The end of the Cold War has generated fresh thinking about how to perceive and achieve security. By conventional wisdom, the referent unit of security is the nation-state within a global and regional system. The priority has been on containing and countering perceived external threats through a combination of military defense and deterrence, along with various kinds of security cooperation with other states. During the cold war period, security thinking was also dominated by the ideological and military confrontation between the two superpowers and their respective blocs. This confrontation was transfused to the rest of the world by the superpowers’ policies of expanding their respective zones of influence, to which end they used a variety of instruments, including becoming directly or indirectly involved in various conflicts that either already existed or arose because of the superpower confrontation.

With the collapse of the bipolar superpower confrontation, a variety of “unconventional” security issues have become the focus of increasing concern. These include internal ethno-religious and sectarian-type conflicts (some with cross-border implications); sources of economic and social instability; environmental degradation; and conflicts related to the movement of populations across borders as well as resource scarcity and management. Many of these issues had been present before the end of the cold war and in fact had caused some to question the conventional thinking on security. The collapse of bipolarity, however, has resulted in a more rigorous challenge to the conventional notion of security mainly focused on military power (Kolodziej 1992; Iftekharuzzaman 1992; Buzan
1991; Walt 1991; Sayigh 1990; Alagappa 1987; McNamara 1986; Krasner 1983). Recent literature on the subject provides strong support to the thesis that security cannot be properly understood, nor can the issues related to it be effectively addressed, without due focus on wider social, political, and economic factors. This is particularly true of developing states where poverty and economic underdevelopment are seen as important sources of insecurity and where, conversely, socioeconomic development is almost universally identified as a basic prerequisite for achieving “real security” (Sayigh 1990). For as long as poverty constitutes a major threat to the survival of individuals and hence societies, security cannot be ensured without effectively challenging the menace of underdevelopment. Security, ultimately, is freedom from fearing for one’s survival and, therefore, cannot remain limited to issues of political sovereignty, national defense, and territorial integrity. Neither can the state be the only actor of concern.

Against this backdrop, the objective of this chapter is to examine the recent trends in security thinking in South Asia. The main conclusion is that despite growing concern about and recognition of the need to broaden the conception of security in the region, the basic concerns are still conventional, state-centric, and predominantly “Realist” in nature. The region has taken hesitant steps toward developing a regional cooperation mechanism, but the prospect of a broad-based cooperative security regime remains remote.

REGIONAL OVERVIEW

The region of South Asia comprises seven countries—Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka—and is one of the world’s most densely inhabited regions and has high population growth rates. It is the home to over 1.2 billion people living in an area of about 4.5 million square kilometers (or 272 people per square kilometer). The population of the region is growing at annual rates ranging from 1.5 percent in Sri Lanka to more than 3 percent in Pakistan and Maldives. South Asia, moreover, contains one of the largest concentrations of poverty with about 400 million people believed to be living below the poverty line. According to the United Nations Development Programme’s Human Development Report of 1995, about 300 million South Asians do not have enough to eat. General educational levels are also poor. While the region
has recorded some increase in school enrollment—from 48 percent in 1960 to 79 percent in 1991 at the primary level and from 19 percent to 44 percent at the secondary level—the adult literacy rate in South Asia is still one of the lowest in the world, with 380 million South Asians believed to be illiterate.

Given the high density of population, the resource to population ratio is very low throughout the region, especially in Bangladesh, Maldives, Nepal, and Pakistan, as well as in some regions of India. As a result, large demands are being placed on the natural resources of the region, especially arable land, water, forestry, and fishing grounds. The region is also considered to be one of the most vulnerable regions of the world in terms of natural disasters and environmental degradation, including the growing incidence of floods, drought, cyclones, global warming, and sea-level rise (Hassan 1991; Lama 1997; Gunatilleke 1997; Abrar et al. 1997; Dixit and Gyawali 1994).

Regional economic growth not only has failed to keep pace with the growing population but also has become distorted, because whatever modernization has taken place is concentrated mostly in a few urban centers. As a result, there is a continuous flow of migrants from predominantly rural South Asia to urban areas in search of jobs and other opportunities. This has put tremendous pressure on fragile social, economic, and political systems in the large cities.

