

# **Issues and Challenges of Regional Integration in South Asia**

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#### Abstract

The regional integration and major challenges of the South Asian region are examined through interstate relationships and major conflicts of the region are also described in order to comprehend the core factors which keep regional integration on the back seat. Moreover, the internal political dynamics of member States and Global political dynamics which affect the integration of SAARC are also to be taken into consideration. For instance, the Kashmir issue, trust deficit, Indian supremacy, people-to-people contact, and international factors are the core hurdles in the region while the Kashmir issue surpasses the rest of the factors hence it needs to be addressed on a priority basis. The main aim of the study is to analyze the challenges of the region in order to comprehend the midway through which regional integration can be made practical. For that purpose, data has been taken from secondary sources in order to comprehend the concept. Additionally, a question is addressed why the regional states are unable to cooperate with one another to provide a balance life stander to every individual? In the end, possible and applicable measures are to be presented for regional integration.

**Keywords:** ASEAN, Conflict, India, Integration, Pakistan, Relationship, South Asia, SAARC, SAFTA.

#### Introduction

Regional integration is a driving factor for creating connectivity and interdependence among the states. Firstly, we need to comprehend what is regional integration while before regional integration, it is crucial to examine the concept of region. "Region is a large area of land that is different from other areas of land with its own customs and characteristics, or because it has a particular geographical feature". As far as regional integration is concerned, most states of a region enter into an agreement and establish organizations in order to enhance trade and cooperation to

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accelerate the growth and progress in a region. Besides, regional integration can extirpate their disputes through peaceful means in order to get progress and prosperity once and for all. In the South Asian region, major states like India, Pakistan, and Bangladesh are in a robust position to enhance global trade while their position seems fragile in terms of regional context. Because they have failed to liberalize trade among the South Asian nations. In sum, regional integration is a need of the hour for South Asian nations henceforth they need to adopt prudent policies in order to make sure regional integration.

First and foremost, South Asian states have opted for the policy of protectionism owing to internal interest groups. Under this policy, the states try to protect their own product against imported ones. Owing to such policies they are reluctant to enhance their trade because their commodities cannot compete with local commodities owing to their huge tariffs and duties on foreign commodities. For instance, in 2018, the Indian government raised duties on forty items such as auto parts, toys, candles, and so on. Henceforth, it is a need hour to address the policy flaws in the region in order to enhance trade and mutual dependency.

Secondly, Islamabad and Delhi's animosity creates hurdles for regional integration. The core issue is Kashmir which keeps them away from both regional and state-to-state cooperation. The region has the platform SAARC to sort out regional disputes. Unfortunately, from the SAARC charter, they restricted the bilateral issue solution. Henceforth, the Kashmir Issue is crucial to be addressed to achieve regional cooperation.

SAARC is the right platform where South Asian states can extirpate their issues if they genuinely take flexible steps to get rid of such so-called animosity. It was established in 1985 for regional integration but owing to it is charter and the unwillingness of the leadership now we have failed to utilize this platform for regional integration.

Besides, the region's states took some crucial initiatives but remained unsuccessful so far. For instance, in 1990 South Asian states tried to cooperate but they did not succeed. Moreover, in 1993 they signed South Asian Free Trade Area (SAFTA) and Preferential Trade Agreement (PTA). All these efforts proved fruitless because they have serious bilateral issues which need to be addressed before such kinds of initiatives. Henceforth, bilateral issues must take into consideration to enhance the chances of regional cooperation for their mutual interests.

Moreover, South Asia has a huge potential to develop the region but they have failed because of neglecting political dynamics, flawed policies, government restrain, conflicts, and division within civil society are some crucial steps to be addressed. To solve these flaws the writer suggests that learning political rule sharing is a success story, restructuring SAARC, and enhancing sustainability in civil society are crucial in regional integration.

