Study Material for

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Paperò DSE - Understanding

South Asia

Unit : 4 -> Regional Integration

in South Asia : SAARC.

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SAARC in the Prism of the Himalayan States Amrita Banerjee

SAARC, a regional organization was formed for the acceleration of the process of economic and social development among the member states, comprising-Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Srilanka. We have witnessed several wars among the South Asian countries since 1947 and among them, a civil cum liberation war in Bangladesh, a full fledged war between India and Pakistan, communal conflicts in India and Srilanka and the super power intervention in Afghanistan, the mounting contention between U.S.A and Soviet Union, and Soviet Union and China encouraged the outside powers to arbitrate in the affairs of South Asia, for example U.S.A. was able to get in the way in Pakistan because of its conflicts with India and Afghanistan. Correspondingly, Soviet Union and China were able to impede the region due to conflicts between various countries. However, subsequently the countries of the region realized that they must lend a hand to each other to put off interference by outside powers. The environmental considerations also demanded greater assistance among the countries; and all these finally brought a radical change in the attitude of the elites of the South Asian region, and in the year 1980 the third President of Bangladesh, Zia-ur-Rahman came up with the pitch for the formation of South Asian Regional Cooperation, for finding solution to the common problems in a spirit of friendship, trust and understanding and also to create an order based on mutual respect, equity and shared benefits. The Foreign Secretaries of the seven countries met for the first time in Colombo in April 1981. The Declaration on South Asian Regional Cooperation was adopted by the Foreign Ministers in 1983 in New Delhi, and on 7-8 December 1985, where the Heads of State or Government of seven South Asian countries held a summit meeting at Dhaka for establishing the South Asian Association for Regional Cooperation (SAARC), which is one of the epoch-making and momentous events in the life of South Asia, as it helped the South Asian nations to move away from the trappings of post-colonial politics.

Since 1985, sixteen SAARC Summits have been taken place, even though the summits are likely to take place every year but all could not be held, rather nine summits were missed due to political considerations among the member states. Initially SAARC consisted of seven

South Asian States- Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Srilanka; however in the New Delhi Summit on April 3, 2007 Afghanistan became the eighth member of this organization. The South Asian region is enormously diverse in terms of country size, economic and social development, geography, political systems, languages, and cultures. A different crucial aspect for regional collaboration is the supremacy of India, both geographically and economically since it constitutes nearly 62.2% of the area of South Asia as defined by Asian Development Bank, and it is also the only country that shares its borders with the other South Asian countries, except Afghanistan. As a result, India's promise and active participation will be a serious cause in moving regional cooperation initiatives forward. Moreover, the imbalances in size and economies among countries in the region have combined to make regional cooperation in South Asia a major challenge.

While it has been mentioned that SAARC was created mainly for the economic and political development, but in South Asia, the harnessing of river water resources on a regional basis appeared to be a promising area especially in Nepal and Bangladesh. To a certain extent, the future of the new generation became extremely insecure due to poverty, continuous deteriorating health, terrorism and foremost intra-regional conflicts like border and water and this can emerge as a major discordant point among countries of South Asia and to overcome these internal strains, India, Nepal, Bangladesh and Pakistan must act proactively.

Conversely, for countries like Bhutan, Maldives and even Nepal, SAARC provides an ideal arrangement to project their distinct identities as independent entities and assert their divergence from India without inviting undue displeasure of the dominant neighbour.\(^1\) The idea of forming a regional cooperation organization has always been magnetism to the smaller and poorer states of Asia. As it was because, the smaller states faced the complexities of small status and distinctiveness, so to enhance it, the countries like Nepal, Bhutan, Bangladesh, Srilanka etc took specific interest in the proposal of SAARC and became its constituents. To a certain extent, in the Bangladeshi



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proposal it was declared that: 'Only proposal for economic cooperation must consequently be formulated with the greatest care in order to ensure that the weak are not exploited and the strong do not dominate." It was all the way through SAARC, that the Himalayan states, i.e. Nepal and Bhutan also facilitated themselves in mounting the correlation with the other South Asian countries.

