cooperation in the vital area of finance. The proposal was first tabled in August 1986 since when it was generally welcomed by all member states. In the backdrop of acute shortage of investment funds in all member states which are largely dependent on external resource inflow, the main idea of the proposal is to mobilize the resources available within the region in a concerted manner in order to finance projects or joint ventures in agreed areas of cooperation. The proposal reportedly met stiff opposition in Kathmandu from the Indian delegation which apparently misconstrued it as a blanket mechanism only to mobilize external resources.⁴⁹ The concept paper on the subject, prepared by Bangladesh indeed had a provision of involvement of external sources of finance if there was such a need in addition to participation in the equity by member states. It was however clearly stated in the paper, and reiterated during Kathmandu meetings that whatever was aimed at, was to be in conformity with the SAARC Charter and other decisions at appropriate levels. Despite that in the context of strong Indian opposition, the best that could be achieved in Kathmandu was to form an Expert Group with a limited mandate of examining some

48. Concluding Statement of the President of Bangladesh, at the Third SAARC Summit, Kathmandu, 2-4 November 1987

49. See for details, Iftekharuzzaman, "SAARC on the Move : Time for Further Flexibility", *The Holiday*, Dhaka, 20 November 1987

of the aspects of the proposed institution. In view of the fact that India itself is apparently in favour of inclusion of finance as an area of cooperation as emphasized by Prime Minister Rajiv Gandhi himself,⁵⁰ such inhibition at operational level can be explained in no better way than by the pervasive influence of psychological barriers and parochial nationalism.

Psychological barriers however may be overtaken by a spirit of understanding at the highest political level, as demonstrated in Kathmandu. Two examples are pertinent. At the official, even upto the Ministerial level, the member states could not go beyond what was to be the signing of a "Final Act" on a convention on suppression of terrorism, which would mean deferring of the signing of the Convention until a later date, not certainly before another Summit. When the Heads of State or Government met, they however decided in favour of signing of the Convention itself which was indeed a notable reversal in the positive. The other example concerns the issue of disaster management. The position of some member states, particularly Bangladesh, was to agree to cooperate in examining the causes and consequences of such disasters like floods, droughts, cyclones, landslides, etc., which may be linked to developmental efforts like irrigation, water management, navigation, etc. The other view, particularly that of India, was that cooperation should be limited to the level of 'management of disaster relief' only. The Indian inhibition here understandably was rooted in New Delhi's in-built bias in favour of bilateralism as against multilateral approach to issues of vital interests to her. It was only at the intervention at the highest level that consensus on the first approach to the problem was reached.⁵¹ While these examples show the enormous importance of frequent meetings at the highest level, they also speak of the continued inhibitions prevailing among the member states.

50. Statement of Prime Minister of India at the Third SAARC Summit, Kathmandu, 2-4 November 1987.

51. Iftekharuzzaman, "SAARC on the Move" *op. cit.*

As the number of activities and projects keeps on increasing, member states, particularly smaller ones, are increasingly finding it difficult to finance them. Views were expressed in Kathmandu particularly by the smaller member states that SAARC may open itself selectively, in conformity with its principled position of collective self-reliance, to external financial sources, particularly multi-lateral lending agencies. On this point also the Indian position appeared as divergent.⁵² As it stands today none of the member states would like to see SAARC pegged to any external influence. None can deny the fact either that each of the member states are dependent on external sources for their development expenditures. And South Asia is not alone in this respect nor is India as one of the world's largest recipients of external resource inflow an exception to this. Article IX of the SAARC Charter also provides that "in case sufficient financial resources cannot be mobilised within the region for funding activities of the Association, external financing from appropriate sources may be mobilised with the approval of or by the Standing Committee".⁵³

How then such an Indian position can be explained? One way would be that New Delhi by virtue of its largest capacity to contribute financially, intends to keep the control over all that is going going to take place in SAARC. Evidences suggest that this is true but for its implications in terms of actual financial contribution. Table 4 shows that although in absolute figures the contribution of India is the largest, in relative terms, judged as proportionate to respective GDP and defence spending, all its smaller partners are contributing many times more than what India is doing. Indications would indeed be rare to suggest that in the face of difficulties faced by smaller partners, India would be willing to increase its contributions towards SAARC projects as an alternative to external funding.

52. *ibid.*

53. The Charter of the South Asian Association for Regional Cooperation, see Annexure A.

The Distributive Aspect

The point here is vital because of its potentially aggravating impact in the ultimate analysis on the asymmetry syndrome in the region. The fact that India is big, too disparately, compared to all of its fellow members, is something about which as already mentioned, neither India nor others can do much about. But it is also a part of the reality that many of the problems that bedevil interstate relations here have their roots in this disparity. As it stands today the SAARC process appears to have kept itself successfully immune from much of adverse impact of this factor. But it may be worthwhile to think that indications might soon surface if measures are not adopted even at this stage.

The point here has reference to the distributive aspect of benefits of SAARC process. One basic point on regional cooperation as already mentioned, is to make use of deliberate governmental and private efforts to strengthen regional economic and other linkages more rapidly and in a more planned way than would be the case if such links were left to the forces of market. This also demands that in order that such cooperation is effective the distributive aspect of the outcome of regional cooperation should be designed, to the extent possible, in a way more planned and equitable than would be the case if this was left to the forces of market. It has been indicated in an earlier section that overwhelming majority of events have been taking place in India followed by Pakistan and Bangladesh. If hosting of such events means relatively greater share of the outcome (perhaps it is indeed so, take for example, the case of a seminar or workshop wherein the host country usually is in a position to send more participants, or the establishment of a regional institution whereby the host country usually benefits more in terms of both employment and output), then it may be appropriate to think that the countries which are economically in more advantageous position are likely to obtain the greater share of the cake. This corresponds with the fact that forces of market

also lead to a concentration of benefits from regional cooperation in the larger and more advanced member states where better infrastructure and other agglomerational advantages exist.⁵⁴ It may also be argued that this is in conformity with their financial contribution or administrative or other capabilities.

Looking at the table on financial contribution it may be observed however, that although the volume of contribution of the countries mentioned are much larger than others who are hosting lesser number of events, this latter group is indeed contributing relatively much greater if contribution is measured in terms of its share with GDP or defense spending, in other words, the relative ability to pay. It appears thus appropriate to think that before the present favourable political will is offset by matters like this, efforts should be made to devise ways and means to ensure greater equity in the distribution of impact among member states and also to ensure greater sense of participation in the smaller members. As an alternative to the existing pattern of distribution of benefits being subjected to financial contribution, one possible way may be to create a Common Fund for programme activities out of contribution of member states on the basis of a mutually agreeable "ability to pay" formula (plus if necessary, contribution from possible multilateral donor agencies) and to operate the same from the Secretariat, which may also to some extent be expected to share the managerial and administrative responsibilities of smaller member states, if the need be.