At the same time, interstate relations in South Asia have been characterized by mutual mistrust, hostile perceptions, military standoffs, and recurrent hostilities. The sources of the conflicts in the region are primarily structural in nature, having to do with history, geopolitics, economics, and ecology. Although the nations in the region have similar historical, ethnic, linguistic, cultural, and religious backgrounds, these paradoxically also contribute to the mutual dissensions, tensions, and conflicts.

Since the early days following the British withdrawal from the region, the countries of South Asia have experienced tense relations with each other, which to a considerable degree stem from their colonial past. State boundaries, which remain widely disputed, were the product neither of history nor geography, but determined artificially on lines of religion and ethnicity. Bearing witness to this point, the boundaries separating India, Pakistan, and Bangladesh are the most contended (Rizvi 1986, 128).

The ethno-religious dispersion in South Asia has been contributing to tensions in intrastate and interstate political dynamics. The maltreatment
of religious and ethnic minorities has always been a constant issue between neighbors. Communal discord, tensions, and violence in one country have always had immediate repercussions in another, with a consequent negative impact on bilateral relations and regional stability. The alleged involvement of Pakistan in the Sikh problem in India and of India in the ethno-religious problems in Pakistan and in the tribal issue in Bangladesh are examples of the effect of ethno-religious dispersion on the embittered set of interstate relationships. The autonomy demands of the Nepalis of Indian origin in Southern Nepal and corresponding the alleged political activism of ethnic Nepalis in Sikkim, Darjeeling, and adjoining areas have affected Indo-Nepalese relations. The cross-border implications of the ethnic problem in Sri Lanka have been an extremely disconcerting outcome of ethno-religious violence.

These conflicts have been very costly in terms of human lives. More than eight thousand five hundred civilians, rebels, and soldiers are thought to have been killed since 1973, when the militant section of the minority tribal hill people began an insurgency over demands for autonomy of the Chittagong Hill Tracts region of Bangladesh bordering India and Myanmar (Reuters 1997, 15). The four main internal conflicts in India—Kashmir, Sikh, Bodo, and Assam—have cost about thirty-seven thousand lives. Pakistan continues to suffer from forces of disintegration, and about nine thousand lives have reportedly been lost in a recent five-year period (International Institute for Strategic Studies [IISS] 1993, 162). The ethnic conflict in Sri Lanka has caused more than thirty-two thousand deaths, including about five thousand in 1995 alone (Stockholm International Peace Research Institute [SIPRI] 1996, 26–27).

In addition to the lives lost, internal conflict has caused large-scale cross-border refugee flows. From 1947 to 1950, following the Partition, some twenty million refugees crossed the newly created borders between India and Pakistan. About ten million refugees crossed into India in 1970–1971 to escape genocide perpetrated by the military rulers of Pakistan on the people of the then East Pakistan, which in turn led to its independence as the state of Bangladesh on December 16, 1971. Pakistan experienced a massive influx of Afghan refugees in the 1980s following the Soviet intervention in Afghanistan. India has been the recipient of the largest number of Sri Lankan Tamil refugees fleeing from the island’s ethnic conflict. Over fifty thousand tribal refugees fled into the Indian state of Tripura in the mid-1970s to escape ethnic conflict in the Chittagong
Hill Tracts region. Bangladesh has also been at the receiving end with
nearly three hundred thousand Rohingya refugees crossing into the coun-
try from Myanmar to escape excesses by the military rulers. A nearly
equal number of Pakistani nationals known as Biharis have been wait-
ing to be repatriated to Pakistan since 1971. Nepal has always complained
of large-scale migrations from India, and has recently received nearly
eighty-five thousand persons of Nepali origin from Bhutan as a result of
ethnic conflict between the Nepalese of Southern Bhutan and high-
lander Drukpas of Tibetan origin.

