Historical Background

South Asian regional cooperation became a reality with the signing of the historic Charter creating a ‘South Asian Association for Regional Cooperation (SAARC)’ at the first summit meeting of the seven countries in South Asia, namely, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka held in Dhaka on 7 and 8 December 1985. This Summit was, indeed, an epoch-making event. It heralded the emergence of South Asia, comprising one-fifth of the world’s population, as a regional entity for the first time within the international political system.

The history of the birth of the SAARC was a testimony to the collective wisdom and far-sighted statesmanship of the leaders of the region and also to systematic and painstaking preparation with valuable inputs provided by experts drawn from various fields.

In the context of the state of flux in which inter-state relations were left by the traumatic historical process in the region, a striking phenomenon in the evolution of the SAARC was the rare consensus observed within the seven states on the idea of regional cooperation, transcending divergences in group-interests and regime perceptions.¹

---


** Professor Muhammad Shamsul Huq is Chairman, Board of Governors of BIJSS.
The proposal for regional cooperation officially mooted by the late President Ziaur Rahman of Bangladesh in the letter of 2 May, 1980 was followed up by vigorous diplomatic efforts on the part of this government and also the subsequent governments. This process, spanning a period of over 5 years, culminated in the historic first SAARC Summit in Dhaka and the election of Bangladesh President H.M. Ershad as the first Chairman. It was a notable example of what could be accomplished through national consensus, continuity and stability in the field of external relations.

The major goals of the SAARC are very emphatically and clearly stated in the Dhaka Declaration adopted at the First SAARC Summit as will appear from the following excerpt:

"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.

The Heads of State or Government acknowledge that the countries of South Asia, who constituted one-fifth of humanity were faced with the formidable challenges posed by poverty, underdevelopment, low level 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.

Conceptual Framework

The idea of regional cooperation is not new, however, it acquired a new momentum after World II, when many countries had to meet new political and economic challenges thrown up by the war. Conceptually, regional cooperation means association among states within a region to promote common goals, meet common needs and resolve common problems. The commonality of interests, is, therefore, the central motivating force for their cooperation on a regional basis and also for determining the modality, including institutional arrangements, for such cooperation. Accordingly, South Asian concept has three important implications: (i) the states forming this group for cooperation do so on a footing of sovereign equality; (ii) regional cooperation yields benefits for each country which it cannot expect to achieve individually; and (iii) regional cooperation is viable in cost-benefit terms. In other words, even though regional cooperation may appear to affect a state adversely in some respects, the end result is a net gain.

Types of regional cooperation may vary widely in form, scope and size. Some of the well known examples are: (i) the NATO and WARSAW Pact alliances, each bound by a military pact for security cooperation; (ii) OAU (the Organization of African Unity), (iii) OAS (Organization of American States), (iv) the Arab League and other similar organization for political cooperation. On the other hand, (i) EEC (European Economic Community), (ii) COMECON (Council for Mutual Economic Assistance), (iii) LAFTA (Latin American Free Trade Area), (iv) CACU (the Central African Customs Union), (v) CFTA (the Caribbean Free Trade Area), (vi) ACM (the Arab Common Market), (vii) GCC (the Gulf Cooperation Council), and (viii) ASEAN (the Association of South East Asian Nations), are examples of regional associations created pre-eminently for
cooperation in the economic field. The structures and functions of these groupings vary widely.

Following formal and informal soundings on the reaction to the proposal for regional cooperation, it was felt that in the objective conditions of the South Asian region, it would be prudent to opt for a modest beginning in regional cooperation in selected areas of economic and cultural activities. Accordingly, eleven areas of possible cooperation namely, (1) Tele-communications, (2) Meteorology, (3) Transport, (4) Shipping, (5) Tourism, (6) Agriculture (Rural Sector), (7) Joint Ventures, (8) Market Promotion (Selected Commodities) (9) Science and Technological Cooperation, (10) Educational and Technical Cooperation and (11) Cultural Cooperation were tentatively identified in the Bangladesh Working Paper, circulated to the Foreign Ministers with my letter dated 25 November, 1980, (as the then Foreign Minister).

