

A Critical Study of Regionalism in South Asia: Challenges and Perspectives (A Case Study SAARC)

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Abstract

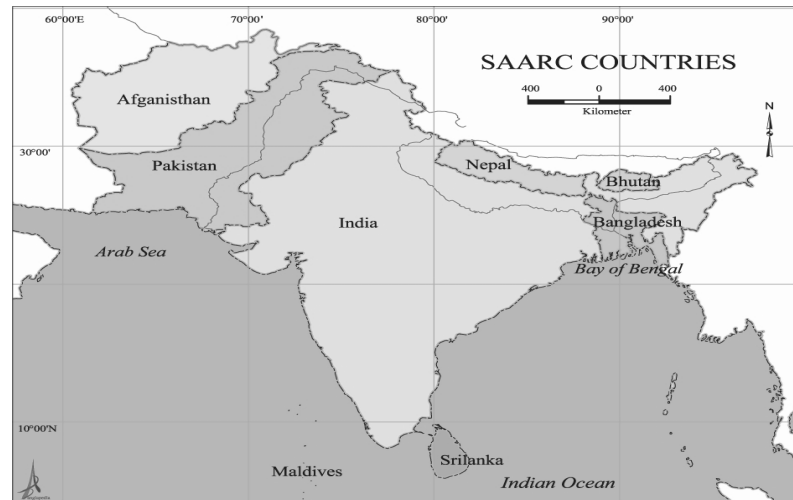
Regionalism and maximizing intra-regional interaction has become a significant phenomenon in international relations. The waves of globalization and liberalization have further made it obligatory for all the nation-states to strengthen their regional economic inter-linkages. The need for the South Asian regional alliance was felt during the eighties. The agreement among the seven South Asian countries – India, Pakistan, Bangladesh, Sri Lanka, Nepal, Bhutan and Maldives – over the establishment of SAARC has been a significant achievement in the decade of the eighties. In 2007 Afghanistan joined the association, as the eighth member. With the aim of promoting cooperation in economic, social, cultural and scientific fields, this regional forum opens new opportunities for the region. The members of SAARC are determined to improve the quality of life of the South Asian people by uplifting social, economic and cultural standards; encouraging self-reliance; promoting mutual assistance; enhancing collaboration with other countries and regional and international organizations. Despite strong ambitions, the progress of SAARC has not been encouraging. Compared to other regional organizations specially the EU or ASEAN, its record of achievements is hardly impressive. This study deals with the regionalism process in South Asia and explanatively evaluates the various cooperation and integration schemes that take place in the region. The research problem behind this study is to identify the major obstacles that hinder the smooth progress of SAARC and affect the process of economic integration in the region.

Keywords: SAARC, Charter of SAARC, Regionalism, Economic integration and cooperation, Human Development Index.

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Introduction

The South Asian Association for Regional Cooperation (SAARC) is an intergovernmental regional cooperation among eight South Asian countries: India, Pakistan, Bangladesh, Afghanistan, Sri Lanka, Nepal, Bhutan and Maldives. The region occupies a potentially critical geo-strategic position; bordered by China, the Indian Ocean, the Persian Gulf and the Caspian basin. The region is rich in energy resources and it could serve as an engine of world economic growth in the future. Australia, America, China, Mauritius, Iran, Japan, Myanmar Korea and the European Union hold observer status in SAARC. The region would benefit from these external linkages and help in economic integration with the international community.¹



Source: http://www.banglapedia.org/HT/S_0583.htm.

The region is full of diversities in terms of land area, geographical features, population, ethnicity, religion, natural resources. SAARC consists of unequal partners, India being by far the largest and the strongest, and on the other hand, Bhutan, Maldives and Nepal are much smaller and politically weaker. The SAARC countries are among the world's most densely populated regions. Its population of 1.6 billion is growing rapidly of which India has roughly about 75%, followed by Pakistan with 9.5%, Bangladesh 9%, and rest of the population live in remaining 5 countries. The average population growth of the region has been 1.8% annually and the population is likely to be doubled by 2039.² Despite its geo-strategic position and the impressive Gross Domestic Production

