Competing Regionalism in South Asia and Neighbouring Regions under Narendra Modi: New Leadership, Old Problems

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With the South Asian Association for Regional Cooperation (SAARC), the Indian Ocean Rim Association (IORA), the Bay of Bengal Initiative for Multi-Sectoral and Technical Cooperation (BIMST-EC) and the Mekong Ganga Cooperation Initiative (MGC), four different regional/sub-regional organisations exist in their respective regions. Yet, despite their decades-long existence, inter-state cooperation in all four regions has failed to meaningfully advance economic, social and/or political integration. This article uses a constructivist perspective and posits that India's foreign and security policy norms and ideas (termed India's 'cognitive prior') have been instrumental in determining the weak institutional design and limited functional scope of all four organisations, allowing only a restricted degree of actual regional cooperation to emerge. The article in particular argues that the organisations have been used in the frame of India's policy of 'competing regionalism'. All four organisations overlap in membership and sectors of cooperation. With the founding of each new organisation, India neglected the other organisation(s) and instead shifted its focus and resources towards the newer one. However, even competing regionalism has not resulted in improved regional cooperation in South Asia and neighbouring regions. At present, novel regional integration initiatives that purport to strengthen these organisations by the new Indian leadership under Prime Minister Narendra Modi remain elusive.

Keywords: India's foreign policy, South Asia, South Asian Association for Regional Cooperation (SAARC), The Indian Ocean Rim Association (IORA), regionalism

Introduction

> In Asia it seems inevitable that two or three huge federations will develop. […] India is going to be the centre of a very big federation.
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> Jawaharlal Nehru, 1958[1]

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[1] J. Nehru, 'Inter-Asian Relations', *India Quarterly: A Journal of International Affairs* 11, 1946, p. 32.

(The) BJP believes a resurgent India must get its rightful place in the comity of nations and international institutions. The vision is to fundamentally reboot and reorient the foreign policy goals, content and process, in a manner that locates India's global strategic engagement in a new paradigm and on a wider canvass, that is not just limited to political diplomacy, but also includes our economic, scientific, cultural, political and security interests, both regional and global, on the principles of equality and mutuality, so that it leads to an economically stronger India, and its voice is heard in the international fora.

BJP Election Manifest, April 2014[2]

In 2007, the World Bank conducted a study on economic integration in South Asia and came to the conclusion that it was 'the least integrated region in the world'.[3] In 2014, the World Bank conducted a follow up study and concluded that progress was still elusive.[4] This bleak assessment for South Asia was made in spite of the existence of the *South Asian Association for Regional Cooperation* (SAARC) since 1985. Looking towards South Asia's west, regional cooperation in the Indian Ocean region has been unsuccessfully attempted since 1997 with the *Indian Ocean Rim Association* (IORA).[5] Shifting the geographic focus towards the east of South Asia, there is little to no regional cooperative activity taking place in the Bay of Bengal, despite the existence of the *Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation* (BIMST-EC) since 1997. And finally, the *Mekong Ganga Cooperation (*MGC) initiative, encompassing six riparian countries of the two rivers Mekong and Ganga, was founded in 2000, but it has not achieved any significant cooperation between its member countries either.

Generally speaking, the *Association of Southeast Asian Nations* (ASEAN) is an example of a successful Asian version of regional and inter-state cooperation. Since 1967, ASEAN has evolved and expanded, following its 'ASEAN way' of institutional-organisational minimalism and an informal, non-legalistic method of cooperation.[6] The accomplishments of regional cooperation in Southeast Asia raise

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[2] Bharatiya Janata Party, *Election Manifesto*, 2014, http://bjpelectionmanifesto.com/pdf/manifesto2014.pdf (accessed 10 June 2014).

[3] World Bank, 'South Asia: Growth and Regional Integration', 2007, http://web.worldbank.org/WBSITE/EXTERNAL/COUNTRIES/SOUTHASIAEXT/0,,contenMDK:21224087~pagePK:2865106~piPK:2865128~theSitePK:223547,00.html (accessed on 10 November 2007).

[4] World Bank, 'Regional Integration in South Asia (Brief)', Washington, DC: World Bank, 2014, http://www.worldbank.org/en/region/sar/brief/south-asia-regional-integration (accessed on 17 January 2014).

[5] The IORA was called 'Indian Ocean Rim-Association for Regional Cooperation' (IOR-ARC) until 2014.

[6] A. Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order*, London: Routledge, 2001; J. Haacke, *ASEAN's Diplomatic and Security Culture. Origins, Developments and Prospects*, London: Routledge Curzon, 2003; A. Jetschke and J. Rüland, '40 Years of ASEAN: Perspectives, Performance and Lessons for Change', *The Pacific Review,* 2008, Vol. 21, No. 4,

the question why progress has so far not taken place in South Asia and neighbouring regions. This article is intended to contribute to the growing field of IR theory guided analysis with regard to Indian foreign policy and regional cooperation and open a new analytical vista, thereby also introducing novel parameters for research. The literature on Indian foreign and security policy and especially regional cooperation in South Asia is mostly descriptive and atheoretical.[7] This article uses a constructivist perspective. This approach lends itself to the topic at hand as it incorporates ideas, norms and questions of identity, transcending the analytical limits of realism or neo-realism and their major focus on power and structure.

The article is based on two theses. The first thesis maintains that India has been influential in determining the institutional design and limited scope of all four regional organisations, essentially implementing what is here termed India's *cognitive prior*, that is the normative and ideational canon of Indian foreign policy essentials. The second thesis posits that with the successive founding of each new organisation, India subsequently neglected the older organisation(s) and shifted its focus towards the newer one, thereby essentially weakening all organisations. These organisations overlap in membership and sectors of cooperation and compete for institutional resources and policy focus of India's foreign policy. This phenomenon is termed 'competing regionalism' in this article.