'Seven Minus X'

The other way to explain the Indian position of closing SAARC indiscriminately to the possibility of external finance, (India ironically was the country to host the first SAARC event financed by external

54. Peter Robson, *The Economics of International Integration*, quoted in K. Vareswaran, "Lessons in Regional Cooperation for SAARC and ASEAN", unpublished dissertation for the Porst-Graduate Diploma in International Affairs, Centre for International Studies, Colombo.

resources when it organised with exclusive funding of the UNICEF, the SAARC Ministerial conference on Children in October 1986) may be that it is not in India's interest to see some particular SAARC projects and schemes progress much. India, and for that matter any other member state may have its own reason to have such a position. In such a situation it appears worthwhile to consider the possibility of introducing a principle of 'seven minus x' in SAARC decision making. While 'unanimaty' in decision-making as per the Charter of the Association cannot be violated the member states may be unanimous in clearing certain projects or schemes which are found appropriate and viable by 'seven minus x' number of member states. The idea is not to alienate any particular member state nor it has any relevance to the much publicised "ganging up" theory which would certainly be detrimental to the interest of the new Association. What is intended here is indeed to bypass any such prospect and to ponder over some measures whereby progress may be made in projects or schemes that are considered beneficial and viable by all but one or a couple of member states.

This indeed is provided in the Charter also, Article VII of which says that "The Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two but not all member states.⁵⁵ Given the level of consolidation achieved by the Association and the level of political will which at present appears to be favourable by all indications, it may not be difficult to work out appropriate mechanism which would introduce flexibility and dynamism.

CONCLUSION

SAARC as a regional organisation has adopted a functional approach. The idea is to initiate selective type of cooperative endeavours in selective areas. In the context of existing distortions in inter-state

55. See Annexure A.

relations, characterised particularly by acute mutual mistrust and suspicion at the political level, it appears that there could hardly be an alternative approach to the growth of regionalism in South Asia.

The experience of past few years since the launching of SAARC suggests that the functionalist content of the association is working well. Cooperation is taking root in various agreed areas although currently with a heavy bias in favour of short-term activities like workshops, seminars, academic and research exchange programmes. Many of the activities that are already implemented or are in hand may reasonably appear to have little more than symbolic value with no tangible benefits for the peoples of the region. Nevertheless, the importance of these activities in terms of promotion of people-to-people contact and knowing better each other's problems and perspectives, and more than that, preparing the academic and psychosocial footing for greater cooperation, cannot be under-estimated. This latter implication of the progress so far is visible and also important. There is an apparent shift of emphasis in favour of projects and schemes which are likely to be of long-term nature and designed to generate tangible benefits within agreed areas. New areas are also coming up with indications that cooperative activities under SAARC may gradually and progressively encompass more vital sectors of the economy. There is even an indication of 'silent cooperation' at the political front. Although the association has formally sanitised itself from political and/or bilateral and contentious issues, the experience so far has shown that it has, deliberately or not, involved itself on matters that can be considered political. Likewise, we have seen that bilateral and contentious issues among the states have impinged on the multilateral proceedings in the regional frame. What is notable, is the usefulness of the forum to take up informally the issues that may not necessarily figure in the formal agenda of the association. The fact remains that none of such issues have been resolved by the SAARC, nor is SAARC expected to do so in the immediate future. It can hardly be underestimated that member

states have found the association a useful forum to raise such matters and exchange views on them. The SAARC has, therefore, shown some potential as a tension-diffusing platform and hesitantly though, the region appears to be on a course of transition.

There is no scope of complacency, nor is it possible to underestimate the enormous level of mistrust and psychological barriers which coupled with the outstanding bilateral issues and parochial nationalism continue to bedevil inter-state relations in South Asia. Much progress has certainly been made, but there is a lot more way to go. Comparing the period under consideration with any other segment of post-World War South Asian history, the developments are certainly notable.

The activities that have been implemented so far have been found to be cost-effective under the considered criteria. The distributive aspect of benefits, however, appears to be already infected by syndromes of inequity, with a bias in favour of larger member states. The study took as its premise the well-known fact that regional cooperation efforts in general have long gestation periods in terms of generation of tangible benefits. It has gone on the show also that in case of SAARC such benefits tend to be needing longer time to accrue to the relatively smaller and/or less developed countries within the group than to the larger and more developed ones. Thus, appropriate regime should be devised so that the gap is bridged to impart a sense of equity in participation and benefits for the greater interest of the association as much for all member states taken together. As the association expands its activities, there will be greater need for flexibility and dynamism particularly on the part of the larger member state(s) for the sake of mutual benefit of all.

ANNEXURE—A

CHARTER
of the
SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION

We, the Heads of State or Government of BANGLADESH, BHUTAN, INDIA, MALDIVES, NEPAL, PAKISTAN and SRILANKA;

1. Desirous of promoting peace stability, amity and progress in the region through strict adherence to the principles of the United Nations Charter and Non-Alignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of all disputes;
2. Conscious that in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the South Asian region by fostering mutual understanding, good neighbourly relations and meaningful cooperation among the Member States which are bound by ties of history and culture;
3. Aware of the common problems, interests and aspirations of the peoples of South Asia and the need for joint action and enhanced cooperation within their respective political and economic systems and cultural traditions;
4. Convinced that regional cooperation among the countries of South Asia is mutually beneficial, desirable and necessary for promoting the welfare and improving the quality of life of the peoples of the region ;
5. Convinced further that economic, social and technical cooperation among the countries of South Asia would contribute significantly to national and collective self-reliance;

6. Recognising that increased cooperation, contacts and exchanges among the countries of the region will contribute to the promotion of friendship and understanding among their peoples;
7. Recalling the Declaration signed by their Foreign Ministers in New Delhi on August 2, 1983 and noting the progress achieved in regional cooperation;
8. Reaffirming their determination to promote such cooperation within an institutional framework ;

DO HEREBY

AGREE to establish an organisation to be known as SOUTH ASIAN ASSOCIATION FOR REGIONAL COOPERATION, hereinafter referred to as the ASSOCIATION, with the following objectives, principles, institutional and financial arrangements;

ARTICLE-I

OBJECTIVES

1. The objectives of the ASSOCIATION shall be :-
 - (a) to promote the welfare of the peoples of South Asia and to improve their quality of life;
 - (b) to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realise their full potentials;
 - (c) to promote and strengthen collective self-reliance among the countries of South Asia;
 - (d) to contribute to mutual trust, understanding and appreciation of one another's problems;
 - (e) to promote active collaboration and mutual assistance in the economic, social, cultural, technical and scientific fields;

- (f) to strengthen cooperation with other developing countries;
- (g) to strengthen cooperation among themselves in international forums on matters of common interest; and
- (h) to cooperate with international and regional organisations with similar aims and purposes.