The large-scale influx of refugees in the host country has in turn
caused its own problems, in some cases exacerbating and widening the
conflict. The 1971 refugee situation provided the raison d’être for the
Indian intervention in Bangladesh’s struggle for independence. Similarly,
a refugee inflow was one of the main reasons for India’s involvement in
neighboring disputes, such as the Tamil conflict in Sri Lanka and tribal
conflict in the Chittagong Hill Tracts region.

South Asian insecurities are also the product of mutually reinforcing
hostile perceptions among the countries of the region. India’s neighbors
perceive the region’s giant to be their principal security threat, while
India considers its neighbors as an integral part of its own security sys-
tem. The preeminence of India in terms of geographical size, demo-
graphics, economics, and ecology is an unavoidable fact of life in South
Asia. But, unfortunately, the image of India in the region is that of a
power which demands unqualified obedience from its neighbors. Accord-
ing to India’s strategic doctrine, which has its roots in the British period,
South Asia is to be regarded as a sphere of Indian influence, much as
China, Russia, and the United States have their respective spheres of
influence (Iftekharuzzaman 1989).

While India’s smaller neighbors can do little but live in habitual
discomfort, Pakistan has always been striving for parity. Thus, the two-
nation theory which was the ideological basis for the creation of Pakistan
was extended in the Pakistani view to achieve not only juridical equality
with India but also equality in terms of power (Muni 1980, 48). As a re-
result, the Indian ambition for a major power role and Pakistan’s search
for parity with India not only contributed to the involvement of extra-
regional powers in South Asia but also fueled South Asia’s own version
of the cold war and arms race. The Kashmir issue remains the immensely
complicated focus of Indo-Pakistani tensions.
To add to the region's internal divisiveness, South Asia from the earliest days of the cold war was dragged into the global superpower competition. The Sino-Soviet conflict as well as Sino-Indian rivalry have also had impacts on the region. The interest and involvement of external powers in South Asia have undergone notable changes over the years. In the 1950s, the main concern of the United States was to draft South Asian states, particularly Pakistan, in its bid to contain communism in and around the region. This was primarily an anti-Soviet move and naturally provoked a Soviet response aimed at drawing India closer. In the early 1960s, the United States and the Soviet Union "colluded" to support India against China. In the late 1960s, the Soviet Union attempted to draft both India and Pakistan into a collective security system directed against China. In the early 1970s, there was once again a "collusion," this time between the United States and China to maintain the balance in favor of Pakistan (Kodikara 1984, 66–67). By the late 1980s, Washington had joined Moscow in a collusion in favor of India as demonstrated during their concerted endorsement of India's military intervention in Sri Lanka and Maldives. This was followed by a series of initiatives and agreements on economic and defense cooperation between Washington and New Delhi that gave the impression of a new Washington–New Delhi axis.

The improvement in Indo-U.S. relations took place against the backdrop of sharply deteriorating U.S.-Pakistani relations following the U.S. aid cutoff in October 1990 in response to Pakistan's nuclear program. Islamabad's troubles with Washington were hardly new, however. U.S. aid had been cut off before by President Jimmy Carter following reports of Pakistan's nuclear program, branded the Islamic Bomb. By the early 1980s, American economic and military assistance to Pakistan had been restored by President Ronald Reagan in the wake of the Soviet Union's invasion of Afghanistan. Given Pakistan's enhanced strategic significance, it soon regained its position as a leading recipient of U.S. aid. The American concern over Pakistan's nuclear program, however, continued, which led to the so-called Pressler amendment under which delivery of Washington's aid to Islamabad required the U.S. president certify that he was convinced Pakistan was not pursuing a nuclear weapons program. Nevertheless, while Western experts were convinced by the late 1980s that Pakistan had acquired the capability of producing a nuclear bomb, Islamabad continued to enjoy the benefit of the doubt and receive U.S. assistance. But the situation changed with the withdrawal of the Soviets
from Afghanistan, the immediate effect of which was the suspension of U.S. military and economic aid to Pakistan due to President George Bush’s refusal to certify that Pakistan did not have a nuclear program. Since then, U.S.-Pakistani relations have once more improved, but not at the expense of Indo-U.S. relations. Despite differences over India’s rejection of the Comprehensive Test Ban Treaty, the extent of shared interests between New Delhi and Washington since the end of the cold war has broadened and deepened, especially with respect to trade and investment relations. However, this is almost certainly not the final word in the pattern of external involvement in the region.