growth rate during the 1990s, the region is one of the poorest, most socially complex, underdeveloped in terms of human resources and least integrated in the world.³ It represents almost one-fifth (22%) of the world population and one of the biggest potential market, but it contributed only 2.0% of world GDP. Three countries in the region (Bangladesh, Bhutan and Nepal) are classified as Least-Developed Countries (LDCs) by the UN. South Asia's human development index (HDI) has been very low. According to the HDI ranking for 2013, Sri Lanka is 97th in a list of 192 countries, Maldives (104th), India (136th), Bangladesh (146th), Pakistan (147th), Nepal (157th) and Afghanistan (175th) were classified as belonging to the medium and low human development group of countries.⁴ (see Appendix)

On the basis of reviewed literature, this theoretical research paper is organized into three sections. First part focuses on the brief but comprehensive back ground of Regionalism in South Asia. The second part deals with the economic integration process in the framework of SAARC's charter. A summary of findings, with highlighting those main factors which were responsible in the way of regional integration progress, would be discussed in the last section of the study. It is expected that the results of this work would not only facilitate the scholars and expert of political science and international relations but it would be also a massive contribution for the students in the field of regionalism in South Asia.

Background of the Research Problem

Regionalism has been a significant phenomenon in post-Second World War era. The efforts towards regional cooperation in South Asia began as a part of the phenomenon of Asian identity. The need for developing regional cooperation in South Asia was felt even before her independence. In fact, the leadership in subcontinent thought it in a wider perspective, since most of the South Asian countries had similar experiences of colonial exploitation and underdevelopment, and therefore it was inevitable to work together for preserving their independence and sovereignty. It was only possible through mutual cooperation that they could overcome their problems. Nehru believed that those countries which were struggling for their national independence and had similar problems of development should come together. He said in 1945: "I stand for a South Asian federation of India, Iran, Iraq, Afghanistan and Burma". The idea of regional cooperation in South Asia was discussed in at least

three different conferences: the Asian Relations Conference held in New Delhi in April 1947; the Baguio Conference in the Philippines in May 1950; and the Colombo Powers Conference in Sri Lanka in April 1954. The countries of South Asia also took some interest in this regard. Sri Lanka proposed for a permanent organizational structure for regional cooperation. But this proposal could not secure support from other countries. A major step towards cooperation in the Asian and African continents was taken at the 1955 Bandung Conference. Proposals for regional economic cooperation and the intra-regional cooperation in Asia and Africa were put forward but unfortunately none could be materialized.⁵

These earlier attempts towards regional cooperation in Asia and South Asia were not successful. A number of reasons can be given for their failure. The inter-state disputes, tensions, distrust and apprehensions among the countries were the main factors. Pakistan, Burma and Sri Lanka had problems with India. India's Relations with China had also gradually strained on the border issue. The smaller states of the region were apprehensive of India's role and attitude towards them. Therefore, they followed diverse approaches with regard to regional and global issues. Pakistan was more inclined towards a West-Asian cooperation. As a result, efforts towards regional cooperation steadily cooled down. Fresh efforts towards cooperation in South Asia can be seen in the seventies. Indian Prime Minister Mrs. Indira Gandhi, (1966-1977) during her visit to Burma, Afghanistan and Indonesia pursued the idea of regional cooperation. The various developments which took place in the South Asian region helped in building up an atmosphere for cooperation among the South Asian countries. The emergence of Bangladesh as an independent country, Pakistan's erosion as a counter-balance against India, and the 1971 Indo-Soviet Treaty had given India a dominant status in the region. India had succeeded in further normalizing its relations with Sri Lanka, Nepal, etc. But Sikkim's merger with the Indian Union was seen by smaller neighbours as an evidence of India's expansionist designs in the region. The establishment of new political regimes in South Asia, in the late of 1970s, was important. All these regimes needed stability and political legitimacy, hence, wanted each other's support. Furthermore, the deepening economic crisis, poverty, underdevelopment, unemployment and declining growth rate had compelled these countries to think seriously about regional cooperation. The seven South Asian nations agreed upon the

creation of a trade bloc and to provide a platform for the peoples of South Asia to work together in a spirit of friendship, trust and understanding. However, the efforts for the establishment of the union were accelerated after the USSR's intervention in Afghanistan in 1979 and the resulting rapid deterioration of south Asian security situation.⁶