After considering of studies carried out by the Study Groups appointed by the seven member countries and the recommendations of the Committee of Foreign Secretaries (which was set up as an overall coordinating body), an Integrated Programme of Action for South Asian Regional Cooperation was launched at the first (official) Foreign Minister's meeting held in New Delhi in August 1980. The IPA included nine areas, namely, (1) Agriculture, (2) Rural Development, (3) Meteorology, (4) Tele-communications, (5) Scientific and Technological Cooperation, (6) Health and Population Activities (7) Transport (8) Postal Services, and (9) Sports, Arts & Culture.

It is, of course, needless to stress that economic and technical cooperation on a regional basis is accepted by all developing countries as a desirable and necessary strategy within the framework of ECDC and TCDC. This concept also reflects the recent shift of emphasis from mere trade creation to achieving collective self-reliance on a sub-regional basis, an objective underlined in the Declaration of South Asian Foreign Ministers and also in the Dhaka Declaration adopted at the Summit on 8 December 1985.
At the most fundamental level, the regional goals should address the following: (i) problems of poverty, hunger, unemployment, disease, illiteracy, which are shared by all the member countries of the SAARC; (ii) acceleration of social and economic development with a view to improving the quality of life of the peoples of the region; (iii) achievement of collective self-reliance, with due regard to the national aspirations of the member countries; (iv) enhancement of the region's role in the global context and (v) building regional structures to serve as a basic for reducing conflict producing tensions and promoting amity and understanding.

Though the goals of regional cooperation adopted by the SAARC embrace specially selected areas of economic and cultural activities, there is a clear awareness of the mutually supporting roles of such cooperation and cooperation in the political field. As a matter of fact, one of the important objectives that inspired the countries of the region to participate in the SAARC was to create, through regional cooperation in economic and cultural fields, an environment conducive to confidence building and generation of friendly and constructive cooperation in the political field.

What SAARC is not

The SAARC, however, is not a new bloc or alliance as these terms are commonly used in political parlance; nor it is conceptually based on shared perceptions of external threat which conventional political scientists tend to view as the only firm basis of meaningful regional cooperation. Such a theory is apparently built on the experiences of some of the regional associations, such as the EEC which is linked to the NATO and the COMECON which is linked to the WARSAW Pact. It is needless to stress that any empirical generalizations from efforts for regional cooperation in a different political and social context can be extremely misleading. In the SAARC the sources of motivation are not negative, such as external threat perceptions, but positive, such as promotion of common economic and cultural goals.
In this context, it may be pointed out that the South Asian leaders participating in the Dhaka Summit of the SAARC forcefully stated that the common threats facing all the countries in the region were embedded in the problems of poverty and underdevelopment which were vastly aggravated by the deteriorating world economic situation.

Some Special Characteristics of SAARC

None of the elements in the concept of the SAARC is exogenously derived. All preparatory and technical studies were carried out by experts belonging to the region. The SAARC reflects the social and political realities of the region and seeks unity in diversity. The SAARC is not a new bloc or alliance based on shared perceptions of external threats. It can not be overstressed that the proneness to borrow paradigms from entirely different social and political context may be as abortive as empirical generalizations from experiences of successful or unsuccessful regional cooperation in socially and politically different situation can be misleading. As a matter of fact SAARC does not include any matters of regional security (against external threats). Besides, the SAARC creates a new and complementary set of relations without intruding on the existing bilateral and multilateral relations of the member-states. Another important element in the concept of SAARC, as a confidence building measure, is that it is not to be viewed as a supra-national organization. No state alone or in combination can impose a decision because unanimity and not consensus is the basis of all decisions. The sovereign equality of all member-state in the decision making process is, thus, fully assured.

Problems and Promises

The unified and systematic efforts of the states in the South Asian region in giving a concrete shape to the idea of the SAARC have, by all accounts, already set a commendable example in regional cooperation. At the same time it would be idle to deny that misgivings about the future of the SAARC
continue to linger in the minds of many, including some who wish the SAARC well.