Visioning SAARC from Himalayan States:

Himalayan states are the names given collectively to all the countries and states which contain the mountain range of the Himalayas. Geographically, the Himalayan states lie in the Indian sub-continent and it includes the following countries-Nepal, Bhutan, Afghanistan, China and Tibet. Here, in this component of the article, we are going to put emphasis on Nepal and Bhutan, which are the member state of South Asian Association of Regional Cooperation since 1985 and are well thought-out to be the Himalayan states in the edge of SAARC.

Nepal and its Relations with India:

In spite of the size and strategic significance of India, it has always looked at its neighbours with a sense of uncertainty. India borders all of them, none of them border each other, but on the other hand they all surround India.3 As in the case of the Himalayan state Nepal, we can observe that, Nepal's geopolitical state of affairs is sandwiched between the two Asian powers- India and China. Nepal, which is a land locked or mountainous Asian country in the Himalayan mountain range, is bordered on all three sides by India and in the northern side by the Tibetan Region of China. The high mountain in the north form a natural "zone of protection", to protect Nepal from northern influences and due to open border with India in the south, serve as a "zone of exposure"- resulting in an easy access between the two countries.4 Nepal is moderately a small country in contrast to its immediate neighbours. Its major trading collaborator is India, but they mistrust each other, especially when Kathmandu gets too cozy with Beijing, as happened during the nine-month supremacy of the Maoist government that ended in early May 2009.

Nepal very enthusiastically accepted to join the regional cooperation because King Birendra found it indispensable to safeguard the exploitation of Himalayan water resources and in the first meeting of SAARC at Colombo in 1981, he emphasized this issue, and it was also felt that through this regional organization, Nepal can generate a harmonizing relation between the big and weak

states of South Asia. As Nepal is a land locked country and the only sea route which is available to her is through India, so it is very much dependent on India in matters of trade. But it also wants to enlarge its trade relations with other South Asian countries, and SAARC can only endow with some opportunities to increase Nepal's trade with other South Asian countries. So, this is also one of the renowned cause for which Nepal expressed its sincerity to participate in the regional organization, known as SAARC, established in 1985.

The main river systems of Nepal are Kosi (E. Nepal), Narayani or Gandaki (Central Nepal), Karnali (mid western Nepal), and Mahakali (Far western Nepal), and all these rivers flow southwards to join Ganges in India and so is trans-boundary in nature. As Nepal is prosperous in hydropower potentialities, India entered into conformity to supply power to her, if it allows India to construct hydel projects over its rivers. Nepal had launched Kosi and Gandak projects in 1954 and 1959 for mutual reimbursement with India, but in the end, Nepal had sour experience, as it was believed that Nepal was dissatisfied with India's dealing in Kosi and Gandak projects. Nepal water resource experts complained about unilateral initiatives of India, nominal and delayed compensations, disregard for Nepal's interest and unequal benefits.5 So, both these projects had created a big distrust and disenchantment between India and Nepal.

Nepal has learnt a lot from the mistakes of its past water resource projects Treaty with India. Now, in the Mahakali Treaty on integrated development of Mahakali river, (which had been signed between both the Government of Nepal and India on February 1996, and which came into force in June1997), Nepal sought its equal sense of involvement. Mahakali (Sarada in India), is one of the five major river basins of Nepal which is common with India. The river borders the Nepal's Mahakali zone and the Indian state of Uttarakhand. After the closing stages of the Anglo-Nepal war of 1814-1816, (fought between the kingdom of Nepal and the British East India Company as a result of border tensions and striving expansionism), Mahakali River fell under Nepal's western boundary with India.

The agreement on integrated development of Mahakali River which was signed between the Prime Minister, Sher Bahadur Deuba of the Government of Nepal, and the P.M. P.V. Narsimha Rao of the Government of India, emphasized the determination to endorse and reinforce the relationship and cooperate between India and Nepal on water resources. The Mahakali Treaty deals with "Sharda Barrage", "Sovereignty over Tanakpur Barrage".