A concert proposal for regional collaboration in South Asia came from Bangladesh President Ziaur Rahman (1975-1981) in May 1980. In fact, he had been working on this idea for quite some time and was approaching other regional countries. Since 1977, the President Ziaur Rahman seemed to have been working on the idea of an ASEAN-like organization in South Asia. Several factors seem to have influenced his thinking about establishing a regional organization in South Asia during 1975-1980:

- Change in the political leadership in South Asian countries;
- Need for Indian support to legitimize his coup d'état regime;
- Economic and oil crisis of almost all South Asian countries;
- Failure of the North-South dialogues, and increasing protectionism by the developed countries.⁷

It was not surprising that the proposal came from a smaller state of the region. In fact, it was thought that the regional cooperation could serve two objectives. First, it could provide a cover against India's domination and secondly it could accelerate the pace of their economic development. It was obvious that the smaller States – Nepal, Sri Lanka, the Maldives and Bhutan – were passionate to endorse the proposal promptly. India and Pakistan had some reservations initially. The Indian concern was about the proposal's reference to the security matters in South Asia and India feared that proposal for a regional organization might provide an opportunity for new smaller neighbors to renationalize all the bilateral issues and stand together against New Delhi. Pakistan assumed that it might be a New Delhi strategy to organize the other South Asian countries against Islamabad and ensure a regional market for Indian products, thereby further strengthening India's economic dominance in the region. But later on all the countries began to lend their support to the idea of regional cooperation in South Asia.⁸ After a series of ceaseless diplomacy among South Asian foreign ministers in 1980, it was agreed that Bangladesh would prepare the draft of a working paper for discussion among

the foreign secretaries. Between 1980 and 1983, four meetings at the foreign secretary level (1981, Colombo; 1981, Kathmandu; 1982, Islamabad; and 1983, Dhaka) took place to establish the principles of organization and identify areas for cooperation. At the first official meeting held in New Delhi (1983), the foreign ministers of seven states adopted a declaration regarding regional integrated organization in the region. The declaration also pointed out the aims of organization as well as regional collaboration. On the basis of foreign minister meeting, a summit of head of states and government was convened in Dhaka on 7-8 December, 1985 which resulted in the signing of the charter for organization and thus the SAARC was officially established.⁹

Overview of SAARC's Progress under the Charter

The charter was adopted in the first Dhaka summit (1985), which set forth the principles, objectives and institutional arrangements of the association. The charter was a main step towards south Asian regional integration. Originally there are ten Articles in the SAARC Charter. The various protocol and the declarations have been adopted by the member states time to time. (See the Table below)

Consolidated Version of SAARC Charter	
Preamble	
Article I	Objectives
Article II	Principles
Article III	Summit of The Heads of State or Government
Article IV	SAARC Council of Ministers
Article V	Standing Committees
Article VI	Technical Committees
Article VII	Action Committees
Article VIII	Secretariat
Article XI	Financial Arrangements
Article X	General Provisions
Signature	

Under the article one and two of the Charter, the objectives and principles of the SAARC including acceleration of economic growth, social progress and cultural development in the region and promotion of cooperation; strengthening of 'collective self-reliance' among countries of the region; cooperation with other

developing countries and with organizations having similar aims; and with each other at the international forums on matters of common interests were set forth.¹⁰ SAARC's objectives also include promotion of human rights and fundamental freedoms, cooperation in the fields of trade, science, technology, action to combat drug trafficking, and environmental protection.¹¹ The concept of regional cooperation in South Asia is based on the principles of sovereignty, equality, territorial integrity, political independence and non-interference in the internal affairs of the other member-states.¹²