In order to substantiate the two theses, the methodology of the article is based upon two major case studies, qualitative content analysis and process-tracing. Alongside a wide range of primary literature that was gathered during various field trips to New Delhi, Shimla, Kathmandu and Paris, the article draws on 60 expert interviews (including former Indian prime minister, late I. K. Gujral, several former MEA secretaries, members of Indian foreign policy establishment, retired diplomats, directors and experts from Indian think tanks) conducted in New Delhi and Kathmandu during several field trips in 2006–2007 and 2012–2015, an extensive literature review as well as a newspaper analysis of English language newspapers (*The Times of India*, *Hindustan Times* and *The Hindu)*. The case studies follow process-tracing.[8]

The article is structured in four parts. The following section summarizes India's *cognitive prior*. In the next section, the respective genesis and evolution of SAARC

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pp. 397–409; A. Jetschke, 'Institutionalising ASEAN: Celebrating Europe through Network Governance', *Cambridge Review of International Affairs*, 2009, Vol. 22, No. 3, pp. 407–426.

[7] See for a general historic overview of Indian foreign policy D. Malone, *Does the Elephant Dance? Contemporary Indian Foreign Policy*, New Delhi: Oxford University Press, 2011; S. Ganguly, *India's Foreign Policy. Retrospect and Prospect*, New Delhi: Oxford University Press, 2012. For South Asian regional cooperation see S. D. Muni and A. Muni, *Regional Cooperation in South Asia*, New Delhi: National Publishing House, 1984; K. C. Dash, *Regionalism in South Asia: Negotiating Cooperation, Institutional Structures*, Milton Park, Abingdon: Routledge, 2008; L. Saez, *The South Asian Association for Regional Cooperation (SAARC): An Emerging Collaboration Architecture*, London: Routledge, 2011.

[8] A. L. George and A. Bennett, *Case Studies and Theory Development in the Social Sciences*, Cambridge, Massachusetts and London, England: The MIT Press, 2005.

and the IORA are examined by focusing on how the *cognitive prior* was implemented. The penultimate section briefly examines BIMST-EC and MGC, and the final section summarizes the findings of the analysis and concludes with policy prescriptions.

India's 'cognitive prior': ideational and normative determinants of India's foreign policy[9]

A *cognitive prior* is 'an existing set of ideas, belief systems, and norms, which determine and condition an individual or social group's receptivity to new norms'.[10] For the present article, the definition of *cognitive prior* will be altered towards including major principles and norms that are representative of the core determinants of a state's foreign policy. Especially in the case of India, these principles consist of ideational and normative push and pull factors, that is policies torn between idealist and realist parameters.[11] The parameters of Indian foreign policy in the aftermath of independence reflected India's colonial experience and, more importantly, its political culture and civilizational heritage. A duality can be discerned especially in the field of political thought: India has two ancient conflicting lines of political thought, with the political realist Kautilya's *Arthashastra* (and his *mandala* circle of friend-foe states) representing one line of thought.[12] The opposing view is represented by the idealist strand of Buddha, Ashoka and Gandhi.[13] Accordingly, Nehru clarified with regard to the origins of India's foreign policy that 'it should not be supposed that we are starting on a clean slate. It is a policy which flowed from our recent history and from our national movement and its development and from various ideals we have proclaimed.'[14]

In the beginnings of his prime ministership, Nehru formulated a distinct Indian international relations policy determined in accordance with the ideals of the freedom struggle and Gandhian philosophy (i.e. tolerance and *satyagraha*[15]). Nehru expressed his belief that a nation's self-interest requires cooperation with other nations. His was

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[9] For a constructivist analysis of Indian foreign and security policy in general and Indian policies and behaviour towards its neighbours and great powers see: A. Michael, *India's Foreign Policy and Regional Multilateralism*, Basingstoke: Palgrave, 2013, pp. 21–47.

[10] A. Acharya, 'How Ideas Spread: Whose Norms Matter? Norm Localization and Institutional Change in Asian Regionalism', *International Organization,* 2004, Vol. 58, No. 2, pp. 239–275; Amitav A. Acharya, *Whose Ideas matter. Agency and Power in Asian Regionalism.* Ithaca: Cornell University Press, 2009.

[11] A. Michael, *India's Foreign Policy*, pp. 46–47.

[12] R. U. Zaman, 'Kautilya: The Indian Strategic Thinker and Indian Strategic Culture', *Comparative Strategy*, 2006, Vol. 25, No. 3, pp. 231–247; M. Liebig, 'Kautilya's Relevance for India Today', *India Quarterly*: *A Journal of International Affairs* 2013, Vol. 69, No. 2, pp. 99–116; D. Shahi, 'Arthashastra Beyond Realpolitik. The "Eclectic" Face of Kautilya', *Economic and Political Weekly*, 2014, Vol. 49, No. 41, pp. 68–74.

[13] A. Appadorai, *The Domestic Roots of India's Foreign Policy, 1947–1972*, Oxford: Oxford University Press, 1981.

[14] J. Nehru, *India's Foreign Policy*, op.cit., p. 43.

[15] Translated as 'truth force' or 'insistence on truth'. The term was coined by Mohandas Gandhi.

a policy where morality played a prominent role, and peaceful settlement of disputes was the key instrument by which world peace should be ultimately achieved. While Nehru's belief in the principle of non-violence was constantly reiterated, Nehru himself voiced the patent contradictions between foreign policy principles and action:

> 'I am not aware of our government having ever said that they have adopted the doctrine of Ahimsa (non-violence) to our activities. They may respect it, they may honour the doctrine, but as a government it is patent that we do not consider ourselves capable of adopting the doctrine of ahimsa.'[16]

Two central features of India's foreign policy derived from Nehru's ideas are the *Panchsheel*-principles and the policy of non-alignment. The *Panchsheel*,[17] that is the peaceful co-existence of nations of different ideologies and interests, were formally recognized when on 29 April 1954 India and China signed the 'Declaration of Five Principles' as the new basis of their relationship.[18] Nehru later outlined the connection between *Panchsheel* and cooperation: 'Likewise, this idea of Panchsheel lays down the very important truth that each nation must ultimately fend for itself.'[19] In other words: for Nehru adherence to the *Panchsheel* equalled the primacy of complete independence.