In addition to it, the UN's report points out that in South Asia at least 67 percent potential is not being availed so far. Besides, the report reveals that ECO, BIMSTEC, and SAARC failed to accelerate cooperation and trade as compared to the total trade of South Asia with ASEAN. For instance, in 2015, ASEAN trade was 27.4 whereas South Asia had 6.1. Such a gap owing to a high level of informal trade, high cost of intra-regional trade, fragile supply capabilities, and excessive check border.

Moreover, South Asia is the second fastest-progressive region in the world. Despite that, South Asia has been facing massive challenges such as corruption, illiteracy, and poverty. Besides, the writers suggest that 23% population of the globe is in the South Asian region. Henceforth, they need to integrate as soon as possible for their national interests and progress. Furthermore, they point out that the SAARC and SAFTA are crucial milestones for the development of regional integration but it needs focus and commitment (Sultana & Asrat, 2014). The writer asserted that economic integration leads to regional integration. Additionally, the writer says that our political leaders are keeping such integration in a back seat for a little political interest. They should make sure integration or else in eCommerce and technological trading systems will automatically boost the South Asia trade informally. Henceforth, the leadership must make sure, before automatic integration (Joynal, 2020).

# Major Flaws in the South Asian Region

Although the South Asian region has the potential to enhance progress in the region yet it has failed to utilize such capability owing to certain hurdles which are: interstates relations, high tariffs and lack of cooperation, trust deficit, Indian domination, civilizational clash, different political systems, SAARC's charter, and Kashmir issue.

#### **Interstates Relations:**

First and foremost, the interstate relations in South Asia are vulnerable to one another owing to this animosity the region is unable to soar its progress. India and Pakistan are the major states of SAARC and SAARC was established to bring regional integration as well as to extirpate interstates' rival relations. As "increasing regional cooperation among SAARC countries is the ultimate goal of SAARC" (Jabeen et al., 2017). Unfortunately, the absence of cardiac relations among the South Asian states creates hurdles in the process of integration and progress. Pakistan and India both the countries have mutual animosity and an environment of mutual trust deficit, which does not let the Organization flourish in its true sense. For instance, February 2019 Balakot episode is a more recent example of when India enters into Pakistan's territory and attacks. In response, two helicopters in India were shot down. That kinds of episodes are dangerous for regional integration while both Countries have immense influence in the region, they have many natural and human resources to be mobilized for the development of their own countries and then those resources may be allocated to the development of the region. But unfortunately, South Asian main countries are unable to build robust cooperation and progress.

## Lack of Trade Cooperation:

Secondly, shooting the tariffs up and the lack of consensus over trade, whether that is horizontal or vertical trade cooperation. Instead of cooperation, the members impose high tariffs on the prices of commodities as a result of which the prices shoot up. Consequently, South Asian states avoid importing commodities from one another. And surprisingly, "South Asia's average tariffs in 2016 were 16.3 percent, while the world average of 6.3 percent is less than half of the amount". Instead, they should have fewer tariffs on one another than the globe's tariffs. It shows that high tariffs and lack of consensus over trade, play a crucial role in the lack of trade

integration in the region. It reflects that there is a lack of cooperation among the member states over Trade problems.

#### **Trust Deficit among the Member States:**

Moreover, lack of cooperation and trust deficit are also significant factors, due to these factors, the regional states are reluctant to enhance trade relations with one another. "The regional cooperation in South Asia is lower than ASEAN". For instance, as we mentioned earlier, none of the countries facilitates regional trade in terms of duties. Besides, intra-regional conflicts are making the situation worse. Unfortunately, The South Asian states have not been cooperative to sort these out. The trust deficit has its own history, as both Pakisand India are major players in the region along with Bangladesh having a stable economy compared to other regional states. These major states have failed to develop cardiac relations. Owing to this development of SAARC and mutual Trust-Building is fragile. It is crucial to forget their past and seek perspectives for cooperative relations in the future. That's how the region can build trust. As there is a famous saying that 'friends can be changed but neighbors cannot be. So, the world's biggest region needs to build sustainable trust.