Principal among the questions at the root of such misgiving are: (i) Can the SAARC limited to nine areas of cooperation viewed as of peripheral importance produce any meaningful cooperation with the desired impact on inter-state relations? (ii) Can any significant progress be made even in this limited area of regional cooperation until the resolution of the major bilateral problem? (iii) A more fundamental question is: Can viable cooperation be expected to grow among the countries so disparate in size, population, resource endowment, and stage and pattern of economic growth? (iv) Still more challenging is the question: Even if the fact of asymmetry and lack of economic complementarity is overlooked, how can the member-states expect to overcome the barrier of great divergence in their security perceptions rooted in their historical memories of discords and conflicts, further accentuated by the wide disparity in their military strength?

These questions underline the vicious circle in which interstate relations in the region are currently trapped by virtue of their traumatic historical experiences. The very regio-political climate and the course of inter-state relations which are targeted for transformation through regional cooperation are held up as the most serious and intractable impediments. The central question, thus, appears to be: Is it possible for the states in the region to break away from the trap of this vicious circle, or will they continue to drift in self-imposed isolation, remain divided, fragile and vulnerable, without ever achieving peace and stability, an imperative for speedy realization of their nation-building goals?

Misperception and Imperceptions

In fact, an objective and analytical examination of these very issues had been carried out by Bangladesh while the idea of regional cooperation was still in its embryonic stage. The relevance of the issues in the historical and geo-political setting of the region was beyond doubt. At the same time, it
appeared that they were very much clouded by many misperceptions and imperceptions.

Empirical generalizations based on experience of other regions can often be misleading. It is, however, notable that some of the most successful regional associations grew out of even more modest beginnings. The selected economic areas of cooperation in the case of the SAARC embrace such vitally important sectors as agriculture, rural development, telecommunication, transport, meteorology, science and technology. Regional cooperation in these areas offers immense possibilities for concerted action in addressing some of the major problems of the region. The most formidable and fundamental among them is the problem of poverty shared by all the countries in the region including India.

The problems of disparate development and lack of economic complementarity are placed in perspective when viewed in the context of their root causes, namely, (i) the changes in the structure of economy inherited from the colonial era and the continuing structural dependence of the countries in the region on the industrial economies; and (ii) prevailing inequitble world economic order rendering closer cooperation among developing countries imperative with a view to reforming this order. The continuing structural dependence of the countries in the region on the industrial economies has resulted in the loss of a large proportion of their surplus to the industrial countries due to unfavourable trade mechanisms and terms, repatriation of profits by foreign investors, and import of monopoly-priced technology (often outdated). The dependent industrial and economic growth has been further constrained by the fact that, though in theory the industrialized capitalist countries are committed to the market economy, the free operation of the market forces has been blocked by tariff and non-tariff barriers. Currently, the decline in the price of commodities is costing the developing countries an estimated amount of 65 billion annually.

Additionally, with the Official Development Assistance declining in real terms and the debt burden increasing, a substantial part of the export earnings of developing countries
has been lost on account of debt servicing. In 1982 the external public debt of the countries in the South Asian region was estimated as follows: Bangladesh $4.4 billion, India $19.5 billion, Nepal $3.0 billion, Pakistan $9.2 billion and Sri Lanka $2 billion. As a result, the countries in the region were left with a resource surplus far too inadequate effectively to cope with the problem of poverty. The history of the development of the European nation-states presented a different kind of experience. Ample surplus was available to them to enable them to eliminate the problem of poverty, sizable contribution coming from the colonies.

The domestic politics of the countries in the region bearing on the planning strategy and the structure of production, employment and consumption are essentially similar. Regardless of differences in ideology and political and social structures, all countries in the region opted for 'mixed economy' and even where the society was characterized by plurality, the power structure remained elitist in character. Apparently inspired by the goal of rapid development and the example of the spectacular progress of the industrial countries, the planners and policy makers of South Asia borrowed concepts, models and strategies of development from these countries. Development was, for all practical intents and purposes, equated with economic growth with the focus on a modern, capital intensive industrial sector. Notwithstanding their good intentions and in some cases impressive growth rate, the overall result was a highly distorted growth pattern market by mounting unemployment, increasing poverty and widening regional and rural-urban disparity. The burgeoning population and continuing conspicuous consumption by a few made the situation worse.