In addition, India's foreign policy rests on the concept of non-alignment. This policy was initiated and pursued by Nehru between 1946 and 1954. Soon after assuming office as interim prime minister, he announced in September 1946 the broad contours of this policy: 'We propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which have led in the past to world wars and which may again lead to disasters on an even vaster scale'.[20] Nehru's belief in non-alignment has been adequately summarized as a political 'means of minimising, if not totally excluding, political and military intervention by the great powers in regional affairs'.[21]

Together with these two general principles of India's foreign policy, the specific Indian concept of multilateralism – especially its scope and its limits – developed over the course of several decades, with the normative origins of regional cooperation stemming from India's experiences in important Asian conferences in the late 1940s

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[16] Cited in: Zaman, 'Kautilya: The Indian Strategic Thinker and Indian Strategic Culture', op.cit., p. 242.

[17] The term *Panchsheel* is found in ancient Buddhist literature and refers to five principles of good conduct of individuals. These are truth, non-violence, celibacy, refraining from drinking and vowing not to steal.

[18] The five principles enumerated in the preamble of the agreement are: (1) respect for each other's territorial integrity and sovereignty, (2) non-aggression, (3) non-interference in each other's internal affairs, (4) equality and cooperation for mutual benefit, and (5) peaceful coexistence. See Nehru's speech: J. Nehru, *India's Foreign Policy*, op.cit., pp. 99–105.

[19] Ibidem, pp. 99–100.

[20] Ibidem, p. 2.

[21] M. Ayoob, *The Third World Security Predicament: State-Making, Regional Conflict and the International System*, Boulder, Colorado: Lynne Rienner, 1995, p. 103.

and 1950s.[22] The one major foreign policy principle that Nehru constantly expressed during that time was his complete dislike regarding multilateral security cooperation.[23] Nehru expressly highlighted the relationship between a defence alliance and a nation's independence:

> 'I can understand a number of countries coming together for their own defence and thus making an alliance. […] It means that any internal development in that area might also entitle these countries to intervene. Does this not affect the whole conception of integrity, sovereignty and independence of the countries of the area?'[24]

This particular attitude towards multilateral (and hence political) security cooperation has since then become one of the pillars of India's foreign policy. In addition, the primacy of national interest, focus on complete autonomy and the paradigm of bilateralism are the other three pillars on which Indian foreign policy rests.

With a view to policies dealing specifically with furthering regional cooperation, India's foreign policy has remained relatively reactive (rather than proactive) since 1947, the country participating in all regional frameworks (see below) only after other countries started the initiative. However, one noteworthy exception in the realm of cooperation exists. In 1996, I. K. Gujral became the foreign minister in the Deve Gowda government. Gujral himself later became prime minister. He subsequently initiated a new foreign policy doctrine, called the 'Gujral Doctrine,' stressing the idealist tradition and normative orientation of India's foreign policy. Former national security advisor and former foreign secretary J. N. Dixit summed up the major thrust of the doctrine as follows:

> '[Gujral] announced that India would make qualitatively greater efforts to improve relations with its neighbours, particularly Pakistan. He said that India should take into account the "asymmetry" between itself and its smaller neighbours and should consciously endeavour to meet the apprehensions and demands of its neighbours without insisting on any reciprocity on their part, even if such reciprocity was required to meet India's interests. Benign and accommodating bilateralism should guide India's foreign policies in relation to its neighbours.'[25]

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[22] These were: the New Delhi Conference on Indonesia (January 1949), the Baguio Conference (May 1950), the Colombo Powers Conference (April 1954), the Bogor Conference (December 1954), the Bandung Asian-African Conference (April 1955), the Shimla Conference (May 1955), the Brioni Conference (July 1956) and the Belgrade Conference (NAM Summit) (September 1961).

[23] A. Acharya, 'Why is there no NATO in Asia? The Normative Origins of Asian Multilateralism', *WCIF Working Paper 05–05*, Harvard University Weatherhead Center, 2005, http://files.wcfia.harvard.edu/1049__Why_No_Asian_Nato_FINAL.pdf (accessed on 30 May 2010).

[24] J. Nehru, *India's Foreign Policy*, op.cit., pp. 88–89.

[25] J.N. Dixit, *Makers of India's Foreign Policy: Raja Ram Mohun Roy to Yashwant Sinha*, New Delhi: HarperCollins India, 2004, p. 220.

The essence of the Gujral doctrine, therefore, was that being the largest country in South Asia, India decided on the extension of unilateral concessions to her neighbours in the subcontinent. The doctrine presented India as the region's largest country willing to unilaterally help and support the smaller neighbours. Gujral advocated people-to-people contacts, particularly between India and Pakistan, to create an atmosphere that would enable the countries concerned to sort out their differences amicably. In the vein of this policy, India concluded an agreement with Bangladesh in 1996 on the sharing of Ganga waters. This agreement enabled Bangladesh to procure slightly more water than the landmark 1966 agreement between the two countries had provided. The Gujral doctrine was also applied when India unilaterally announced in 1997 several concessions to Pakistani tourists, particularly the elder citizens and cultural groups, relating to visa fees and police reporting. The doctrine assumed special significance when in June 1997 talks between India and Pakistan were held at the level of foreign secretary, during which the two countries identified eight areas for negotiation so as to build confidence and seek friendly resolution of all disputes. Yet, even the Gujral doctrine was only an expression of the Indian idealist school, a school which prevailed in rhetoric but never in reality. The doctrine thus stood in diametrical opposition to a realist position. Looking at India's normative traditions, it was certainly closer to Ashoka and Gandhi than to Kautilya and had a Nehruvian air to it. In a personal interview with Gujral in November 2006, the author was informed that the reception in foreign policy circles was 'restraint' and that Gujral, in hindsight, felt 'naïve to have thought it might have a lasting impact. But I was convinced that it was in India's interest'.

The essence and continuity of India's general foreign policy orientations were succinctly summarized in 2006 by the then Indian Foreign Secretary Shyam Saran:

'India has maintained a remarkable continuity in the fundamental tenets of its policy. The core of this continuity is to ensure autonomy in our decision making. It is to ensure independence of thought and action. This was and remains the essence of our adherence to the principle of Non-Alignment. It is also the basis of our commitment to the Panchsheel, or the Five Principles of Peaceful Co-existence, which India and China jointly advocated in the early 1950s, and still believe to be relevant in contemporary international relations. There are other key elements of continuity as well. These include maintenance of friendly relations with all countries, resolution of conflicts through peaceful means and equity in the conduct of international relations.'[26]

As a preliminary conclusion, one can discern that India's *cognitive prior* has incorporated an important benign idealist strand that has led to rhetorical confirmation of idealism and cooperation. The subsequent two case studies on SAARC and IORA will use this finding to establish how the relevant Indian stakeholders made such

[26] S. Saran, 'Present Dimensions of Indian Foreign Policy' (address by Foreign Secretary Shyam Saran at the Shanghai Institute for International Studies, 2006), http://www.indianembassy.org/press_release/2006/Jan/2.asp (accessed on 10 January 2007).

cooperation in different regions eventually compatible with India's *cognitive prior* and will probe the question of whether the new Modi government differs from previous governments in its treatment of regional organisations.