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"Pancheswar project". The Mahakali Treaty which is in operation now, faces lots of difficulty, as the execution of provisions of it has been very slow due to divergence over interpretation of the provisions. Much of the disagreement is on Pancheswar project as it lacks specificity. The dispute over the Mahakali River is still on, and is one of the conspicuous issues between India and Nepal which is endangering regional peace and cooperative understanding. By using the SAARC stage, Nepal had tried to decide and reconcile the long outstanding issues, but somehow on one pretext or other, New-Delhi showed her reluctance in resolving the issue. Nepal viewed SAARC as a podium to uphold its national identity but, the regional cooperation cannot be a substitute to all bilateral understanding between the two countries. Particularly, in the present state of inter-state relationship and the issues involved therein, the SAARC cannot be helpful beyond a limit.6 Rather, in the 16th SAARC Summit which have taken place at Thimpu, (capital of Bhutan) from April 28-29, 2010, the issue on water dispute between India and Nepal did not take any new turn. India also has water dispute with Pakistan on Indus-Basin water Treaty (1960), with Bangladesh over Farakka Barrage and with Nepal as it has already been mentioned on Mahakali River, but none of the issue was determined in the recent Summit that has taken place. In fact, only in the ministerial meeting it was decided that special efforts would be made for water conservation, water management and proper consumption among the member states. In point of fact, India keeps on avoiding the state of affairs and it always uses water as an apparatus against Pakistan, Nepal and Bangladesh.

Bhutan and its relation with India:

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Bhutan is described as a land locked state of South Asia between China and India, which is encircled on the north by Tibet, on the west by Sikkim and Darjeeling district of West Bengal and also by Chumbi valley of Tibet and on the east and south by Assam and West Bengal. Unlike Nepal, Bhutan was also reliant on India entirely for the protection as well as for the assistance, of the welfare of nation and its people. In the year 1949, for the source to outline the bilateral relations between India and Bhutan. the Indo-Bhutan Treaty was prepared, and it was made for "continuous peace and friendship, free trade and commerce and equal justice to each other's citizen", and this ten article Treaty replaced the 1910 treaty that was signed between British India and Bhutan. Article -2 of the Treaty of 1949, call for Bhutan, to seek India's advice in external matters, while India pledge noninterference in Bhutan's internal affairs. Moreover, the Bhutanese ruler's seem to have recognized that Phutan need a far better chance of survival

as an independent country if it aligned with India, than if it sought distance from it. Nevertheless, in the 1980's this circumstances had undergone incredible change, as Bhutan aspired to become independent of India, and it became much easier for Bhutan after the creation of South Asian Association for Regional Cooperation (SAARC) in 1985. Following the development of SAARC, Bhutan sought to reduce its dependence on India and set up separate identity for itself. However King Jigme Singye of Bhutan preferred to work with India, but only as an independent nation. He in the first summit of SAARC stated:

"It has always been an important objective in the foreign policy of Bhutan to develop close ties of friendship and cooperation with all neighbouring countries in our quest for peace and stability. We see in SAARC a processto facilitate the realization of this aim and fulfillment of the hopes and aspirations of the people of Bhutan"

Conventionally, India and Bhutan have enjoyed a warm and jovial relationship. As a neighbouring partner of India in South Asia, Bhutan always supported India in the SAARC forums. Rather, Bhutan has endorsed New-Delhi's position on a nuclear-weapon-free zone in South Asia, the Comprehensive Test Ban Treaty, and the 1998 nuclear tests at Pokhran and so on. Although, whenever India had tense relations with Bhutan, it was only due to allegations of direct intrusion in Thimpu's internal affairs. The Treaty of Friendship and Cooperation of 1949 which was signed between the two countries was again modernized and signed during the visit to India of Bhutan's Majesty Jigme Khesar Namgyel Wangchuk in February 2007. The Treaty emphasized upon future growth which includes new necessities for consolidating and increasing economic cooperation for common and long term advantage and assistance in the fields of culture, education, sports, science and technology and particularly in the reciprocally advantageous sector of hydroelectric power. In fact, the Indian Prime Minister, Manmohan Singh had concluded an agreement with Bhutan in 2008, that it will help Bhutan build additional installed capacity of 10,000 megawatt in hydropower by 2020.9