ARTICLE-II

PRINCIPLES

1. Cooperation within the framework of the ASSOCIATION shall be based on respect for the principles of sovereign equality, territorial integrity, political independence, non-interference in the internal affairs of other States and mutual benefit.
2. Such cooperation shall not be a substitute for bilateral and multi-lateral cooperation but shall complement them.
3. Such cooperation shall not be inconsistent with bilateral and multilateral obligations.

ARTICLE - III

MEETINGS OF THE HEADS OF STATE OR GOVERNMENT

1. The Heads of State or Government shall meet once a year or more often as and when considered necessary by the Member States.

ARTICLE - IV

COUNCIL OF MINISTERS

1. A Council of Ministers consisting of the Foreign Ministers of the Member States shall be established with the following functions:
 - (a) formulation of the policies of the ASSOCIATION;
 - (b) review of the progress of cooperation under the ASSOCIATION;

- (c) decision on new areas of cooperation;
- (d) establishment of additional mechanism under the ASSOCIATION as deemed necessary;
- (e) decision on other matters of general interest to the ASSOCIATION.

2. The Council of Ministers shall meet twice a year. Extraordinary session of the Council may be held by agreement among the Member States.

ARTICLE - V

STANDING COMMITTEE

1. The Standing Committee comprising the Foreign Secretaries shall have the following functions:

- (a) overall monitoring and coordination of programme of cooperation;
- (b) approval of projects and programmes, and the modalities of their financing;
- (c) determination of inter-sectoral priorities;
- (d) mobilisation of regional and external resources;
- (e) identification of new areas of cooperation based on appropriate studies;

2. The Standing Committee shall meet as often as deemed necessary.

3. The Standing Committee shall submit periodic reports to the Council of Ministers and make reference to it as and when necessary for decisions on policy matters.

ARTICLE - VI

TECHNICAL COMMITTEES

1. Technical Committees comprising representatives of Member States shall be responsible for the implementation, coordination and monitoring of the programmes in their respective areas of cooperation.

2. They shall have the following terms of reference:
 - (a) determination of the potential and the scope of regional cooperation in agreed areas;
 - (b) formulation of programmes and preparation of projects;
 - (c) determination of financial implications of sectoral programmes;
 - (d) formulation of recommendation regarding apportionment of costs;
 - (e) implementation and coordination of sectoral programmes;
 - (f) monitoring of progress in implementation.
3. The Technical Committees shall submit periodic reports to the Standing Committee.
4. The Chairmanship of the Technical Committees shall normally rotate among Member States in alphabetical order every two years.
5. The Technical Committees may, inter-alia, use the following mechanisms and modalities, if and when considered necessary:
 - (a) meetings of heads of national technical agencies;
 - (b) meetings of experts in specific fields;
 - (c) contact amongst recognised centres of excellence in the region.

ARTICLE -VII

ACTION COMMITTEES

1. The Standing Committee may set up Action Committees comprising Member States concerned with implementation of projects involving more than two but not all Member States.

ARTICLE -VIII

SECRETARIAT

1. There shall be a Secretariat of the ASOCIATION.

ARTICLE - IX

FINANCIAL ARRANGEMENTS

1. The contribution of each Member State towards financing of the activities of the ASSOCIATION shall be voluntary.
2. Each Technical Committee shall make recommendations for the apportionment of costs of implementing the programmes proposed by it.
3. In case sufficient financial resources cannot be mobilised within the region for funding activities of the ASSOCIATION, external financing from appropriate sources may be mobilised with the approval of or by the Standing Committee.

ARTICLE - X

GENERAL PROVISIONS

1. Decisions at all levels shall be taken on the basis of unanimity.
2. Bilateral and contentious issues shall be excluded from the deliberations.

In Faith Whereof We Have Set Our Hands And Seals Hereunto.

DONE in DHAKA, BANGLADESH, On This The Eighth Day Of December Of The Year One Thousand Nine Hundred Eighty Five.

Hussain Muhammad Ershad
PRESIDENT OF THE
PEOPLES REPUBLIC OF
BANGLADESH

Maumoon Abdul Gayoom
PRESIDENT OF THE
REPUBLIC OF MALDIVES

Jigme Singye Wangchuck
KING OF BHUTAN

Birendra Bir Bikram Shah Dev
KING OF NEPAL

Rajiv Gandhi
PRIME MINISTER OF THE
REPUBLIC OF INDIA

Mohammad Zia-ul Haq
PRESIDENT OF THE ISLAMIC
REPUBLIC OF PAKISTAN

Junius Richard Jayewardene
PRESIDENT OF DEMOCRATIC SOCIALIST
REPUBLIC OF SRILANKA

ANNEXURE—B

Dhaka Declaration of the Heads of State or Government of South Asian Association for Regional Cooperation.

The president of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the President of Pakistan and the President of Sri Lanka met in Dhaka on 7 and 8 December, 1985.

2. The Heads of State or Government underscored the historic significance of their first ever South Asian Summit meeting. They consider it to be a tangible manifestation of their determination to cooperate regionally, to work together towards finding solutions towards their common problems in a spirit of friendship, trust and mutual understanding and to the creation of an order based on mutual respect, equity and shared benefits.

3. They recognized that periodic meetings at their level were central to the promotion of mutual trust, confidence and cooperation among their countries.

4. The Heads of State or Government reaffirmed that their fundamental goal was to accelerate the process of economic and social development in their respective countries through the optimum utilization of their human and material resources, so as to promote the welfare and prosperity of their peoples and to improve their quality of life. They were conscious that peace and security was an essential prerequisite for the realization of this objective.

5. The leaders of the South Asian countries reaffirmed their commitment to UN Charter and the principles governing sovereign equality of States, peaceful settlement of disputes, non-interference in internal affairs and non-use of threat or use of threat or use of force against the territorial integrity and political independence

of other States. They reiterated that the United Nations constituted the most important forum for the resolution of all issues affecting international peace and security.