The question raises as why they are not willing to avoid all those conflicts, the answer is owing to a trust deficit. The trust deficit is a core issue that keeps the progress of South Asia on the back seat. If the region wants to accelerate economic development, they should enhance trust in one another to avoid all those grievances for the sake of regional progress regardless of any discrimination. For instance, "Pakistan, India, and Afghanistan have a grave trust deficit amongst themselves. Despite being immediate neighbors, having shared history, and sharing numerous culture norms" (Ali, 2015). Henceforth, mistrust should be eliminated from regional development.

## **Indian Domination:**

In addition, the South Asian countries have a deep fear of Indian domination, as earlier Delhi claimed that we are the hegemonic state of South Asia. Thus, the SAARC countries are reluctant to cooperate with different organizations such as SAARC, ECO, and BIMSTEC. However, there should not be the concept of big and small states in the region then only the target of real progress can be achieved. If such type of arrogances

is shown by Delhi, then mere differences would emerge rather than cooperation.

Additionally, the civilizational clash is a hurdle for the progress of the region. As it is clear that in South Asia many religious ideologies prevail which makes the situation further complicated. Owing to such religious ideologies the region has failed to enhance cooperation like ASEAN and eradicate all types of hurdles. The only way which can reduce such a lacuna which is the principle of secularism. Religion should be set aside and moved forward for the development of the region (Shaheen, 2013).

As far as the clash of Civilizations is concerned, if it observes from the perspective of history before the advent of the British in India, then we can see in history that the whole subcontinent had been ruled by the Muslims. The reason behind the unity of this region was the acceptance of all cultures and religions that existed in the region. As per the clash of civilizations, there was no clash among the different cultures and civilizations superdiverse diverse region. Those diversities existed peacefully. But those diverse are cities now being used as a source of conflict and violence against each other by both the Great of South Asia.

## Political Systems and SAARC's charter:

Secondly, the charter of SAARC does not facilitate the extirpation of bilateral issues like Kashmir. It is significant for regional integration to sort out the bilateral issues In South Asia the n region. There are different political systems, which create hurdles in real integration. For instance, the parliamentary system is in five countries such as Bangladesh, Bhutan, India, Nepal, and Pakistan. "The last three countries have different federal republics. Besides one is a unitary republic which is Bangladesh and one is a constitutional monarchy which is Bhutan". Such a different political setup is also one of the drawbacks, which keeps the integration away. Before the advent of the British, this region was united, but with the passage of time, the political dynamics of the World were changing. Monarchies were changed from absolutism to either constitutional, or the institution of Monarchy was fully eliminated and a democratic system of India was not dynamic and couldn't adapt itself to the demands of the modern ages,

due to which such a weak point of the Indian political system was exploited by the British and as result they dominated India. They ruled India and finally divided it into two parts. In some countries in South Asia, the democratic forces are stronger than the Civil and Military establishment while that may or may not be the case in other countries. So due to these factors, the internal political dynamics of member countries have their Impacts on the effectiveness of SAARC.

Henceforth, the restructuring of the SAARC's charter is crucial to get progress in the region. Article X (2) of the SAARC charter categorically underlines that "bilateral and contentious issues shall be excluded from the deliberation" (The Irrelevance of SAARC). Such articles keep the Kashmir issue is the back burner. Therefore, regional integration is impossible because the Kashmir issue has importance for regional integration.

## Kashmir issue and regional integration:

As it is quite clear that there are various bilateral issues and many more which have already been spelled out. However, the Kashmir issue is very much crucial to be solved. Whenever the Kashmir issue comes to an end, then regional integration in South Asia will be possible. Unfortunately, the SSARC has expelled the bilateral issue from its charter. Thus, we can say that South Asian regional integration is vague. As it has been clearly mentioned in the SAARC's charter that the SAARC is not supposed to sort out bilateral political issues between two member states of the Organization. That it can improve and find ways for the development of soft relations but would not interfere in Political disputes which existed among the member state (Iqbal, 2006). So, it has been made clear that SAARC is not supposed to solve political issues, however, it will create ways for trade and people-to-people contact.