Given the unresolved differences and general insecurities that exist, defense spending continues to increase, albeit moderately.\(^3\) From 1985 to 1995, defense expenditure for the region as a whole (here, the five countries of Bangladesh, India, Nepal, Pakistan, and Sri Lanka) increased from US$10.4 billion to nearly US$12 billion. This masks some occasional falls, as between 1990 and 1992 when India reduced its defense spending by about US$1 billion, only to raise it again in 1993. A similar decline, if only symbolic, occurred in Pakistan during 1994–1995. But these temporary dips have not detracted from the overall rising trend. While the increase in defense budgets has been fairly steady in five countries, Sri Lanka has recorded the steepest rise, from US$311 million in 1985 to US$701 million in 1995.\(^4\)

From the aggregate data presented in table 1, the amount spent on defense in South Asia in 1995 was equivalent to the combined gross domestic products of two of the smaller countries, Nepal and Sri Lanka, and half of the third largest, Bangladesh. The population per soldier in South Asia is 573, whereas the population per doctor ranges from 2,000 to 12,500. Per capita defense spending is US$10.60 in a region burdened with a per capita outstanding external debt of US$110. South Asia has one of the world’s highest concentrations of standing armed forces, with 2.128 million active military personnel in 1993, of which 1,265,000 were Indian and 587,000 Pakistani. India has the fourth and Pakistan the thirteenth largest standing army in the world. In terms of naval and air forces, too, the region ranks at the global forefront, with India possessing the world’s sixth largest navy and eighth largest air force. The countries of South Asia, mainly India and Pakistan, have a fleet of over 1,200 combat aircraft, each one equivalent in value to seventy-five 100-bed hospitals.
Table 1: Basic Statistics on Five South Asian Countries