6. They also reaffirmed their deep conviction in the continuing validity and relevance of the objectives of the Non-aligned movement as an important force in international relations.

7. The Heads of State or Government acknowledged that the countries of South Asia, who constituted one-fifth of humanity were faced with the formidable challenges posed by poverty, under-development, low levels of production, unemployment and pressure of population compounded by exploitation of the past and other adverse legacies. They felt that bound as their countries were by many common values rooted in their social, ethnic, cultural and historical traditions, regional cooperation provided a logical response to these problems. They were conscious of their individual and regional strengths, their potential as a huge market, their substantial human and natural resources and the complementarities of their economies. They were confident that with effective regional cooperation, they could make optimum use of these capacities for the benefit of their peoples, accelerate the pace of their economic development and enhance their national and collective self-reliance. They were convinced that their countries, which had made important contributions to the enrichment of human civilization, could together play their due role in international relations and influence decisions which affected them.

8. The Heads of State or Government emphasised that strengthening of regional cooperation in South Asia required greater involvement of their peoples. They agreed to increase interaction and further promote people-to-people contacts at various levels among their countries. To this end, they decided to take steps to create awareness and public opinion in the region.

9. The Heads of State or Government welcomed the progress already made in the implementation of the Integrated Programme of Action in the nine mutually agreed areas. They expressed their desire to consolidate and further expand cooperative efforts within an appropriate institutional framework in a spirit of partnership and equality,

10. The leaders were convinced that they could effectively pursue their individual and collective objectives and improve the quality of life of their peoples only in atmosphere of peace and security. In this context, they expressed concern at the deteriorating international political situation. They were alarmed at the unprecedented escalation of arms race particularly in its nuclear aspect. They recognized that mankind today was confronted with the threat of self-extinction arising from a massive accumulation of the most destructive weapons ever produced. The arms race intensified international tension and violated the principles of the UN Charter. The leaders called upon the nuclear weapons-states for urgent negotiations for a Comprehensive Test Ban Treaty leading to the complete cessation of testing, production and development of nuclear weapons. In this connection, they welcomed the recent meeting between President Reagan and General Secretary Gorbachev in Geneva and expressed the hope that the meeting would have a positive effect on international peace and security.

11. The Heads of State or Government expressed deep concern at the continuing crisis in the global economy. They underscored that deteriorating economic and social conditions had seriously retarded development prospects in South Asia and other developing countries. Sharply falling commodity prices, deterioration in the terms of trade, intensification of protectionist measures, spiralling debt burden and a decline in the flow of external resources, especially concessional assistance, had caused a serious setback to the economic development of the developing countries. These had been compounded by natural disasters and precarious world food security situation affecting developing countries. They also expressed concern over the diminishing capacity

of international financial and technical institutions to respond effectively to the needs of the disadvantaged and poorer countries and regretted that the spirit of multilateral cooperation had begun to falter and weaken. This was particularly disturbing in the face of increased interdependence of developed and developing countries and the fact that economic revival of North was closely linked to economic progress in South. They believed that developments during the past decades had clearly demonstrated the structural imbalances and inequities inherent in the existing international economic system and its inadequacy to deal with problems of development.

12. They strongly urged that determined efforts should be made by the international community towards realization of the goals and targets of the International Development Strategy as well as the Substantial New Programme of Action for the Least Developed Countries. They called for urgent resumption of the North-South dialogue and early convening of an International Conference on Money and Finance for Development with universal participation.

13. The Heads of State and Government were conscious of the historic importance of the Dhaka Summit and reiterated their conviction that the launching of the South Asian Association for Regional Cooperation (SAARC), which they had established at this meeting would place regional cooperation on a firm foundation, play an important role in accelerating the pace of economic and social development of their countries, promote the objectives of individual and collective self-reliance and further the cause of peace, progress and stability in their region and the world.

14. The Heads of State or Government of Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka were deeply appreciative of the exemplary chairmanship of their meeting by the President of Bangladesh. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and the people of Bangladesh and for the excellent arrangements made for the meeting.

ANNEXURE—C

The Bangalore Declaration of the Heads of State or Government of the South Asian Association for Regional Cooperation

The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka assembled at the second SAARC Summit in Bangalore on 16 and 17 November 1986.

2. The Heads of State or Government reiterated their desire of promoting peace, stability, amity and progress in the region through strict adherence to the principles of the United Nations Charter and Nonalignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of disputes.

3. The Heads of State or Government reaffirmed the will of their peoples and Governments to work together in accordance with the SAARC Charter to devise common policies and approaches for finding common solutions to the shared problems that all of them face. They stressed that mutual trust, goodwill and understanding must animate their co-operative effort under SAARC. Progress and prosperity in each country would redound to the benefit of others. This was what constituted the SAARC spirit.

4. The leaders reaffirmed that the principal goal of SAARC was to promote the welfare of the peoples of South Asia, to improve their quality of life, to accelerate economic growth, social programmes and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potential.

5. The Heads of State or Government recalled that the countries of South Asia had been linked by age-old cultural, social and historical traditions. These had led to enriching interaction of ideas, values, culture and philosophies. These commonalities constituted solid foundations for regional cooperation for addressing more effectively the economic and social problems.

6. The Heads of State or Government recalled that the South Asian Association for Regional Cooperation was the most populous regional grouping in the world. The countries of the region had large, rich and varied human and natural resources. They expressed their determination to achieve the optimum utilization of these resources by intensifying their co-operation, bearing in mind the immense present and potential complementarities among their economies. They recognized that this would require increasing exchange among their countries, on the basis of mutual benefit, of ideas, experience and technology as well as goods and services, which utilize and enhance the productive capacity of each of their countries and build their collective self-reliance. They were convinced that the countries of South Asia which had been the cradle of human civilization and culture could, acting together co-operatively and cohesively, once again play their due role in the comity of nations.

7. The Heads of State or Government reiterated the great importance of the increasing involvement of the people for ensuring the success of regional co-operation. They emphasized the need for promoting greater contacts among the peoples of the region through such action as regular and frequent interchange of scholars, academics, artists, authors, professionals and businessmen as well as facilitation of tourism.

8. The Heads of State or Government noted with satisfaction that considerable progress had been achieved in the implementation of the SAARC Integrated Programme of Action. They expressed their firm commitment to consolidate and streamline further the

implementation of the IPA. They agreed that a progressive movement towards more concrete and action-oriented projects and programmes was essential to ensure more tangible benefits from SAARC to the peoples of the region. The Heads of State or Government emphasized the importance of expanding co-operative endeavours under SAARC. They welcomed the establishment of the Technical Committees on Women in Development, and on the Prevention of Drug Trafficking and Drug Abuse.