The problem of poverty poses a threat to the common security of the South Asian region. It clearly warrants concerted action on a regional basis since none of the states in isolation has been successful in finding an effective solution to this problem.

In this context it cannot be over-stressed that all of the nine selected areas of regional cooperation are of vital importance to the nation-building goals of the countries in the
region. For example, agriculture still remains the largest single contributor to GDP and also the largest source of employment in the region taken as a whole. The development of agriculture to its full potential, besides generating more employment, could ensure food security for the region and, thus be an important step in the direction of achievement the goal of collective self-reliance as envisaged in the SAARC Declaration. Both agriculture and rural development have also a special significance as the poor live in the rural sector.

The argument of the lack of complementary in fact begs the question. One of the aims of regional cooperation is to achieve such complementarily. All the countries in the region have a vast and yet untapped potential in production, skill development and market expansion. The harnessing of the sub-Himalayan regional resources and unexplored sea-bed resources also offer enormous economic possibilities which can be most effectively tapped through regional cooperation.

As some of the recent developments in the region have shown, outstanding bilateral problems do have an impact on regional relations. But none of them is incapable of peaceful and speedy resolution, given a serious will, an objective approach and an environment of mutual understanding and trust which is one of the benefits expected to ensure from regional cooperation. However, to the extent the prevailing misgivings, fears and distrust clouding objectivity in bilateral relations are the product of historical memories, they seem to reflect an imperception of an important historical reality that history does not always repeat itself. Historical events have to be viewed in the sequence of the dynamics of changing relations. Leaders of vision and statesmanship do not allow them to be held captives by the memories of the past. An apt example close to our region is that of the new emerging relations between China and Japan.

In the geo-political realities of South Asian region, it would be naive to deny the influence of the security perceptions of the member states on the course of evolution of regional cooperation. Safeguarding national security is naturally a matter of paramount importance to a nation. As in the choice
of a nation’s social, political and economic system, it is admittedly the sovereign right of a nation-state to determine the measures for safeguarding its national security. However, certain misperceptions surrounding the security concerns of the states in the region need to be stressed:

(i) Disparity in military and economic strength is not peculiar to the South Asian region. It is, in fact, a global phenomenon and found to exist in varying degrees in all regions and sub-regions. One of the most innovative political phenomena in the contemporary world is the emergence of associations of regional/sub-regional cooperation. This has been made possible by all states including the military and economically stronger, acting in a way perceived to be mutually beneficial.

(ii) Asymmetry can admittedly be a source of predicament to weaker neighbours. But weak countries in the present international system need not necessarily be subservient to domination by a stronger power. Sweden, Yugoslavia and Switzerland continue to be able to hold their own against the great powers. Determined nations with a reasonably large population, even if weaker military, can render military ventures unviable in cost-benefit terms.

(iii) In the South Asian region, the problem of asymmetry appears to have assumed a peculiar dimension in the form of a "fear-psychosis" for both the big and small neighbours. In view of India’s vast superiority in military and economic power, the cause of India’s fear appears to be rooted in her memory of Indo-China war and the contiguity and friendly relations of China with a number of India’s South Asian neighbors. This fear complex is likely to be diffused by the improving trend in Indo-China relations, the commitment of both countries to their respective programmes of modernization and speedy resolution of the bilateral problems.

(iv) A deep-seated cause of divergence in their perception of the security interests appears to lie in their very conceptual basis profoundly influenced by doctrines and
structures of security overarching the polarized relations between the two great power blocs. The countries in the region along with all other non-aligned countries have unequivocally rejected these doctrines as anachronistic and antithetical to the goals of international peace to which they are all committed.

(v) Ironically enough, the security perceptions of countries in the region do not adequately reflect the threats to the national security of a developing state rooted in domestic causes like the problems of national cohesion, poverty, hunger, disease, social injustice and the problem of turbulence and violence inherent in the very process of national development. Happily, the leaders meeting at the Dhaka Summit identified these threats as "the common enemy" of all the countries in the region.