SAARC provided a stage for Bhutan to improve its trade link with the other South Asian Countries. Still, India believes that since Bhutan is encircled by India on three sides and is dependent on India, it is unavoidable for Bhutan to keep close ties with it other than South Asian countries. SAARC has also provided Bhutan, to nurture its individuality as a sovereign, equal and independent state and to make its autonomous decisions and to be treated just like other countries of the world and not as

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miniature countries. Bhutan has hosted the SAARC Summit for the first time since the regional body was created at Thimpu on 28-29 April 2010 and this was the Sixteenth Summit of the SAARC, where all the member countries participated and came under a single display place. The theme of the summit was- "Towards a green and happy South Asia", which focused on the problem connecting to environment and climate change. It improved Bhutan's worldwide picture as a self-governing, independent, accountable and equal member country of SAARC, as Bhutan in the past for many times had skipped the occasion to host the SAARC summit on the argument of the countries infrastructure. So far, since its inception, summarily, SAARC has organized fifteen Summits in different places of South Asian region, except Bhutan. So, Bhutan, for the first time, got an opportunity to prove its identity as an original member of SAARC.

SAARC Summits:

The first, SAARC summit had taken place at Dhaka on December 7-8, 1985.

The second, summit of SAARC was held at Bangalore in November 16-17, 1986.

The third, summit was apprehended at Kathmandu in November 2-4, 1987.

The fourth, SAARC summit took place at Islamabad in December 29-31, 1988.

The fifth, summit was held at Male, the capital of Maldives, in November 21-23, 1990.

The sixth, SAARC summit was scheduled to take place at Colombo, in December 21, 1991.

The seventh, summit was held at Dhaka, in April 10-11, 1993.

The eighth, SAARC summit had taken place at New-Delhi in the month of May 2-4, 1995.

The ninth, summit of the heads of the Government of SAARC countries was held at Male in May 12-14, 1997.

The tenth, SAARC summit was held at Colombo in the month of July, from 29 to 31, 1998.

The eleventh, SAARC summit, which was primarily programmed to be held in November 1999, was deferred indefinitely after military take over in Pakistan in October 1999. The summit was ultimately held on January 4-6, 2002 at Kathmandu.

The twelfth, summit was held at Islamabad from January 2-6, 2004.

The thirteenth, SAARC summit took place at Dhaka from November 12 to 13, 2005.

The fourteenth, summit of SAARC was held at New-Delhi on April 3-4, 2007.

The fifteenth, SAARC summit had taken place at Colombo

on August 1-3, 2008.

The sixteenth summit of SAARC has concluded in Thimpu, (Bhutan) on April, from 28th to 29th, 2010.

The Fallout of the 16th SAARC Summit:

It is an unbearable reality that the South Asian region demonstrates almost the highest incidence and ratio of absolute poverty. The per capita incomes are miserably low, but still in the 16th SAARC Summit, no severe deliberations had taken place on poverty, food, security etc. To a certain extent, SAARC is losing its focus from the core issues, as said by Bhutan's P.M. Jigmi.Y. Thinley. With the end of the cold war, the global economy opened up and the countries of South Asia too faced the challenge of integrating their economies into the mainstream of the world economy.10 The leaders of South Asia wanted an explicit measure for trade liberalization, and accepted it in reality and thereby pronounced to set up a SAARC Preferential Trade Arrangement (SAPTA) by 1997. It was intended to reduce the tariff on trade between SAARC member states. This framework agreement on SAPTA was finalized and signed at the Seventh Summit at Dhaka in 1993, and it became ready by the end of December 1995. But in the 11th Summit, which was held in Kathmandu in the year 2002, the SAARC members felt that free trade could be more dominant instrument for lifting millions of people out of poverty in the South Asian region, and so they wanted to achieve a South Asian Free Trade Area (SAFTA). As the decisive goal of the SAARC was for the construction of South Asian Economic Union by 2020, the leaders of SAARC welcomed the signing of the Framework Agreement on SAFTA. It has already come into force in 2006, but there is certain national procedure that needs to be completed; rather SAARC'S two largest countries do not have normal trade relations. India and Pakistan have signed, but not yet ratified SAFTA. In the present SAARC Summit the P.M. of Nepal highlighted the importance of enhancing regional trade, adding that people have not been benefited from it. He stressed the need for cutting down non-tariff and tariff barriers to facilitate easy flow of products and services across the member states. He added, "SAFTA must come into fullest implementation to build a common market for SAARC region".11 The 16th SAARC Summit was an appropriate juncture to look forward for such undone issues, but regrettably no development took place on South Asia Free Trade Agreement (SAFTA). In fact, the rising intervention of superpowers such as U.S.A. and China in South Asia too did not become a subject of anxiety for the leaders of SAARC, rather the resolution of the Afghan crisis also did not came out from the recent summit.



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However, besides the above mentioned negative sides of the 16th SAARC Summit, some of the noteworthy events that had taken place at Thimpu are-"the landmark decision was the announcement of a fund by Indian P.M., to meet with the challenges of climate change and to cater for the needs of effective adaptation and capacity building of small nations. Though no proper action plan for climate change was drafted, still this is an important initiative as all the nations of South Asia are facing serious threats of global warming, such as glacier melting, frequent cyclones, floods and droughts."12 One more significant happening of this summit was the meeting held between the P.M. Yusuf Raza Gilani of Pakistan and P.M. Manmohan Singh of India and both the leaders discussed the issue of disputes that had taken place between the two countries and decided to bridge the trust deficit.. No cooperative statement had taken place on both part on the combined dialogue process that is based on eight issues, but both sides agreed to keep the dialogue process open and determined to meet as soon as possible at Foreign Ministers Level and at Foreign Secretary level.

It is apparent that over the years, the countries of South Asia have realized the need of assistance but the advancement in this regard has been quite slow, and this slow improvement has been ascribed to the disparity in the approaches and perceptions of the countries of the region. Despite the fact that the SAARC as such has not played any vigorous role in resolving the differences among its members, yet its periodical meetings make available a prospect for private discussion among the leaders of various member states. In fact, the Thimpu Summit may be termed as a landmark event from the perspective of the ·Himalayan states, where the small neighbours had democratically expressed their views and gave enough space to signal the big brothers of South Asia to resolve their problems bilaterally and thereby, generate a new breathing space for the revival of this regional organization in a dynamic tone.

Conclusion:

SAARC has, so far, achieved slight. The severe wheels over the economies by governments of the region and their hidden looking policy administered by a corrupt and incompetent bureaucracy have placed effective regional

of the leaders of the two countries during the January 2004 SAARC Summit in Islamabad and the economic reform measures undertaken by all South Asian countries since 1990s should absolutely bang on the SAARC process. As the chosen theme of the recent summit was climate change, the SAARC Summit's decisions were dominated by climate change issues only. But the challenge before the Summit was to deal with climate change with a comprehensive understanding of its linkages with broader development issues and implications for all sectors of the economy, the environment and society; regrettably such developments had not taken place in this 16^{th} SAARC Summit. It is accurate that at present, South Asian regional cooperation is distant from the step where EU and ASEAN have reached, however it cannot be denied that a small commencement has been made in this direction and the arrangement of SAARC would construct far reaching results in future. Even at present, there are major areas of dissension among the members of SAARC and until and unless these issues are determined to mutual contentment, SAARC cannot flourish. Whether the issue of climate change means the change of climate of the entire South Asian region, or climate as a global issue in itself, to get a proper answer, we have to wait for a climatic time.

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