South Asia: The South Asian Association for Regional Cooperation (SAARC)

Against the backdrop of a dynamic academic debate in South Asia on the necessity and advantages of regional cooperation in South Asia in the late 1970s, a first important step towards implementing a framework of regional cooperation was taken by Zia-ur-Rahman, the then president of Bangladesh. He began to discuss the possibility of organising regional cooperation in South Asia during several visits to Nepal, India, Pakistan and Sri Lanka in the late 1970s and in 1980.[27] In a letter sent to the heads of state or government of several South Asian countries he argued that 'the contemporary experience in inter-state relations all over the world strongly emphasizes the need for regional cooperation with a view to maximising either security and stability or accelerating economic and social development'.[28]

In November 1980, the Ministry of Foreign Affairs of Bangladesh then drafted a proposal[29] and circulated it among the countries of the region. The paper expressed the determination to uphold respect for the principles of sovereignty, national independence, territorial integrity, non-interference, non-use of force and peaceful settlement of disputes.[30] The fact that the proposal referred to 'independence' and the *Panchsheel* principles confirms the significance of these principles, and it also shows that Nehru's ideational legacy influenced the process of regional cooperation, which was only just beginning, already at this early stage.

In general, the proposal expressed ideas that challenged Indian norms and interests. The Indian government therefore accepted the proposal only 'in principle'.[31] India made it clear that any strategic and security related aspects would have to be excluded from the proposal. India also feared that the initiative for South Asian regional cooperation might be an attempt to limit its activity in South Asia. This was unacceptable in view of India's experiences as a former British colony. The Indian reaction was therefore both testament to the cooperative side of India's foreign policy principles and a belief

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[27] S.D. Muni and A. Muni, *Regional Cooperation in South Asia*, New Delhi: National Publishing House, 1984; S.D. Muni, 'SARC: Building Regionalim from Below', *Asian Survey*, 1985, Vol. 25, No. 4, pp. 391–404.

[28] Z. Rahman, 'Letter on South Asian Cooperation,' 1978, accessed January 10, 2008, http://www.mofa.gov.bd/13saarcsummit/Homage%20to%20Zia.pdf (accessed on 10 January 2008).

[29] SAARC Secretariat, *From SARC to SAARC: Milestones in the Evolution of Regional Cooperation in South Asia (1980-1988), Vol. 1*, Kathmandu: SAARC Secretariat, 1988, pp. 2–3.

[30] SAARC Secretariat, *From SARC to SAARC*, p. 7.

[31] B. Chhibber, *Regional Security and Regional Cooperation. A Comparative Study of ASEAN and SAARC*, New Delhi: New Century Publications, 2004, p. 108.

in the primacy of bilateralism and independence. At the same token, it is important to realize that this kind of a proposed institutionalized version of regional cooperation was actually a new element for India's foreign policy. Accepting it meant, in principle, that India could also enhance its authority in the region in the sense of being a benign hegemon reaching out to its neighbours.

In response to the proposal, the foreign secretaries of seven South Asian countries met in Colombo on 21–23 April 1981 in order to further discuss the Bangladeshi proposal. During this meeting, the then Indian Foreign Secretary R. K. Sathe outlined India's approach and insisted on following a gradual course of action regarding the future of regional cooperation. He also opposed the creation of any institutional framework already at this early stage. Sathe restrained the enthusiasm of Bangladesh and smaller states and insisted on confining regional cooperation to specific areas and voiced two important pre-conditions for regional cooperation in South Asia:

> 'Here I would submit that the principle of avoiding discussions in regional framework of all bilateral and contentious issues and of unanimity as the principle on the basis of which decisions in regard to regional cooperation are taken should be followed scrupulously.'[32]

As a result of a number of exchanges of opinions at the foreign secretary level until mid-1983, a limited model of a South Asian form of regional cooperation was considered. The Indian position was characterized by restraint with regard to the speed of cooperation and the insistence on focusing on issues related to trade. India had thus become the agenda setter right from the beginning and had succeeded in safeguarding its normative agenda by excluding any issues related to political or strategic fields from the discussions.

The first milestone in the evolution of regional cooperation in South Asia was the first 'Meeting of South Asian Foreign Ministers' which took place in New Delhi on 1–2 August 1983.[33] The meeting was inaugurated by then Indian Prime Minister Indira Gandhi[34], a gesture of highly symbolic value that was at the same time a public demonstration of the importance attached to the general idea of closer inter-state cooperation already favoured by Nehru. While Indira Gandhi touched upon shared South Asian denominators such as a common ancient civilization, geography, cultural experiences – all of which were in consonance with major strands of India's foreign policy – she also insisted on India's strict policy of non-alignment and summed up her vision of the regional grouping as follows:

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[32]   S.D. Muni and A. Muni, *Regional Cooperation*, op.cit., p. 109.
[33]   I. Bokhari, 'SARC: Progress, Problems, Potential and Prospects', *Asian Survey*, 1985, Vol. 25, No. 4l, pp. 371–399.
[34]   I. Gandhi, 'Inaugural Address: Meeting of South Asian Foreign Ministers', *India Quarterly: A Journal of International Affairs*, 1984, Vol. 40, No. 3–4, pp. 259–261.

'Our policy is not to interfere in the affairs of others. The regional grouping that brings us together is not aimed against anyone else. Nor are we moved by any ideological or military considerations. Our cooperation in no way limits each country's freedom of judgment. […] We are all equals. We are against exploitation and domination. We want to be friends with all on a footing of equality. We should be ever vigilant against the attempts of external powers to influence our functioning.'[35]

At the conclusion of this meeting, the Foreign Ministers adopted a declaration on South Asian Regional Cooperation (SARC), also known as the 'New Delhi Declaration',[36] which can be regarded as the second milestone in the evolution of regional cooperation in South Asia. According to the document, the association coming into being was to be inter-governmental in nature, and it did not implicate a pooling of any military or other resources of the member countries.