(vi) The great value of cooperation in arts and culture is often very much underestimated. The reason is clearly imperception or an inadequate perception of the important role of people's participation and people to people cooperation at different levels in achieving the goals of peace, stability and development in the region. Such cooperation can, indeed, be of inestimable value even in finding speedy solution to some of the bilateral problems which continue to bedevil inter-state relations. Geographical and regional realities indicate the wisdom of shifting the focus from differences to commonalities, from unhappy memories to shared goals, from misperceived external threats to inadequately perceived nation-building problems and to mutually beneficial cooperation.

The SAARC is clearly a move in the right direction in meeting the nation-building challenges that face the states in the South Asian region. It is also in step with the new trends in the dynamics of international and regional relations likely to act as catalytic forces leading to an equitable restructuring of the world political and economic order. The most heartening phenomenon in the contemporary world – still shackled to outmoded and anti-democratic security concepts and structures – is the rapidly expanding interdependence of
the nations and growing extension and intensification of cooperation beneficial to peoples across the sovereign borders through international, regional and sub-regional associations of nation-states. The SAARC through building appropriate structures for mutually beneficial regional cooperation can strengthen this new trend and contribute significantly to the cause of peace, stability and progress regionally and also globally.

The Potential of the SAARC

Hardly six months have elapsed since the establishment of the South Asian Association for Regional Cooperation (SAARC) was announced at the First Summit meeting of the leaders of the seven South Asian countries in Dhaka. An objective evolution of the SAARC in achieving the goals set for it in the Dhaka Declaration is obviously premature. At the same time, the perception of the seven Heads of State/Government about the role and potential of the SAARC clearly manifests optimism informed by objectivity and creative vision for concerted action to make the SAARC a success as the following excerpts from the statements of the participating leaders will show:

The President of Bangladesh

"I am convinced that the reason why SAARC has captured the imaginations and allegiances of our peoples is because there is perhaps an unconscious recognition that it offers an historic opportunity to reshape the post-independence political cultures of our respective societies within the framework of sovereign equality and independence. SAARC promises a new resonance to the political discourse of our peoples and of our times. It promises a dimension of creative hope and expectation away from the desperations of sub-nationalisms and parochialisms, of limited horizons and of limited vision."

The King of Bhutan

"In the geopolitical realities of our region, it would be unrealistic to ignore the primacy of the political factor, as in
the final analysis, it will be the political environment of the region which will determine the shape and scope of regional cooperation in South Asia. The main obstacle is not only to overcome the psychological and emotional barriers of the past, but the fears, anxieties, and apprehensions of the present. If regional cooperation is to be enhanced we have to move away from an attitude of suspicion to one of understanding and trust despite major differences in political and security perceptions. We must transcend the narrow nationalism that prevails in our region due largely to historical reasons and created good neighbourly relationship in which the magnanimity of the larger states would be matched by the genuine friendship of the smaller states”.

The Prime Minister of India

“We are living in turbulent times. The world economy remains immersed in deep crisis. International economic institutions are in disarray. The consensus on development has broken down. Multilateralism has come under severe strain. In most developing countries, growth has sharply decelerated or ground to a standstill. On the whole, our region has weathered the crisis well. But all seven of us continue to be confronted with formidable problems of poverty, illiteracy, malnutrition and disease. We have to overcome these problems in a highly adverse external environment. South Asian cooperation points the way to collective self-reliance. Our endeavours strengthen the forces of multilateralism and world-wide cooperation.”

The President of the Maldives

“We are confident that regional co-operation can play a major role in the social and economic development of the peoples of the region and in the preservation of peace and security among member states. We know that much will depend on the success of this meeting. Its success will, in turn, depend on the quality of the resolve which we both singularly, and collectively, bring to bear on those matters which we are to discuss here. That our resolve will be equal to those issues I have no doubt and that, accordingly, the
message we send forth from Dhaka will signal to the world our concerns and priorities and, of greater importance still, our will and determination to see them given strength and influence in the wider international community”.