Institutional Framework of SARRC

To achieve these objectives, the Charter of the Association provides the following institutions and bodies for implementing the policies of SAARC. The Summit has clearly emerged as the highest decision-making institutional forum of the SAARC in the realm of regional cooperation. The Article III notably defines its principles and general guidelines for matters related to common interests. The Summit brings together member states at the highest level (Heads of State or Government), along with Secretary General, and meets generally once in a year. In fact, it has become the practice to convene it once in every two year. Since the first SAARC Summit held in Dhaka (1985), Seventeen summits have been held so far. The 18th summit is scheduled to be convened in Nepal in November, 2014. The last SAARC summit was held in Maldives in November, 2011. The summit itself was truly historic. During the summit all the leaders were apparently conscious of the growing inter-dependence within and amongst nations and regions in larger globalized world. There was a realization that, in a region containing over a billion and a half predominantly poor people, peace and progress must and should remain their foremost objective. Politics may be eliminated from economics, but the imperatives of geo-economics can no longer be ignored either. In a joint declaration issued at the end of the summit, leaders of the region expressed deep concern over the serious threat posed by terrorism to peace and stability of the region. The declaration drew attention to the growing linkages amongst the terrorism, illegal trafficking of fire arms and persons. The declaration underscored the need to address these problems in a comprehensive manner.¹³

The main policy-making organ of the SAARC is the Council of Ministers, made up of the Foreign Ministers of the member states, who meet twice a year. The Council is responsible for:

- Formulating policies;
- Reviewing progress;
- Deciding on new areas of cooperation;
- establishing additional mechanisms as deemed necessary; and
- Deciding on other matters of general interest to the Association.¹⁴

There is a standing committee comprising of Foreign Secretaries of the SAARC states, which also meets twice a year. This committee has responsibility for monitoring and co-ordination of financing, determines priorities, mobilizes resources and identifies areas of cooperation.¹⁵ It usually meets twice a year, and submits its reports to the council of ministers. In addition, under the articles VI and VII of the charter, there are six technical committees and various action committees, which cover different areas of cooperation and programmes, including Agriculture, Rural Developments, Environment, Transports, Health, Population, Science and Technology, Women, Youth and Children. Each technical committee comprises representative of member country, and meets annually.¹⁶ The Secretariat is the highest executive body of the SAARC. Unlike the Council; it was set up in 1987. As the SAARC's highest administrative body, it is responsible for initiating legislative proposals, implementing policies and decisions and running the organization on a daily basis. It is located in Kathmandu. The Secretariat comprises the Secretary-General and eight directors, from each member state. The Secretary-General is appointed from member countries by the Council of Ministers in alphabetical order. He is appointed for a term of three years, although this may be increased in special circumstances. He is assisted by the Professional and the General Services Staff. The Secretariat co-ordinates and monitors implementation of activities, prepares for and services meetings, and serves as a channel of communication between the Association and its member states as well as other regional organizations.¹⁷ The present Secretary General is Arjun Bahadur Thapa (2014-17) from Nepal.

The decision making procedures for association, set out in the charter, are dominated by the intergovernmental method. Article ten provided that all decisions would be based on

unanimity, which, in effect meant that each member would have a veto. Bilateral and contentious matters would not be discussed in the forum.¹⁸ Article nine provided that each member country contribute to the funds of SAARC on a yearly basis. The share of different countries is: India 32.1%, Pakistan 23.8%, Bangladesh 11.35%, Sri Lanka 11.35%, Nepal 11.35%, Bhutan 5% and Maldives 5%. In the case of regional institutions 40% of the expenditure is met by the host country.¹⁹