However, the political and economic issues are interlinked if a State has a political dispute with another State how can sort out its economic issues and can develop ways to improve relations? The base for healthy economic and social relations between or among the States is crucial for healthy peaceful political relations. In other words, economic and social relations can only be developed when the political issues are resolved. It means that peaceful and stable political relations can lead to the development of economic and

social relationships. But how it would be possible to develop relationships on Social and economic fronts while conspiring against each other on political fronts, that's something inconceivable. The issue of Kashmir is not only of prime importance for Pakistan and India but for the whole region it has its impacts. The base on which the sub-continent had been divided and Pakistan been carved out was on the cause of religion Islam on that base Kashmir was totally the territory of Pakistan as a Muslim Majority State, but India by force occupied it and dispatched military into the area. Then they themselves had taken the issue to the UN which the UN decided to hold a plebiscite and let the people of Kashmir decide their future, under the right of self-determination, which India practically denied.

The dispute between Pakistan and India has, in one sense, hijacked the role of SAARC because both are the potential States of South Asia and both are conventional adversaries of each other due to the issue of Kashmir and a history of wars between them. And both Countries allocate a huge chunk of the budget to the defense sector due to mutual mistrust and animosity. If these disputes are resolved through peaceful means, then this region can develop in its true sense. If SAARC can offer to settle this dispute, then many problems in South Asia will be settled. But unfortunately, SAARC has already mentioned in its Charter that this Organization is not to interface in already bilateral established relations between or among its members. Pakistan and India are as important for the region as much as France and Germany for Europe. Germany and France had as well historical animosities between them but they got succeeded in sorting out their issues under the visionary leadership of De Gaulle and Konard in 1963 and now are the best partners in that region. So mutual animosity between Pakistan and India is to be settled one day but the visionary leadership should come forth to sign a treaty of peace between the two nations. Besides, India's revocation of 35 A and 370 of the Indian constitution, which had guaranteed the special status of Kashmir, has added a new dimension to the severity of the issue.

In the recent pandemic, India needed help and Pakistan offered ambulance services while India negates to accept it. While on the other hand, Pakistan's people are facing food inflation and India has the potential to provide food at the cheapest rate but we are unable to get it owing to the Kashmir issue and so-called animosity. In a nutshell, almost all issues and hurdles have been created owing to the Kashmir issue it needs to be addressed in order to maintain peace, cooperation, and development in the region regardless of religion, color, and ethnic group.

#### **Internal Political Issues of Member States:**

A Strong Organization may be made by members who have no issues regarding Politics at home. If a state is politically stable it may lead to being developed economically and socially. The economy cannot be developed in a politically unstable country. Because if a state is politically unstable how can it attract investors, as the investors will not invest in that country because of uncertainty and damage, that may happen to their property? Now the question is why a country would be politically unstable. The reasons may be found in the political set-up, norms, values, customs, traditions, laws, history, and mentality of the people. If a country is humanist, and all of its citizens are equal before the law regardless of caste, creed, color, religious views, and language in its true sense not only in the documentation. It will lead to political stability and political stability may attract economic stability and growth. If there are equal rights and benefits from the state to all the citizens and all the communities are kept engaged, not marginalized and deprived. It will untimely not lead to conflicts and political stability may be attained.

But unfortunately, The SAARC members are mostly facing political crises in one way or another. Among the members, Pakistan has its own issues of political instability, India has its own issues and other countries are also facing such political instability. Besides, the reason for either controversial laws or marginalization of one community and privileging the other create a disturbance that leads to political instability and uncertainty. Which as a result consumes much of government resources and takes the attention of the government from developing relations with other countries to domestic political situations. So, Secularism equal opportunities for all communities irrespective of any base can lead a country to play a role in regional or global organizations.