The King of Nepal

“I feel certain that what we have achieved here is a new thinking, a modus vivendi, an approach as it were towards a new way of living together. Unlike the people elsewhere, we in this part of the world have been slow in giving proof of our ability to organize ourselves through a recognition of the fact that the other’s existence and identity are just as important as our own. If we had succeeded in creating an order based on the principles of mutuality in matters of common interests, we could certainly have stolen a march in progress in many fields. But providence had ordained it otherwise. As a result, we lost time and suffered from the ills common to the countries of the Third World. The time has therefore come to enter into a new era of partnership among ourselves. It is in this spirit that I see the establishment of this regional association holding great promise for the future. As concrete programmes move forward, it is our hope that our people will begin to enjoy the benefits from common endeavours”.

The President of Pakistan

“Practically all of us in South Asia need to eradicate poverty and hunger, disease and illiteracy. We have the requisite material and human resources to address this challenge. Our peoples are resilient and enterprising, intelligent and industrious. Already, in each of our countries, enormous progress has been achieved. Through cooperation, we can accelerate this process. Given the similar nature of our problems, we can profit greatly from one another’s experience in devising methods and techniques for resolving them.”

The President of Sri Lanka

“We have launched the ship today, may it travel around the world enter the ports of hunger, poverty, unemployment,
malnutrition and seek to provide comfort to these ills .......... SAARC has slipped into the glittering sea. May it sail long for the welfare of the humanity ........... Let us go forward, looking neither right nor left.”

The enthusiasm generated among the leaders by the First Summit far surpassed the initial expectations. In evaluating its achievements, the weekly TIME magazine (Dec 23, 1985) noted that the Summit was viewed as an overwhelming success and quoted following observation of the author of this paper (made during an interview) “The very fact that they've agreed to meet once a year was a great step forward”. (They never met even once since their independence).

It also augured well for the future of the SAARC that the leaders put forward many constructive and concrete ideas for fruitful and mutually beneficial cooperation within the SAARC, but without confining them to the previously selected nine areas included in the Integrated Action Programme. That some of these suggestions were political in character but critically important (like the problem of terrorism) highlighted the reality that leaders meeting at the summit level were not precluded from considering whatever matters they viewed to be of concern to the well-being of the peoples of the region.

For example, the enormous potential wealth of the Himalayan region awaiting development for the benefit of the peoples of the region was brought into sharp focus in a clear and specific proposal by the King of Nepal in the following words: “From the side of Nepal with the high Himalayas as one of our assets a vast reservoir of yet untapped water resource that can give to the millions of our people a means to fulfil their basic needs. I wish to draw the attention to the fact that there exists priceless resource waiting to be harnessed for the benefits of our people.” The mutual goodwill generated by the Summit was demonstrated by the favourable response of the Indian Prime Minister to this offer at a press conference held in New Delhi upon his return from Dhaka and subsequently at his meeting with the President of Bangladesh in July 1986.
Another specific proposal of critical importance though bearing on national security came from the President of Pakistan in the following terms: “I am convinced that it will be beneficial to make a collective pledge, renouncing the threat, or use of force, against one another. We could take steps to banish nuclear weapons. Another suggestion that could be considered at an appropriate time is the creation of a system of consultations on matters of common concern to the SAARC members.”

Soon after India and Pakistan signed an agreement in New Delhi to the effect that neither country would attack the nuclear installations of the other, thus underlining an immediate gain from the first SAARC Summit.

Prospect for the success of the SAARC looks bright, but wisdom and vision will be needed to sustain the spirit of the SAARC in turning it into an instrument of growing and meaningful regional cooperation in serving the cause of peace, stability and progress in the South Asian region. It would be reasonable to conclude on a note of optimism about the future of the SAARC as reflected in the following excerpts from the letter of the Prime Minister of India addressed to the President of Bangladesh after the Dhaka Summit (BSS report, 22 January 1986):

“By all accounts the Summit has been an unqualified success. It has ushered in a new era of cooperation in our region.”

“If we faithfully nurture the Dhaka spirit, it may well prove to be a turning point in the history of South Asia.”