After several follow-up preparatory meetings, SAARC finally came into existence on 8 December 1985. In his speech at the first SAARC Summit, then Indian Prime Minister Rajiv Gandhi repeated India's specific ideational views:

'We have not sought to melt our bilateral relationships into a common regional identity, but rather to fit South Asian cooperation into our respective foreign policies as an additional dimension. We have evolved modalities which do not allow bilateral stresses and strains to impinge on regional cooperation.'[37]

The SAARC Charter was adopted at this summit; it listed the objectives and principles of SAARC. Most importantly, the charter institutionalized the Indian ideas regarding the scope (and limits) of regional cooperation. Two significant conditions reflecting the Indian position were incorporated as 'General Provisions': Decisions at all levels would be taken on the basis of unanimity, and bilateral and contentious issues had to be excluded from the deliberations. The five principles of *Panchsheel* were reiterated. The structure of the organisation is as follows: a pyramidal structure with summits at the apex, supported by the Council of Ministers meeting and standing committees comprising foreign secretaries, technical and action committees. In 1987, a secretariat with limited powers and resources was established in Kathmandu. It coordinates and monitors the execution of the various SAARC activities and prepares meetings. The Secretary-General is assisted by a Professional and a General Services Staff. Each member country sends one country director to the secretariat who is assigned to one of eight Working Divisions. This institutional and organisational design of SAARC has not changed since the first summit.

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[35]   I. Gandhi, 'Inaugural Address', op.cit., p. 259.
[36]   SAARC Secretariat, *From SARC to SAARC*, op.cit., pp. 58–60.
[37]   R. Gandhi, 'Address at the First SAARC Summit, Dhaka, 7 December 1985', in Ministry of Information and Broadcasting (ed.), *Selected Speeches and Writings of Rajiv Gandhi, 1984–1985, Vol. I: 31 October 1984–31 December 1985*, Ministry of Information and Broadcasting (ed.), New Delhi: Ministry of Information and Broadcasting Publications Division, 1987, p. 399.

In all, the track record of SAARC in institutional and economic achievements is negligible. Membership today is composed of Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. The secretariat only has a permanent staff of about 50, and the annual SAARC budget stood at about USD 3 million in 2015. Between 1985 and 2015, there have been just 18 summit meetings and a large number of ministerial meetings, with little to show for. As of 2015, just seven conventions and 13 agreements have been ratified.[38] Even in non-political and hence less contentious sectors of cooperation, concrete results are elusive. The SAARC Preferential Trading Arrangement (SAPTA) was signed on 11 April 1993 at the 7th SAARC Summit in Dhaka. This was later followed by the South Asian Free Trade Area (SAFTA), which was agreed upon on 6 January 2004 at the 12th SAARC summit in Islamabad and finally came into force on 1 January 2006. However, despite having been ratified by all eight SAARC member countries, neither SAPTA nor SAFTA have resulted in a marked increase in intra-regional trade. After three decades of regional economic cooperation in the frame of SAARC, intra-regional trade still accounts for just 5 per cent of total South Asian trade, compared with for example 25 per cent in ASEAN.[39] More concretely, in 2013 intra-SAARC trade stood at USD 45 billion, a marked rise from USD 16.64 billion in 2005 but still small compared to other world regions. However, this trade is taking place *bilaterally* and hence outside the SAARC framework.[40] India's bilateral trade with SAARC countries was valued at USD 11.4 billion in 2008, representing just 2.83 per cent of India's trade altogether.[41]

All things considered, the process of regional cooperation in the South Asian context has led to a distinct institutional shape that has incorporated important features of India's *cognitive prior*. The organisation suffers from an institutional and normative puzzle. It is an organisation expected to further cooperation in the region; however, it is explicitly forbidden to discuss bilateral and contentious issues, which has effectively precluded any progress in areas of inter-state cooperation in a region where grave bilateral problems are practically ubiquitous.

Indian Ocean Rim: The Indian Ocean Rim Association (IORA)

Ten years after SAARC was founded, another attempt at regional cooperation was made, this time regarding the Indian Ocean Rim (IOR). Regional cooperation was promoted by two different initiatives, one originating from Mauritius, another

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[38] See for an overview: A. Michael, *India's Foreign Policy*, op.cit., p. 109.

[39] See http://www.worldbank.org/en/region/sar/brief/south-asia-regional-integration (accessed on 17 July 2015).

[40] See http://www.newindianexpress.com/world/BIMSTEC-Shows-the-Way-to-Regional-Coop-ration/2015/06/27/article2889146.ece (accessed on 10 October 2015).

[41] See D. Scott, India's 'Extended Neighbourhood' Concept: Power Projection for a Rising Power', *India Review*, 2009, Vol. 8, No. 2, p. 120.

from Australia.[42] In March 1995, the government of Mauritius launched the Indian Ocean Rim Initiative (IORI)[43] in order to probe the possibility of intensified regional activities of IOR countries. As suggested by Mauritius in December 1994, the first Inter Government Meeting (IGM) of Experts of Indian Ocean Rim countries was held in Port Louis on 29–31 March 1995. The seven participating states[44] represented seven IOR geographic sub-systems. Political analyst Sandy Gordon highlighted that 'the Mauritius process was developed by Mauritius under the guiding hand of India'.[45]

The second initiative to forge the IOR countries into a cohesive political and economic organisation stemmed from the Australian government. On 11–13 June 1995, the meeting of the International Forum on the Indian Ocean Region (IFIOR) was held in Perth. IFIOR used a trans-national approach and brought together 122 participants from the business, academia and governmental sphere, all in their personal capacity. All in all, 23 IOR countries were represented. Compared to the Mauritius meeting, the Perth forum had a more comprehensive agenda from the very beginning. It included for example economic and fiscal matters, social, political and strategic issues, as well as maritime issues dealing with the Indian Ocean per se. According to political analyst K. R. Singh, 'some participants, particularly from India, successfully tried to restrict the debate to economic matters'.[46] Indian delegates were concerned that bilateral disputes, especially the Kashmir conflict, might be raised if the subject matter of 'security' was placed on the agenda in a new multilateral association.