9. The Heads of State or Government welcomed the signing of the Memorandum of Understanding on the establishment of the SAARC Secretariat by the Council of Ministers and their decision to locate the Secretariat in Kathmandu and appoint Ambassador Abul Ahsan of Bangladesh as the first Secretary General of SAARC. They were convinced that the establishment of the Secretariat would assist in the co-ordination of SAARC activities and more fruitful implementation of its programmes and projects.

10. The Heads of State or Government recognized that the meeting of the needs of all children was the principal means of human resources development. Children should therefore be given the highest priority in national development planning. The Heads of State or Government underlined the importance of enhancing public consciousness and building a national political consensus on the rights of the children. In this context they called for an early conclusion and adoption of the UN Convention on the Rights of the Child. They subscribed to the goals of universal immunization by 1990, universal primary education, maternal and child nutrition, provision of safe drinking water and adequate shelter before 2000. They also believed that it should be possible to ensure at the end of the century, that no child need die or be denied development, for reasons of material poverty in the family. They directed the Standing Committee to undertake annual reviews of the situation of children in the SAARC countries, monitoring of programmes and exchange of experience.

11. The Heads of State or Government agreed that co-operation among SAARC States was vital if terrorism was to be prevented and elimination from the region. They unequivocally condemned all acts, methods and practices of terrorism as criminal and deplored their impact on life and property, socio-economic development, political stability, regional and international peace and cooperation. They recognized the importance of the principles laid down in UN Resolution 2625 which among others required that each State should refrain from organizing, instigating, assisting or participating in acts of civil strife or terrorist acts in another State or acquiescing in organized activities within its territory directed towards the commission of such acts.

12. The Heads of State or Government expressed their concern at the crisis facing the United Nations system. They reiterated their deep commitment to the purposes and principles of the United Nations Charter and their support for and faith in the United Nations as the most important international forum for addressing issues of peace, disarmament and development and an essential instrument for bringing about justice and equity in international political and economic relations. They resolved to concert their efforts in all multilateral fora within the United Nations system to preserve and strengthen the Organization and to prevent erosion of its role, functions and principles.

13. The Heads of State or Government reiterated their deep commitment to the principles and objectives of the Nonaligned Movement and underlined the historic role the Movement had been playing in strengthening international peace, promoting development, establishing equitable and just economic relations and strengthening international co-operation in all fields. The success of the Harare Summit of the Nonaligned Countries was yet another demonstration of the strength and unity of the Movement and the increasing respect that it had come to command in the international community. They affirmed

full support for the decisions adopted at the Summit and called for their early implementation.

14. The leaders of the South Asian countries were convinced that an environment of peace, security and respect for international law was essential for their growth and stability. Unfortunately, this environment had become increasingly adverse for the pursuit of their cherished goals. The international political scene was marred by strife and tension due to Great Power policies and practices of domination and intervention as well as the increased resort to the threat or use of force, aggression, occupation, pressure, economic coercion and interference in flagrant violation of the principles and purposes of the Charter of the United Nations. The arms race, particularly the nuclear arms race, had escalated to a point where it jeopardizes the most fundamental of all human rights, the right to live.

15. The Heads of State or Government noted with deep disappointment that the promise held out by the Reykjavik Summit could not be realized. They, however, noted with satisfaction that the proposals made at the Summit were still on the table. They expressed the earnest hope that the negotiations would be resumed without delay so that a decisive step could be taken towards realizing the ultimate goal of eliminating nuclear weapons altogether. The Heads of State or Government called for the early conclusion of a Comprehensive Test Ban Treaty.

16. The Heads of State or Government were deeply concerned that world economy continued to be in the throes of crisis, with particularly harsh and severe consequences for the economies and development prospects and aspirations of the developing countries. They endorsed the Declaration of the SAARC Ministerial Meeting on International Economic Issues held in Islamabad and its analysis of the exceptionally adverse external economic environment which retards the development of the South Asian and other developing countries.

These negative factors include : depressed commodity prices, rising protectionism, global recession, lower export earnings, net outflow of financial resources from developing countries and an aggravated debt crisis.

17. The Heads of State or Government noted that the rates of growth in the developed countries had turned out to be much lower than what was earlier projected and that the projection for future growth in these countries were not at all encouraging. They expressed their concern at the implications of these trends for the development prospects of the developing countries. They welcomed the recent recognition by the developed countries that the chronic problems of massive payment imbalances, high interest rates, unstable exchange rates and high unemployment are structural in nature. In view of global interdependence, the co-ordination of macro-economic policies, contemplated at the Tokyo Summit of the seven major industrialized countries, cannot be effective in achieving sustained global economic growth unless it encompasses the developing countries.

18. The leaders urged that the recent retreat from multilateralism should be urgently reversed through a revival of the North-South dialogue which is responsive to the changed circumstances in the world economy. This must include a process of reform of monetary and financial system, through an International Conference on Money and Finance for Development, and urgent measures for preserving and strengthening the multilateral trading system. In the search for revived global growth, priority must be accorded to exploiting the vast potential for expanded production, consumption and trade which exists in the developing countries. In all these endeavours, high priority should be accorded to supporting the development of the least developed countries, in particular, through the full and effective implementation of the Substantial New Programme of Action for the Least Developed Countries for the 1980s.

19. The Heads of State or Government noted with satisfaction that at the SAARC Ministerial Meeting on International Economic

Issues a number of priority objectives of the SAARC countries have been identified. These include : enlarged concessional assistance, the doubling in three years of the financial flows for the development of developing countries, amelioration of official debts, trade liberalization especially in textiles and agriculture, commodity price stabilization, transfer of technology and special treatment for least developed SAARC countries. The Heads of State or Government agreed that the SAARC members should closely and regularly consult and co-operate in relevant international economic conferences and institutions in order to promote the above mentioned objectives. They recognized that an important opportunity in this context would be provided by UNCTAD VII.

20. The Heads of State or Government were of the view that the forthcoming New Round of Multilateral Trade Negotiations posed a challenge for their countries as well as an opportunity to accelerate their development through the expansion of their exports. They underlined the importance of the effective implementation with immediate effect and continuing until the formal completion of the negotiations, of the commitment to observe a standstill on protectionist measures and to roll these back under multilateral surveillance. They also expected that the principles of transparency and differential and more favourable treatment for the developing countries would be applied systematically and in concrete terms in the negotiations. They decided to concert their positions in these negotiations with a view to deriving maximum benefits from them in accordance with their national objectives and priorities.