<table>
<thead>
<tr>
<th>Index</th>
<th>Bangladesh</th>
<th>India</th>
<th>Nepal</th>
<th>Pakistan</th>
<th>Sri Lanka</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population (millions)</td>
<td>122.7</td>
<td>927.8</td>
<td>21.5</td>
<td>131.0</td>
<td>18.1</td>
<td>1,221.2</td>
</tr>
<tr>
<td>Area (000 sq km)</td>
<td>144</td>
<td>3,288</td>
<td>141</td>
<td>804</td>
<td>66</td>
<td>—</td>
</tr>
<tr>
<td>Life expectancy</td>
<td>56</td>
<td>61</td>
<td>54</td>
<td>62</td>
<td>72</td>
<td>—</td>
</tr>
<tr>
<td>Literacy rate (%)</td>
<td>36.6</td>
<td>52.1</td>
<td>27.0</td>
<td>35.0</td>
<td>89.1</td>
<td>—</td>
</tr>
<tr>
<td>Annual population growth (%)</td>
<td>2.2</td>
<td>2.1</td>
<td>2.3</td>
<td>2.9</td>
<td>1.2</td>
<td>—</td>
</tr>
<tr>
<td>GDP (US$ million)</td>
<td>23,977</td>
<td>225,437</td>
<td>3,551</td>
<td>46,360</td>
<td>9,377</td>
<td>308,699</td>
</tr>
<tr>
<td>GDP growth (%/1994)</td>
<td>4.5</td>
<td>5.3</td>
<td>7.0</td>
<td>4.7</td>
<td>5.7</td>
<td>—</td>
</tr>
<tr>
<td>Annual GDP growth (/%1980–1993)</td>
<td>4.2</td>
<td>5.2</td>
<td>5.0</td>
<td>6.0</td>
<td>4.0</td>
<td>—</td>
</tr>
<tr>
<td>Per capita GNP (US$)</td>
<td>220</td>
<td>310</td>
<td>180</td>
<td>440</td>
<td>635</td>
<td>252</td>
</tr>
<tr>
<td>Per capita GNP (US$ PPP)*</td>
<td>1,290</td>
<td>1,280</td>
<td>1,165</td>
<td>2,235</td>
<td>3,030</td>
<td>—</td>
</tr>
<tr>
<td>Outstanding external debt (US$ million)</td>
<td>14,800</td>
<td>85,200</td>
<td>1,900</td>
<td>26,100</td>
<td>6,400</td>
<td>134,400</td>
</tr>
<tr>
<td>Per capita outstanding external debt (US$)</td>
<td>120.6</td>
<td>91.8</td>
<td>88.3</td>
<td>199.2</td>
<td>353.6</td>
<td>110</td>
</tr>
<tr>
<td>Human development index</td>
<td>0.364</td>
<td>0.439</td>
<td>0.343</td>
<td>0.483</td>
<td>0.704</td>
<td>—</td>
</tr>
<tr>
<td>Trade balance (US$ million)</td>
<td>200</td>
<td>-2,700</td>
<td>-300</td>
<td>-1,500</td>
<td>-600</td>
<td>—</td>
</tr>
<tr>
<td>Armed forces (active)</td>
<td>115,500</td>
<td>1,265,000</td>
<td>35,000</td>
<td>587,000</td>
<td>126,000</td>
<td>2,128,500</td>
</tr>
<tr>
<td>Defense budget 1995 (US$ million)</td>
<td>483</td>
<td>8,120</td>
<td>42.9</td>
<td>3,700</td>
<td>605</td>
<td>12,950.9</td>
</tr>
<tr>
<td>Per capita defense expenditures (US$/1994)</td>
<td>3.93</td>
<td>8.75</td>
<td>1.99</td>
<td>28.24</td>
<td>33.42</td>
<td>10.60</td>
</tr>
<tr>
<td>Population per soldier</td>
<td>1,082</td>
<td>733</td>
<td>614</td>
<td>223</td>
<td>143</td>
<td>573</td>
</tr>
<tr>
<td>Population per doctor</td>
<td>12,500</td>
<td>2,165</td>
<td>16,106</td>
<td>2,000</td>
<td>6,162</td>
<td>—</td>
</tr>
<tr>
<td>Infant mortality (%)</td>
<td>90</td>
<td>79</td>
<td>88</td>
<td>88</td>
<td>14</td>
<td>—</td>
</tr>
<tr>
<td>People in poverty (%/1990):</td>
<td>56/51</td>
<td>21/37</td>
<td>19/43</td>
<td>20/31</td>
<td>15/36</td>
<td>—</td>
</tr>
<tr>
<td>urban/rural</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>


Note: Unless otherwise indicated, all data are for 1993.
* Dollars calculated in terms of purchasing power parity.

Thanks largely to India, the region is also one of the leading producers of armaments in the developing world.

South Asia is also one of the leading conventional weapons importing regions of the world, with India and Pakistan together claiming over 10 percent of the entire global import of weapons between 1989 and 1993. India ranked as the world’s largest recipient of major conventional weapons (worth US$10.47 billion, or 7.66 percent of global imports) for the
period, while Pakistan claimed the ninth position (US$3.57 billion, or 2.66 percent of global imports) (SIPRI 1994, 485). Bangladesh, as well, was listed among the leading recipients of conventional weapons (US$945 million) during the period, ranking fortieth. By comparison, the total trade deficit in the region was about US$5 billion in 1993. In the early 1990s, arms transfers to South Asia recorded some decline compared to the 1980s, largely due to the Soviet military withdrawal from Afghanistan and a large reduction in Indian imports, particularly of Soviet-designed equipment (IISS 1996, 281). However, this has been compensated by a new Indian thrust to further strengthen its domestic defense-industrial capacity. Moreover, Russian defense equipment exports to India have picked up again, and India has also started to diversify its sources of imports, which include France, the Netherlands, and the United Kingdom (SIPRI 1996, 482). China remains the dominant supplier for Pakistan, and the suspicion that the two are collaborating on Pakistan’s nuclear and missile program has constrained Pakistan’s access to U.S. weaponry. China is also the main supplier for Bangladesh and Sri Lanka. Hence, in a way South Asia remains entangled in its own version of the cold war.