Overview of SAARC's Achievements

SAARC has completed 28 years of existence. During these years organization has widened as well as deepened. Widened, as its membership has increased from seven to eight, and as many as six observers have been attending its summits. It has deepened as its institutional network and activities have increased. In August, 1993 ministers of foreign affairs of seven countries, met in New Delhi, adopted a declaration on regional cooperation and launched an Integrated Programme of Action (IPA) which identified the several main areas for organization. Cooperation in trade and economics is one of the vital objectives of the association, however over the years, were not ready to sign any free trade agreement to oversee the matters related to economic and trade cooperation. A committee on economic cooperation (CEC) comprises on senior trade officials, was set up in July, 1991. In the same year the summit meeting approved to establish framework for the promotion of specific trade liberalization measures. A SAARC Chamber of Commerce (SCCI) became operational in 1992, with headquarters in Karachi, Pakistan.²⁰ In April 1993 the member countries signed a SAARC preferential trading arrangement (SAPTA). The treaty came in to force in 1995. The SAPTA proposed a series of measures to step up development in trade, including a reduction in the domestic content necessities of SAPTA's rules, greater tariff concessions on products and the removal of certain discriminatory and non-tariff barriers. To enhance the cooperation in trade the member states signed another trade agreement South Asian free trade area (SAFTA) to replace SAPTA in January 2004 at 12th summit (Islamabad). The SAFTA was entered in to force in 2006. The treaty provided the episodic elimination of tariffs: these were to be reduced to 30% in least developed member's countries and to 20% in the others in the initial two-year period, and subsequently to 0-5% in the next five years. The Agreement established a mechanism for administering SAFTA and for settling disputes at ministerial level.²¹ In August

2008 the 15th summit adopted a protocol on Afghanistan's admission to SAFTA. Under the Trade Liberalization Programme scheduled for completion by 2016, the customs duties on products from the region would be gradually reduced. Recognizing the importance to poverty related issues, the eradication of poverty in the region is one of the prioritized objectives of the IPA. The SAARC countries endorsed an agenda of action to help to achieve this. A framework for exchanging information on poverty eradication has also been established. The 11th summit determined to reinvigorate regional poverty reduction activities in the context of the UN General Assembly's Millennium Development Goal (MDG) by 2015, and of other internationally-agreed commitments. The meeting reconstituted the Independent South Asian Commission on Poverty Alleviation (ISACPA). The Islamabad summit (2004) declared that poverty alleviation should be the vital objective of the SAARC activities and requested ISACPA to continue its work in an advocacy role and to prepare a set of SAARC Development Goals (SDGs) for future consideration. In the Dhaka summit (2005), the period 2006-15 was declared as the SAARC Decade of Poverty Alleviation and the members showed their determination for eliminating poverty. During the SAARC's 17th summit, the member countries reiterated their commitment of eliminating poverty and said the objectives of the SDGs would be achieved soon. They also emphasized on deepening regional efforts for poverty alleviation, the overarching objective of the SAARC.²² At the 12th meeting heads of state (Islamabad) endorsed a SAARC Social Charter (SSC) that had been drafted by with assistance from representatives of civil society, academia, non-governmental organizations and government, under the auspices of an inter-governmental expert group, and incorporated aim in realm including poverty alleviation, food security, water supply and sanitation, child's development and rights, participation by woman, and human resources development.²³

Cooperation with other regional and international organizations is one of the main objectives of the association, set by the charter. In February 1993 SAARC signed a memorandum of understanding with the United Nations Conference on Trade and Development (UNCTAD) whereby both parties agreed to exchange information on trade control measures, in order to increase transparency and thereby facilitate trade. In February 1994 SAARC signed a framework cooperation agreement with the United Nations Economic and Social Commission for Asia and the Pacific (ESCAP) to enhance development cooperation through a

framework of combined studies, workshop and exchange of information. A memorandum of understanding with the European Commission was signed in July 1996; SAARC has also signed cooperation agreements with The United Nations Children's Fund – UNICEF (1993), the Asia Pacific Tele-community (1994), UN Drug Programme (1995), the International Telecommunication Union (1997), the Canadian International Development Agency (1997), WHO (2000), and UNIFEM, the United Nations Development Fund for Women (2001). An informal dialogue at ministerial level has been conducted with ASEAN and the EU since 1998. SAARC and World Intellectual Property Organization hold regular consultations concerning regional cooperation on intellectual property rights, and regular consultations are convened with the WTO. During 2004 memorandums of understanding were signed with the Joint UN Programme on HIV/AIDS and with the UN Population Fund (UNIFPA).²⁴