21. The Heads of State or Government expressed their conviction that the Bangalore Summit had helped in consolidating the gains of regional co-operation activities so far undertaken by SAARC while, at the same time, exploring new avenues and possibilities for such co-operation. The Bangalore Summit had made a significant contribution to strengthening and streamlining the institutional basis for such co-operation.

22. The Heads of State or Government reiterated their determination and will to expand and strengthen their co-operation under SAARC. They underlined their belief that SAARC reflected a resurgence of the South Asian consciousness which had inspired the peoples of this region over several millenia. The leaders expressed their deep conviction that South Asian regional co-operation would not only have a salutary effect on bilateral relations between the countries of the region, but also impart strength and stability to these relations.

23. The Heads of State or Government of Bangladesh, Bhutan, Maldives, Nepal, Pakistan and Sri Lanka were deeply appreciative of the exemplary manner in which the Prime Minister of India discharged his responsibilities as chairman of the meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by the Government and people of India and for the excellent arrangements made for the meeting.

ANNEXURE - D

Kathmandu Declaration of the Heads of State or Government of South Asian Association for Regional Cooperation

The President of Bangladesh, the King of Bhutan, the Prime Minister of India, the President of Maldives, the King of Nepal, the Prime Minister of Pakistan and the President of Sri Lanka assembled for the Third Summit of the South Asian Association for Regional Cooperation (SAARC) in Kathmandu from 2-4 November, 1987.

2. The Heads of State or Government recalled with pleasure the launching of SAARC which marked the beginning of a new era of regional cooperation for the promotion of peace and progress, mutual trust and goodwill in South Asia and underlined the importance of annual meetings at their level, as a prime mover, in consolidating and accelerating the pace and process of overall social, economic and cultural development in the region. They renewed their commitment to the SAARC Charter. They reiterated their desire of promoting peace, stability, amity and progress in the region through strict adherence to the principles of United Nations Charter and Nonalignment, particularly respect for the principles of sovereign equality, territorial integrity, national independence, non-use of force and non-interference in the internal affairs of other States and peaceful settlement of disputes.

3. The Heads of State or Government emphasized that a fundamental goal of SAARC was to promote the welfare of the peoples of South Asia and to provide them with the opportunity to live in dignity and realise their full potential. They were conscious of the formidable tasks ahead of eradicating poverty, hunger, disease, illiteracy and unemployment and alleviation of environmental degradation facing South Asia today. They were convinced that the peoples and

governments of South Asia could, acting in unison, surmount these challenges.

4. The Heads of State or Government expressed their faith in and commitment to the principles and purposes enshrined in the United Nations Charter. They further believed that the United Nations had an important role to play in promoting universal trust, understanding and concerted actions for the attainment of lasting peace, global development and general disarmament. They reiterated their concern at the crisis facing the United Nations. They expressed their commitment to the multilateral negotiating process and called upon all states to help strengthen the UN system. They reaffirmed their belief that SAARC will reinforce this process by promoting South Asian cooperation.

5. The Heads of State or Government also reaffirmed their deep commitment to the principles and objectives of the Non-Aligned Movement. They underscored the validity of its philosophy and the historic role the Movement has been playing and continues to play in strengthening world peace and harmony as well as in promoting development with justice and equity. They also noted that institutionalization and strengthening of regional cooperation in South Asia had further nurtured the spirit of South-South cooperation on the basis of mutual respect, equity and common benefit. They expressed satisfaction over the result of the Ministerial Conference on Non-aligned Countries held in Pyongyang in June 1987 and urged the Non-aligned and other developing countries to take action to implement effectively the Pyongyang Declaration and Plan of Action on South-South Cooperation.

6. The Heads of State or Government recognised that the external environment had a critical bearing on the development of the economies of the South Asian region. They noted with deep concern that growth in the world economy had again slowed down with

adverse consequences for South Asia and other developing countries, especially for the least developed and landlocked countries. They observed that equitable participation of the developing countries in international trading and economic systems and in arrangements for the coordination of global macroeconomic policies was essential for enhancing prospects and performance of the world economy.

7. The South Asian leaders noted that the world economy had long suffered from a structural disequilibrium. The pace of global economic expansion had further slowed down. The downward trend in commodity prices had continued. The net export earnings had fallen aggravating payment imbalances in developing countries. The terms of trade had further deteriorated with enormous losses to developing countries. At the same time, the diminishing financial flows to developing countries remained unchanged with contraction in new lendings and growing burden of debt servicing. In fact there had been a reverse flow of resources from developing to developed countries. The trade conflicts had also sharpened with the rise of protectionism thus further weakening the international trading system and eroding the principle of special and differential treatment in favour of developing countries.

8. The Heads of State or Government reiterated the urgent need for resumption of North-South Dialogue with a view to promoting coordinated actions by developed and developing countries to channel trade surpluses for development, revive growth in fledgling economies, overcome debt difficulties, expand export access to the developing countries and stabilise commodity prices regulate capital flows and exchange rates more closely, and provide emergency relief and assistance to the poorest countries. They called for an early convening of the International Conference on Money and Finance for Development. They also stressed the need for preserving and liberalizing the multilateral trading system with renewed efforts both within and outside the GATT Uruguay Round of Multilateral

Trade Negotiations. They also underscored the importance of the developed countries fully respecting the commitments made in Punta del Este on "standstill and rollback" and called for the early and effective implementation of this commitment. The Heads of the State or Government also reviewed the outcome of UNCTAD VII. They hoped that UNCTAD would play an increasingly effective role in promoting harmonious and equitable international economic relations.

9. The Heads of State or Government reaffirmed the need for special measures in favour of the least developed countries in order to strengthen their resource capabilities and structural transformation and urged the international community, in the light of recent decisions at UNCTAD VII, to speed-up tangible assistance including increased resource flows to these countries within the framework of the Substantial New Programme of Action (SNPA) for the Least Developed Countries for 1980s.

10. The Heads of State or Government expressed concern at the deteriorating international political environment which was due to great power policies and practices of domination and intervention as well as the increased resort to threat or use of force, aggression, occupation, pressure, economic coercion and interference in violation of the principles and purposes of the Charter of the United Nations. These destabilising measures were creating a climate detrimental to the policies of peace, goodwill, stability, prosperity and respect for each other.