In consideration of various ongoing inter-state problems in the Indian Ocean, Australia had initially expressed its interest in discussing security issues in the new organisation.[47] A political analyst summarized that in the following words: 'Canberra does not seem to be too keen on economic cooperation, since it is part of the APEC. It is more interested in roping in other countries as a possible bulwark against the rising power of China.'[48] The Indian perspective, which differed from the Australian, was summarised by the Indian delegate Verinder Grover:

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[42] R. Mehta, 'Indian Ocean Rim: Economic and Trade Issues', *Strategic Analysis*, 1997, Vol. 20, No. 2, pp. 243–262.

[43] A. Saeed, 'An Economic Forum for the Indian Ocean Region', *Regional Studies*, 1995/1996, XIV, Vol. 1, pp. 59–94.

[44] Australia, Singapore, India, Oman, Kenya, South Africa, and Mauritius.

[45] S. Gordon, 'Building Regionalism in the Indian Ocean.' in: S. Gordon et al, *Security and Security Building in the Indian Ocean Region. Canberra Papers on Strategy and Defence, No. 116*, S. Gordon et. al. (eds), Canberra: Strategic and Defence Studies Centre, Australian National University, 1996, p. 199.

[46] K. R. Singh, 'The Indian Ocean Rim Association for Regional Cooperation: Regional Cooperation in the Indian Ocean', in R. Harshe and K.M. Seethi, *Engaging with the World: Critical Reflections on India's Foreign Policy*, R. Harshe and K. M. Seethi (eds), New Delhi: Orient Longman, 2005, pp. 342–355.

[47] G. Evans, 'Indian Ocean Regional Cooperation: Exploring the Possibilities. Keynote Address to the International Forum on the Indian Ocean Region. Perth, 1995', http://www.dfat.gov.au/archive/speeches_old/minfor/geifior.hmtl (accessed on 10 January 2007).

[48] C. Mahapatra, 'Cooperative Efforts in the Indian Ocean Region', *Australian Defence Studies Centre Working Paper*, 1996, No. 41, p. 18.

'We want to concentrate on economic cooperation. It is our firm belief that economic cooperation and the resultant growth and development of our Indian Ocean world will itself have a beneficent leavening influence on the political and security climate of the region.'[49]

This statement repeats essentials of India's *cognitive prior*. Hence, the divergent ideational and normative approaches surfaced at Perth. Australia wanted to include security issues and also preferred a broad-based representation of the rim countries. However, a majority of the delegates at the Perth Forum, influenced by India, insisted on excluding the security agenda and focused on limited membership, in consonance with India's traditional approach towards regional cooperation.

It was at this forum that the blueprint for IOR regional cooperation was eventually framed. The Australian attempts of putting regional security onto the agenda proved futile, which led the Australian media to conclude that the 'defeat of Australia's proposal to establish a new organisation of the littoral states of the Indian Ocean […] is a major setback for the 'Look West' strategy'.[50] Thus, all efforts concentrated on the IORI initiative and the proposals emanating from IFIOR were dropped. As a follow up to the inaugural IORI conference, the First Working Group Meeting of IORI was held in Port Louis, Mauritius on 15–17 August 1995. Based on inputs from other delegations, the working group mandated India to coordinate the preparation of a draft charter to be discussed in the next working group meeting. Hence, India was enabled to draft the charter according to its own preferences, as had already happened more than a decade earlier in the case of SAARC. The second Working Group Meeting of IORI followed in Port Louis on 14–16 May 1996. The Indian draft of an 'Indian Ocean Rim Initiative Charter' was discussed and then referred back to the governments of prospective member states. Thus, as an Indian observer concluded 1996 in *The Hindu*, 'wittingly or unwittingly, India has taken over the leadership role in this regional cooperation programme'.[51]

The inaugural Ministerial Meeting of the IOR-ARC was then held on 5–7 March 1997 at Port Louis in Mauritius.[52] Just as in the case of SAARC, regional cooperation was institutionalized in the form of a charter. There was actually no genuine debate about the necessary institutional mechanisms for the proposed organisation; the consensus was a *de facto* adoption of the tripartite governance model of the Asia-Pacific Economic Cooperation (APEC) with 'open regionalism', that is maximisation of trade and investment opportunities through a flexible regulatory system and elastic rules of membership. According to the charter, decisions are made by consensus. There are six

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[49] S. Gordon, 'Building Regionalism in the Indian Ocean', op.cit., p. 201.

[50] C. Mahapatra, 'Cooperative Efforts',op.cit., p. 19. See also A. Downer, 'Looking West: Australia and the Indian Ocean. Address to the International Business Council of Western Australia. Perth, 1997', http://www.foreignminister.gov.au/speeches/1997/look_west.html (accessed on 10 October 2007).

[51] H.S. Chhabra, 'Cooperation in the Indian Ocean Rim', *The Hindu*, November 8, 1996.

[52] A. Michael, *India's Foreign Policy*, op.cit., pp. 131–132.

priority areas of cooperation and three institutional bodies: the Council of Ministers (CoM), the Committee of Senior Officials (CSO) and the Indian Ocean Rim Business Forum (IORBF).[53]

Between March 1997 and October 2015, fifteen CoMs, the highest body of the organisation, were held, preceded or followed by track-two meetings. A secretariat with six employees exists in Mauritius and coordinates IORA meetings. The budget amounts to an annual contribution of USD 20,000 per country, plus voluntary contributions by member countries for select activities. No concrete collaborative achievements have occurred, and the most notable 'public event' happened in 2013 when the name of the organisation was changed to Indian Ocean Rim Association (IORA). Today, IORA has 21 member states[54] and six dialogue partners.[55] In absolute terms, intra-regional IOR trade has risen from USD 258 billion in 2000 to USD 1,230 billion in 2012.[56] However, this figure again reflects only bilateral trade taking place *outside* the IORA framework. The state of affairs of regional cooperation in the Indian Ocean Rim was already summarized in 2009 by then Indian Minister of State for External Affairs Shashi Tharoor when he commented that after 12 years of cooperation '[IOR-ARC has not] done enough to get beyond the declaratory phase that marks most new initiatives'.[57]

Bay of Bengal and the Mekong Ganga area: The Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMST-EC) and the Mekong Ganga Cooperation (MGC)

Briefly turning towards two other regional groupings in the South Asian neighbourhood, comparable developments with regards to the genesis, development and low degree of cooperation have taken place: The *Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation* (BIMST-EC) was founded in 1997, with Thailand as its originator. Its current members are Bangladesh, India, Myanmar, Sri Lanka, Thailand, Bhutan and Nepal. BIMST-EC practically boasts the same membership as SAARC – minus Pakistan but plus Thailand and Myanmar. It took seven years before the first official summit meeting between the members of the organisation was held in 2004, and another eight years before the lack of a coordinating secretariat was finally addressed. The beginnings of this organisation have to be primarily viewed through

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[53] See for details of the charter: http://www.iora.net/media/157216/iora_charter.pdf (accessed on 30 November 2015).