Factors responsible for less progress

SAARC is a regional organization with strong ambitions, but is constrained by regional politics compared to other regional organizations such as the EU or the ASEAN. The record of its achievement is hardly impressive. Despite the geo-strategic position, the region is one of the poorest, socially complex, underdeveloped and least integrated in the world. SAARC has completed 28 years of its existence. Although it's not a long period for a regional association to establish its worth in promoting regional cooperation and solidarity, however, the way SAARC has shown downward trends during these years. There are numerous challenges and hurdles being faced by SAARC in the way of regional cooperation. No doubt, the tension between India and Pakistan hinders the SAARC from functioning smoothly. From over six decades, the two neighbors have remained mired in an adversarial position which has been one of neither war nor peace. The responsibility for changing these precarious situations rests on both sides but India being the largest political player, obviously carries a greater share of the responsibility for changing a highly volatile situation, which can generate hostilities between the two nuclear states. Kashmir has remained the bone of contention between India and Pakistan. Various attempts have been made so far towards the normalization of their relations. Their conflicting relations have wide ranging implications for the region and the SAARC.

The insistence of some of the SAARC countries on forming sub-regional groupings has also reduced the importance of SAARC. In fact, the ineffectiveness of SAARC leads to the development of an alternative approach. In this context, India, in recent years, has started giving importance to its entry in the ASEAN because India sees more prospects of its development by aligning its economy with the ASEAN countries. Indian strategists have suggested that New Delhi would be better off in the ASEAN than it is in the SAARC. In this regard Pakistan has made serious efforts in developing close relations with west Asia and the gulf region by using its Islamic identity. Bangladesh, also playing up its Islamic roots, has begun to develop its relation with its Muslim neighbors in the Southeast Asia –Indonesia and Malaysia. Nepal has also made sporadic attempts resisting Indian pressure by developing closer ties with China. India, Bangladesh, Nepal, Bhutan and Sri Lanka are the members of the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) and the South Asian Sub-Regional Economic Cooperation (SASEC).²⁵ Pakistan and Maldives are not members of both South Asian sub-regional organizations.

SAARC as a regional intergovernmental organization is very unique as far as regional conflicts are concerned. The regional states do not have a common approach to resolving interstate disputes in the region. India emphasizes on bilateralism and also rejects the role of extra-regional powers in resolving regional disputes. Other regional states, on the other hand, do not reject the role of extra-regional powers. It seems that the South Asian countries have not been able to develop clear perspectives on domestic and regional issues. Their domestic problems have often shaped their attitude towards the SAARC. It seems that due to certain preconceived notions SAARC has not been viewed as an independent variable. Other reasons pertain to a lack of convergence of political security of the member states as also an absence of a perceived threat to their vital interest from common enemy factors which contributed towards the viability of other regional grouping such as the EU and the ASEAN.

Besides these political differences and mutual distrust among the member states of SAARC, another serious hurdle to the functioning of the organization is the asymmetry between India and the other member in terms of demography and economic and technological development. It is a peculiar feature of SAARC that India overpowers the other member countries due to its size of population and GDP. India is nearly thrice the size of all the other

states put together in area and population. This preponderance is reflected in its economy, technological development and military prowess. New Delhi contains more than three quarters of the regional GDP and two-thirds of the region's global exports. Besides, India is situated in the centre of the region while other states are on the periphery. Therefore, India connected all member states and provided the link amongst all member states. Therefore it is right to say that the region cannot move forward without the support of New Delhi. All the South Asian countries form border with India. These countries have bilateral arrangements with India. It is difficult to find an easy regional alternative to these bilateral arrangements. The serious constraint in this regard is that none of these countries form border with each other, except India. India alone can provide transit facilities to landlocked nations like Nepal and India. Another major hurdle is that the region is divided into two groups: Middle income group and the least developed group. Pakistan, India, Maldives and Sri Lanka belong to the first group while Bhutan, Bangladesh and Nepal are in the second. This inequality between the both groups resulted in reduction of economic cooperation in the region. The second group wants special and preferential treatment which is not easier for other South Asian countries. Besides these, the extent of complementarities which represents the level of economic cooperation in a region is very poor in the case of SAARC. Most members of the SAARC export similar products. They compete rather than support each other.