11. The Heads of State or Government believed that the escalation in military expenditure was a major constraint on world development. In this regard they noted that the UN Conference on Disarmament and Development had clearly established a link between disarmament and development and had provided a valuable framework for future action in this vital area.

12. They welcomed the understanding reached between the United States and the Soviet Union on Intermediate Nuclear Forces.

This should be a precursor of further accords between them to reduce drastically their strategic nuclear missiles and to refrain from extending the arms race to outer space. They called for the early conclusion in the Geneva Conference on Disarmament of a Comprehensive Test Ban Treaty and a Convention to Ban Comprehensive Weapons. They declared their intention to continue their efforts to contribute to the realisation of the objective of halting the nuclear arms race and eliminating nuclear weapons. They declared their resolve to support every effort to conclude a treaty prohibiting vertical and horizontal proliferation of nuclear weapons.

13. The Heads of State or Government expressed their deep concern at the fast and continuing degradation of the environment, including extensive destruction of forest, in the South Asian region. They also noted that South Asia was afflicted with such natural disasters as floods, droughts, landslides, cyclones, tidal waves which have had a particularly severe impact recently, causing immense human suffering. At the same time they expressed concern over the danger posed by the global sea level rise and its effects on South Asian countries. These natural disasters and the degradation of the environment were severely undermining the development process and prospects of the member countries. They, therefore, decided to intensify regional cooperation with a view to strengthening their disaster management capabilities. They also decided to commission a study for the protection and preservation of the environment and on the causes and consequences of natural disasters in a well-planned comprehensive framework. They entrusted the Secretary-General with this task.

14. The Heads of State or Government reaffirmed their conviction that the region being most populous in the world and having age-old socio-cultural links, rich and varied human and natural resources, offered immense scope and potential for regional cooperation and that the growing interaction among its people had added stimulus towards

this end. They reiterated their determination to pursue their individual and collective efforts for the optimal utilisation of the vast human and untapped natural and other material resources.

15. The Heads of State or Government reviewed with satisfaction the progress made so far in the implementation of the SAARC Integrated Programme of Action and emphasised the need to further consolidate and streamline the process. They were conscious of the need to exercise greater discretion in the selection of activities in different sectors. They took note of the criteria and procedures relating to administrative structuring and financing of regional institutions endorsed by the SAARC Council of Ministers. They directed that the establishment of such regional institutions should proceed only after taking into account their viability and benefits to the member countries with due consideration to economy and efficiency.

16. The Heads of State or Government expressed satisfaction at the launching of the SAARC Audio Visual Exchange programme coinciding with the opening of the Third SAARC Summit in Kathmandu. While taking note of the dates for the institution of the SAARC Chairs, Fellowships and Scholarships and the commencement of Organised Tourism among SAARC member countries, they directed that the schemes for the SAARC Documentation Centre and the SAARC Youth Volunteer Programme be implemented at the earliest.

17. The Heads of State or Government noted with satisfaction the signing of the Agreement establishing a South Asian Food Security Reserve and expressed confidence that this will provide a much-needed cushion against food shortages and scarcity situations in the region.

18. The Heads of State or Government expressed happiness at the signing of the SAARC Regional Convention on Suppression of Terrorism and considered it a historic step towards the prevention and elimination of terrorism from the region. In this regard, they also reiterated their unequivocal condemnation of all acts, methods and

practices of terrorism as criminal and expressed their abhorrence of their impact on life and property, socio-economic development, political stability, regional peace and cooperation.

19. The Heads of State or Government reaffirmed their agreement to expand SAARC activities in other concrete areas of cooperation in order to ensure more tangible benefits from SAARC to the peoples of the region. They were convinced that regional cooperation could be consolidated and expanded on the basis of growing regional complementarities and inter-dependence. They believed that the SAARC long-term perspective should, therefore, focus on measures to expand and strengthen such areas of regional complementarities and inter-dependence not only through formulation and implementation of more concrete and action-oriented programmes but also through coordination of national policies and approaches for finding common solutions to their common problems.

20. The Heads of State or Government welcomed the first annual review of the situation of children in the SAARC member countries. They reiterated their commitment made in the Bangalore Declaration to accord highest priority to the needs of children in national development planning and emphasised that more intensified action should be taken for the welfare and well-being of children. They further reiterated their call for an early conclusion and adoption of a United Nations Convention on the Rights of the Child.

21. The Heads of State or Government expressed their satisfaction at the establishment of the SAARC Secretariat in Kathmandu, strengthening further the process of regional cooperation in South Asia. They expressed their gratitude to His Majesty King Birendra Bir Bikram Shah Dev for most graciously inaugurating the SAARC Secretariat.

22. The Heads of State or Government were conscious of the aspirations of the peoples of South Asia to communicate and cooperate

with each other at the people-to-people level. They recognised that academics, researchers, non-governmental organizations and others have an important role to play in promoting the SAARC spirit and giving impetus to regional programmes and projects. They further observed that the interest and enthusiasm so far demonstrated by the increased interactions and exchange of information at the inter-governmental level should be capitalised and translated into tangible programmes and projects. They recognised the vast potential for the generation of friendship, goodwill and trust through interactions between the peoples which would foster harmonious relations in South Asia.

23. The Heads of State or Government expressed their deep conviction that the Kathmandu Summit has further consolidated the gains of SAARC and given a renewed thrust and direction to the future course of regional cooperation. They were also convinced that the Kathmandu Summit has helped to create an atmosphere conducive to strengthening this process, besides generating further goodwill and friendship among the member countries in the larger interest of the region.

24. The Heads of State or Government were convinced that SAARC should be increasingly oriented to the people's needs and aspirations so that the masses of the region could be drawn to a greater extent into the mainstream of SAARC activities. This, they firmly held, would help bring about a qualitative improvement in the general atmosphere of the region contributing to peace, friendship and cooperation in the area.

25. The Heads of State or Government reiterated their firm commitment to the spirit and objectives with which the South Asian Association for Regional Cooperation was launched and reaffirmed their determination to work, individually and collectively, towards the attainment of these objectives.

26. The Heads of State or Government of Bangladesh, Bhutan, India, Maldives, Pakistan and Sri Lanka were deeply appreciative of the exemplary manner in which His Majesty the King of Nepal discharged his responsibilities as the Chairman of the Meeting. They expressed their profound gratitude for the warm and gracious hospitality extended to them by His Majesty's Government and the people of Nepal and for the excellent arrangements made for the meeting.