#### Internal economic issues of members:

In today's world economy is considered of prime importance for the development and growth of a country. There are a lot of factors that may lead to a successful and developed economy. But in today's world, modern technological advancement has its role in the economy of a country. Technical knowledge and development in technology are attained through updated and advanced techniques in the education system. The education system is set by the political authority, so there is a need for visionary political leadership in order to achieve goals through the education system. Education can be used as a tool to change the rival mentality of the masses. But unfortunately, this is not the case with SAARC members, mostly they adopt the British education system. As a result, regional cooperation has been affected.

#### Lack of interactions among the people of member states:

South Asia has a different type of political set-ups and different, security, economic and social dynamics owing to which the leaders of the member countries have kept their people apart from each other. There are many misconceptions of people regarding each other which create a gap among people under many pretexts. Specifically, the people of the major actors in the region have much hatred among them and this can only be reduced by the soft powers of economic interactions and people-to-people contact. However, by the policy of instrumentalism, the people of people are let to interact and visit each other will have a positive impact on the strengthening of the Organization and finally, people would be able to know the problems each other and the ground realities of the member countries (Mansfield & Solingen, 2010). The governments of the member states should take genuine steps, to encourage people to interact. However, the role of the government is instrumental.

Additionally, both countries should enhance public diplomacy such as student exchange programs, providing scholarships, organizing cultural festivals, and so on and so forth. As both Nepal and Sari Lanka are culturally more connected with India and even Pakistan's province Punjab has also many similarities with the rest of Punjab which is located in India. Thus, such points should be utilized to bring the region into a platform through people-to-people contact.

#### **Role of Global powers:**

Before the collapse of the USSR, the US had an adversary in the shape of the USSR which she had to tackle. The ideological wars between the US and the USSR in the shape of Capitalism versus Communism, Communism got failed and capitalism triumphed over it. Thus, the US took a leading role in the world. With the passage of time, the dynamics of power were changed from geopolitical to geo-economic.

Hence the dilemma of SAARC integration may be seen through the prism of new realism then the world order has its impact on all regional and local set-ups. The neo-realist approach says that both states and regional Organizations are under the influence of the world order and nothing can be achieved unless the world order is to be changed (Earnesto, 2017).

## Conclusion

In a nutshell, SAARC is a regional organization for the cooperation and development of South Asian countries. The region has many hurdles including both domestic and global factors which do not let it to be flourished. Member states of SAARC are hostile towards one another, especially Pakistan and India. Which creates the factor of trust deficit among the member states. Besides, India has claimed that India is a superior nation in the region. As they assert that India is the tiger of South Asia. Consequently, such claims create a trust deficit and uncertainty in the region. Besides, not solving the bilateral issues under the SAARC platform such as Kashmir and so on is also a lacuna in the region. In spite of countless hurdles to the organization, the Kashmir issue is a bone of contention in the region it must be solved in a peaceful way. It is crucial to review their policies and practical steps are needed to make sure regional integration for the vested interests of the wider population. For instance, Andrew Maitland Moravcsik explains that every state has its own agendas and interest to get it. These interests can be achieved through regional integration. He presents a theory of intergovernmental that examines that regional integration is crucial for the region's development on the basis of common interests. Such a theory is pertinent in terms of the South Asian region. Henceforth,

SAARC countries should boost regional cooperation under SAARC platform on the basis of common interests.

#### Recommendations

- SAARC's charter should be reviewed in order to resolve almost all bilateral issues once and for all.
- People-to-people contact must be made sure because through such contact regional integration can be enhanced.
- Policy of rivals should be abolished in order to improve the friendly image of the nations. Owing to such rival policies people are hating one another it must be abolished.
- All issues must be sorted out through peaceful means because such issues are the major hurdles in regional integration and cooperation.
- Conspiracy theories against one another should be eliminated because such conspiracies are creating doubts among the masses.
- A robust policy must be adopted under the SAARC platform which can sustain the economic policy of the states. For instance, many times some political decisions affect the economic policy which directly or indirectly hit the common masses.

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