Conclusion

Regionalism in the South Asian is a recent phenomenon in comparison to many other regions of the world. The establishment of SAARC is a significant development in the process of South Asian regional cooperation. During the last 28 years of its existence, SAARC has been finding out ways and means to foster development and cooperation in the region. It has also 'widened' as well as 'deepened'. Widened, as its membership has increased from seven to eight, and as many as six observers have been attending its summits. It has deepened as its institutional network and activities have increased. There is also an agreement on trade liberalization and the formation of a free trade area. However, despite all these achievements, regionalization process has not taken roots in the region. The region has been a serious constraint to the smooth functioning of SAARC. The member states' initiatives are constrained due to lack of funds and

commitments. They have not yet agreed to the idea of visa free entry of people to the region. The eradication of poverty, child labour, women empowerment, social equality etc is nothing more than slogans. Most of the actions and activities are restricted to the holding of conferences, seminars, workshops and short training programmes. Most importantly, SAARC suffers from a severe resource crisis. Unless the organization is successful in mobilizing funds and technical know-how from outside sources, most of its projects cannot be implemented and, thus, its relevance would remain limited. Despite many problems and challenges, SAARC is positive development for regional integration process of South Asian. It provides identity and status to the smaller countries. It is a forum where all nations of the region, can put their minds together to resolve their common problems, they can share their ideas and develop a consensus. In the end, it can be true to say that the ultimate target of SAARC economic cooperation is an integrated South Asian economy, in a step-by-step manner to implement the shared aspirations of 1800 million South Asians for a more prosperous region. The action to achieve this goal has been more in form than substance. Moreover, unless above mention challenges and constraints, faced by member states, particular normalization of Indo-Pak relations are not settled, SAARC cannot make any substantial contribution in improving cross-border connectivity, boosting trade among member countries, and strengthening regional economic cooperation process of the region.

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- ²⁵BIMSTEC is an international organization involving a group of countries in South Asia and South East Asia. These are India, Bangladesh, Sri Lanka, Nepal, Bhutan, Myanmar and Thailand. The South Asian Sub-Regional Economic Cooperation (SASEC) Program, set up in 2001, brings together all South Asian countries – except Pakistan and Maldives – in a project-based partnership to promote regional prosperity and economic cooperation.

Appendix: SAARC Countries at a Glance

Countries	Population (In Million (2012-14))	Area (Km ²)	GDP (PPP In Billion \$ (2012-14))	Per Capita (PPP) \$	Government Structure	HDI Ranking For 2013	Capital
India	1,210.930 (2 nd) *	3,287,590 (7th)	\$5,369.2 (3rd)	\$4,2091 3 (3rd)	Federal Parliamentary Constitutional Republic	136 th Medium	New Delhi
Pakistan	182.490 (6th)	796,095 (34th)	\$574.068 (26th)	\$3,144 (139th)	Federal Parliamentary Constitutional Republic	147th Low	Islamabad
Bangladesh	150.039 (8th)	147,570 (94th)	\$324.628 (43rd)	\$2,083 (154th)	Unitary Parliamentary Constitutional Republic	147th Low	Dhaka
Afghanistan	31.108 (40 th)	652,864 (41st)	\$36.838 (103rd)	\$1,177 (174th)	Unitary Presidential Constitutional Republic	172nd Low	Kabul
Sri Lanka	20.277 (57th)	65,610 (122nd)	\$127.000 (64th)	\$6,135 (111th)	Unitary Semi-Presidential Republic	92nd High	Colombo
Nepal	26.494 (45 th)	147,181 (95th)	\$41.22 (97th)	\$1,508 (167th)	Unitary Parliamentary Constitutional Monarchy	157th Low	Kathmandu
Bhutan	0.742 (165 th)	38,394 (136th)	\$4.287 (156th)	\$6,112 (114th)	Unitary Parliamentary Constitutional Monarchy	140th Medium	Thimphu
Maldives	0.393 (175 th)	298 (206th)	\$2.841 (162nd)	\$8,731 (89th)	Unitary Presidential Constitutional Republic	109th Medium	Malé
SAARC	1,622.473 Million est.	5135602 (Km ²)	6,480.084 \$ Billion est.	\$3,993. est.	Inter- Governmental Cooperation Regional Alliance	0.611 Medium	Kathmandu

Sources: World Bank, CIA World Fact book 2014, South Asia 2014.
World Ranking*