ANNEXURE—E

SAARC REGIONAL CONVENTION ON SUPPRESSION
OF TERRORISM

The Member States of the South Asian Association for Regional Cooperation (SAARC)

MINDFUL of the principles of cooperation enshrined in the SAARC Charter;

RECALLING that at the Dhaka Summit on December 7-8, 1985, the Heads of State or Government of the member States of the SAARC recognised the seriousness of the problem of terrorism as it affects the security and stability of the region;

ALSO RECALLING the Bangalore Summit Declaration of 17 November 1986, in which the Heads of State or Government of SAARC agreed that cooperation among SAARC States was vital if terrorism was to be prevented and eliminated from the region; unequivocally condemned all acts; methods and practices of terrorism as criminal and deplored their impact on life and property, socio-economic development, political stability, regional and international peace and cooperation; and recognised the importance of the principles laid down in UN Resolution 2625 (XXV) which among others required that each state should refrain from organising, instigating, assisting or participating in acts of civil strife or terrorist acts in another state or acquiescing in organised activities within its territory directed towards the commission of such acts;

AWARE of the danger posed by the spread of terrorism and its harmful effect on peace, cooperation, friendship and good neighbourly relations and which could also jeopardise the sovereignty and territorial integrity of states;

HAVE RESOLVED to take effective measures to ensure that perpetrators of terroristic acts do not escape prosecution and punishment by providing for their extradition or prosecution, and to this end, HAVE AGREED as follows :

Article I

Subject to the overall requirements of the law of extradition, conduct constituting any of the following offences, according to the law of the Contracting State, shall be regarded as terroristic and for the purpose of extradition shall not be regarded as a political offence or as an offence connected with a political offence or as an offence inspired by political motives:

- (a) An offence within the scope of the Convention for the Suppression of Unlawful Seizure of Aircraft, signed at the Hague on December 19, 1970;
- (b) An offence within the scope of the Convention for the Suppression of Unlawful Acts against the Safety of Civil Aviation, signed at Montreal on September 23, 1971;
- (c) An offence within the scope of the Convention on the Prevention and Punishment of Crimes against Internationally Protected Persons, including Diplomatic Agents, signed at New York on December 14, 1973;
- (d) An offence within the scope of any Convention to which the SAARC member states concerned are parties and which obliges the parties to prosecute or grant extradition;
- (e) Murder, manslaughter, assault causing bodily harm, kidnapping, hostage-taking and offences relating to firearms, weapons, explosives and dangerous substances when used as a means to perpetrate indiscriminate violence involving death or serious bodily injury to persons or serious damage to property;
- (f) An attempt or conspiracy to commit an offence described in sub-paragraphs (a) to (e), aiding, abetting or counselling the

commission of such an offence or participating as an accomplice in the offences so described.

Article II

For the purpose of extradition between SAARC member States, any two or more Contracting States may, by agreement, decide to include any other serious offence involving violence, which shall not be regarded as a political offence or an offence connected with a political offence or an offence inspired by political motives.

Article III

1. The provisions of all extradition treaties and arrangements applicable between Contracting States are hereby amended as between Contracting States to the extent that they are incompatible with this Convention.
2. For the purpose of this Convention and to the extent that any offence referred to in Article I or agreed to in terms of Article II is not listed as an extraditable offence in any extradition treaty existing between Contracting States, it shall be deemed to be included as such therein.
3. Contracting States undertake to include these offences as extraditable offences in any future extradition treaty to be concluded between them.
4. If a Contracting State which makes extradition conditional on the existence of a treaty receives a request for extradition from another Contracting State with which it has no extradition treaty, the requested State may, at its option, consider this Convention as the basis for extradition in respect of the offences set forth in Article I or agreed to in terms of Article II. Extradition shall be subject to the law of the requested State.
5. Contracting States which do not make extradition conditional on the existence of a treaty, shall recognise the offences set forth in

Article I or agreed to in terms of Article II as extraditable offences between themselves, subject to the law of the requested State.

Article IV

A Contracting State in whose territory a person suspected of having committed an offence referred to in Article I or agreed to in terms of Article II is found and which has received a request for extradition from another Contracting State, shall, if it does not extradite that person, submit the case without exception and without delay, to its competent authorities, so that prosecution may be considered. These authorities shall take their decisions in the same manner as in the case of any offence of a serious nature under the law of that State.

Article V

For the purpose of Article IV, each Contracting State may take such measures as it deems appropriate, consistent with its national laws, subject to reciprocity, to exercise its jurisdiction in the case of an offence under Article I or agreed to in terms of Article II.

Article VI

A Contracting State in whose territory an alleged offender is found shall, upon receiving a request for extradition from another Contracting State, take appropriate measures, subject to its national laws, so as to ensure his presence for purposes of extradition or prosecution. Such measures shall immediately be notified to the requesting State.

Article VII

Contracting States shall not be obliged to extradite, if it appears to the requested State that by reason of the trivial nature of the case or by reason of the request for the surrender or return of a fugitive offender not being made in good faith or in the interests of justice or for any other reason it is unjust or inexpedient to surrender or return the fugitive offender.

Article VIII

1, Contracting States shall, subject to their national laws, afford one another the greatest measure of mutual assistance in connection with proceedings brought in respect of the offences referred to in Article I or agreed to in terms of Article II, including the supply of all evidence at their disposal necessary for the proceedings.

2, Contracting States shall cooperate among themselves, to the extent permitted by their national laws, through consultations between appropriate agencies, exchange of information, intelligence and expertise and such other cooperative measures as may be appropriate with a view to preventing terrorist activities through precautionary measures.

Article IX

1. The Convention shall be open for signature by the member States of SAARC at the SAARC Secretariat in Kathmandu,

2. It shall be subject to ratification. Instruments of ratification shall be deposited with the Secretary-General of SAARC.

Article X

This Convention shall enter into force on the fifteenth day following the date of the deposit of the seventh instrument of ratification with the Secretary-General of SAARC.

Article XI

The Secretary-General of SAARC shall be the depository of this Convention and shall notify member States of signatures to this Convention and all deposits of instruments of ratification. The Secretary-General shall transmit certified copies of such instruments to each member State. The Secretary-General shall also inform

member States of the date on which this Convention will have entered into force in accordance with Article X.

IN WITNESS WHEREOF the undersigned, being duly authorised thereto by their respective Governments, have signed this Convention.

DONE at Kathmandu on this Fourth Day of November, One Thousand Nine Hundred and Eighty Seven, in eight originals, in the English Language, all texts being equally authentic.