[54] These are Australia, Bangladesh, the Comoros, India, Indonesia, Iran, Kenya, Madagascar, Malaysia, Mauritius, Mozambique, Oman, Seychelles, Singapore, South Africa, Sri Lanka, Tanzania, Thailand, the United Arab Emirates and Yemen.

[55] China, Egypt, France, Japan, the United Kingdom and the United States.

[56] For current statistics see: S. K. Mohanty and P. Dash, *Trade and Investment Prospects of the IORA in the New Millennium – New Economic Frontiers of the Region*, 2015, RIS Study.

[57] S. Tharoor, 'Indian Ocean Unity', *Project Syndicate*, 15 July 2009, http://tharoor.in/articles/indian--ocean-unity/ (accessed on 10 November 2010).

the prism of India's 'Look East' policy, and three major features can be discerned which constitute the core idea behind India's involvement in BIMST-EC. They are the consequence of India's *cognitive prior* vis-à-vis regional organisations and show that India could have made use of BIMST-EC in the frame of competing regionalism, that is in order to put pressure on the SAARC.

First, India mainly supported those policies and programmes designed to promote economic development in the Bay of Bengal. In the furtherance of this objective, BIMST-EC took certain measures such as the enhancement of the level of interaction among the member countries to the level of a summit, an identification of core areas of cooperation each of which was entrusted to a member of the grouping designated as a lead country, and the initiation of the process of the establishment of a BIMST-EC Free Trade Area (FTA). Second, India assisted the individual members of BIMST-EC through bilateral cooperation in a wide range of areas, including trade, investment, industry, science and technology or transport and communication. And third, India tried to forge a common front against terrorism and trans-national crimes; it convened the meetings of this working group several times. All in all, BIMST-EC could have profitably served India's trans-regional interests in South and Southeast Asia. In 2004, political analyst and renowned journalist C. Raja Mohan predicted, prematurely, that '[BIMST-EC's] geo-political significance cannot be underestimated. It allows India to break out of the constricting confines of the subcontinent that it had long chafed at. In linking five South Asian countries with two Southeast Asian nations, it shatters the old notions of a South Asia separated from its eastern neighbours.'[58]

Despite the potential significance of the organisation, the initial enthusiasm soon waned. Just three summits took place until 2015, but there was still no budget as of 2015. Since 2014, a permanent secretariat is located in Dhaka, with a staff number smaller than that of SAARC. At this point, BIMST-EC is only an extension of national ministries of external affairs with practically no room for independent institutional evolution. Even though the different strategies and plans decided upon in BIMST-EC are important for the region, none of the plans designed for BIMST-EC has led to tangible results. The strong focus on bilateralism within BIMST-EC is, again, a clear sign of the impact of Indian foreign policy determinants and its *cognitive prior*, and essentially BIMST-EC has remained more of an (important) idea than an organisation. The envisaged BIMSTE-EC FTA also remains at large. In concrete terms, in 2013 intra-BIMSTEC trade (bilateral) stood at USD 74.63 billion, a marked increase from USD 25.16 billion in 2005,[59] highlighting the economic prospects of the region.

The smallest regional framework is the *Mekong Ganga Cooperation* (MGC) initiative which encompasses six riparian countries of the Mekong and Ganga, namely

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[58] C. Raja R. Mohan, 'A Foreign Policy for the East', *The Hindu*, 16 July 2004.
[59] See http://www.newindianexpress.com/world/BIMSTEC-Shows-the-Way-to-Regional-Coope-ration/2015/06/27/article2889146.ece (accessed on 20 August 2015).

Cambodia, India, Laos, Myanmar, Thailand and Vietnam. The original promoter of this initiative was – again – Thailand. In 2000, the six countries met in Vientiane and agreed to cooperate in the fields of tourism, education, human resource development, culture, communication and transport. Not conceived of as a genuine 'organisation' but rather as a forum for cooperation, the MGC represents regional cooperation at its most basic. It was agreed to have 'Annual Ministerial Meetings', back to back with 'ASEAN Ministerial Meetings' and regular 'Senior Official's Meeting'. The 'outcome' after 16 years of its existence are only six ministerial meetings but no other practical achievements.[60] The then Minister for Foreign Affairs of Myanmar, Nyan Win, already observed in 2007 that after seven years of efforts, progress had been very slow. Within the frame of the MGC, India has again decided to cooperate with Thailand and Myanmar in a regional initiative, focusing on infrastructure and cultural aspects. The planned programmes and initiatives of the MGC only take place in the bilateral sphere and do not allow for any independent institutional evolution.

Competing regionalism, prospects of regional cooperation and policy prescriptions

An important factor that has often been cited as a stumbling block for regional cooperation in South Asia is the ongoing India–Pakistan rivalry. Since 1947, this conflict has witnessed three wars, hundreds of small-scale military clashes and decades of political animosity and hostility. However, this line of argument does not explain the failure of regional cooperation in general. Since SAARC has never been able to fulfil its original promises, it was exactly the idea of 'testing' competing regionalism – that is, starting new regional organisations without Pakistan – in order to strengthen other regional organisations. A case in point has been BIMST-EC. Yet, even though BIMST-EC never 'suffered' from the (alleged) problems posed by the India–Pakistan rivalry for SAARC, and while it has the same membership as SAARC minus Pakistan plus countries of the Bay of Bengal, it still has the same institutional and normative problems that exist in SAARC and IORA respectively.

Hence, the constructivist perspective that is the basis of the present article offers an alternative vantage point to explain the failure of regional cooperation. In essence, such cooperation started in South Asia and neighbouring regions with Indian support as a consequence of the cooperative features of India's *cognitive prior*, independent of the membership of the organisation. India's desire to increase its reputation in the region also forced it to publicly display that it was willing to participate in regional forums. Cooperation per se has been an important feature of India's *cognitive prior* and therefore a general acceptance of regional cooperation was fairly straightforward, but so has been India's insistence on complete independence and autonomy – as Nehru put it:

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    60   See A. Michael, *India's Foreign Policy*, op.cit., pp. 163–174.

each country fending for itself. All in all, India's involvement in regional cooperation in South Asia and neighbouring regions between 1978 and 2016 has resulted in the existence of four regional organisations that overlap in membership, territorial scope and areas of cooperation. This process has led to a weakening of all the organisations rather than further strengthening integration in the respective regions. Also, the genesis of SAARC and IOR-ARC/IORA are alike. In the case of SAARC, the original vision of South Asian regional cooperation included cooperation in the field of politics, security, economics and a host of other sectors. Especially the beginnings of SAARC show how ingrained the idea of complete independence was in India's dealings with its neighbours and that SAARC became the legitimate off-spring of the Nehruvian ideals he promoted time and again during the Asian conferences. In the case of IORA, IOR cooperation envisioned working together in matters of security, yet the eventual outcome has been a very lose structure with no tangible results.

In addition, all four organisations display recurring patterns: First, there is a tendency towards 'competing regionalism', meaning that membership as well as sectors of cooperation overlap. In essence, the organisations attempt to achieve the same objectives with comparable members, geographic focus aside. BIMST-EC and its objectives, for example, are basically SAARC minus Pakistan plus Thailand. The MGC has overlapping membership and objectives with BIMST-EC and SAARC, and most SAARC countries are members of the IORA. It is not unlikely that new regional organisations will be founded encompassing a similar set of nations which again will focus on similar, overlapping sectors of cooperation. Rather than focusing on strengthening one organisation, the existence of four organisations with comparable membership and sectors of cooperation has led to a weakening of all four. More importantly, each time a new organisation came into being (for example IORA following SAARC, BIMST-EC following IORA), there was a sudden loss of interest in the older organisations and it appeared that the new organisation would be preferred. However, after the initial enthusiasm had waned and first (inaugural) meetings had taken place, little to no progress actually followed. Second, all four initiatives originated from India's smaller neighbours and not from India itself. India subsequently used its diplomatic influence and drafted the respective founding documents and determined the institutional set-up of all four organisations. And third, one of the major principles of cooperation is non-institutionalisation. While three of the organisations possess some sort of coordinating secretariat, the apparent lack of manpower and financial resources makes it impossible to engage in further cooperation, even within the narrow confines of the respective charters. In short, these institutions suffer from institutional minimalism, a lack of financial and personnel capacity and a strict binding of these institutions to the Indian Ministry of External Affairs.

In theory, India as the regional hegemon could make use of a regional organisation to discipline the states of the region (SAARC) or to bind states that are located farther away (IORA) or ones that are members in other regional organisation (BIMST-EC)

closer to it. However, India's insistence on this particular, almost marginal form of regional cooperation in no way furthers this goal. On the contrary, the institutional set-up of the organisations does not allow any room for political manoeuvrings or strategic visions. As a consequence, each country fends for itself, and cooperation takes place in the bilateral but not in the multilateral field. In the final analysis, it is actually only the idea of multilateralism rather than 'hard' multilateralism that is the common denominator of all these organisations until today. While the 'ASEAN way' is internationally accepted today, no 'SAARC way' or 'IORA way' has emerged. In truth, these organisations are mere extensions of departments/desks within the ministries of external affairs of the respective countries. Genuine regional cooperation cannot be detected in South Asia, the Indian Ocean Rim, the Bay of Bengal or the Mekong-Ganga area; the performance of regional cooperation remains in a state of stasis. This fact that has been recognized time and again in speeches and political commentaries but has not been addressed in practical terms.

With Indian Prime Minister Narendra Modi invigorating Indian politics and foreign and security policy since his coming to power in May 2014, the time seemed ripe for a restarting of regional cooperation in South Asia and neighbouring regions. However, despite the grand gesture of inviting the heads of state or government of all SAARC countries to the official swearing-in ceremony on 26 May 2014, the Modi government subsequently did not use the 18th SAARC Summit (26–27 November 2014) – its first SAARC summit – to suggest or implement major changes to India's general strategy towards regional cooperation. Rather than presenting a new vision for the future of South Asian regional cooperation, the summit resulted in typical declarations of intent and promises of more integration, with little concrete to show for in the months following the summit.[61] In this, Modi's policies do not markedly differ from those of the predecessor Manmohan Singh Congress or Atal Vajpayee BJP governments: bilateralism has proven to be paramount for him as well, with regional cooperation taking a backseat. The same holds true for IORA, BIMST-EC and the MGC; in the first 18 months of the Modi government, no new initiatives or policy changes took place with regard to these organisations.

In short, competing regionalism has failed and not resulted in any of these four organisations actually succeeding. On the contrary, the prospects of successful regional cooperation remain questionable as long as no new and bold initiatives are introduced. It will serve the purpose of genuine regional cooperation if SAARC, BIMST-EC and IORA are conceived from scratch. They should be given new charters that permit a new degree of independent cooperation in economic and social sectors. SAFTA and the BIMST-EC FTA will stand much better chances of success if all countries agree

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[61] See 'Modi-Sharif Handshake Salvages SAARC Summit', *Times of India*, 27 November 2014 http://timesofindia.indiatimes.com/india/Modi-Sharif-handshake-salvages-Saarc-summit/articleshow/45296970.cms (accessed on 28 November 2014).

upon serious and realistic rules of multilateral engagement worthy of that name, in addition to a drastic increase in manpower of the respective secretariats. The latter requires departing from the strict confines of Indian foreign policy determinants and dispensing with the policy of competing regionalism. This will eventually allow for a greater degree of institutional flexibility, thereby finally overcoming the present institutional stasis.