No less important are the nuclear aspirations and programs of India and Pakistan, which remain shrouded in mystery and controversy. Both acknowledge having the capability to build nuclear weapons while at the same time denying their intentions of doing so. This “calculated ambiguity” or “nonweaponized deterrence” (Perkovich 1993) in either case is aimed at retaining the nuclear option and reaping the advantages of being a nuclear threshold power without actually deploying the weapons (Cohen 1991, 341). Whatever the true level of India’s and Pakistan’s nuclear weapons programs, South Asia is today considered to be under a genuine threat of nuclear proliferation, with serious implications for the whole region.

Both India and Pakistan also belong to the category of countries reported by Western governments as seeking chemical weapons capability or suspected of possessing such capability, although both governments have denied any intentions of acquiring these weapons (McNamara 1991, 35). Both countries are also suspected to be in possession of ballistic missiles either produced domestically or procured from abroad (McNamara 1991, 35). India has the largest, oldest, and most diverse modern military industry in the developing world. Its scientific establishment is not only the largest in the developing world but also larger than those of many
industrialized countries (SIPRI 1994, 344). Between 1954 and 1984, it accounted for 31 percent of the total production of major weapons by developing countries, ahead of Israel and South Africa, which produced 23 percent and 9 percent, respectively (Brzoska and Ohlson 1991).

RECENT TRENDS IN SECURITY PERCEPTIONS

Like elsewhere in the world, security debates in South Asia have traditionally focused on external threats to the nation-state. Similarly, such traditional instruments or policy responses as defense preparedness, deterrence, and military alliances have dominated approaches to achieving national security. In recent years, however, the traditional focus and approach to security have undergone some changes as threat perceptions have broadened to include the challenges posed by internal political strife and ethnic-religious conflict to the political cohesion and territorial integrity of states (Ayoob 1995; Bajpai and Cohen 1993; Subrahmanyam 1982; Cohen 1987; Jayasekere 1992; Iftekharuzzaman 1994). Since such conflicts have typically also had a cross-border dimension—whether alleged or actual—the emphasis on a state-centric view of security with military preparedness as the key instrument has prevailed.

Another facet of the new thinking about security is to view it in clearly more multidimensional and “comprehensive” terms. Thus the socioeconomic, political, and environmental vulnerabilities of the states of the region are just as important as the military ones, if not more so. In the context of South Asia, pervasive socioeconomic underdevelopment, massive poverty, and endemic political instability and turmoil as well as the potential for various kinds of environmental disasters must be taken into account (Iftekharuzzaman 1992). In essence, this approach questions the validity of the state as the referent object in security and urges that the focus be shifted to people.

The effects of increasingly popular market-driven economic development strategies along with the challenges posed by the globalization of national economies are also factors in South Asia that steer academic concerns about security (Uyangoda 1997). Given the growing weakness of the externally dependent ruling elite, the nation-state in South Asia is seen to be disintegrating and abdicating its responsibility. Political institutions are decaying in the process while two movements are gaining influence: one communalist and fundamentalist in orientation, and the
other manifested in the rising militancy of ethnic and other disadvantaged minorities.³

Although the critique of the role of the state is gaining momentum in the region (Ahmed 1996; Nandy 1996), the prevailing view is that it is the state which will in any case be called upon to take the lead in dealing with the new security challenges. The concern, therefore, is not about the state per se, but its capacity to deal with these challenges, the most likely ways in which the state will respond, and the possible consequences for democracy, human rights, conflict management, and further social transformation (Uyangoda 1997). The most troubling concern is that failing to confront the challenges, states in South Asia will resort to greater violence in dealing with the recent domestic unrest.

With these questions in mind, some look to regional cooperation as the best response to the region’s security concerns. Considering that the future of regional cooperation in South Asia remains inextricably linked with the politics of the subcontinent, however, the negative implications of the lingering political divergence and disputes cannot be underestimated. Cooperation in even some of the noncontroversial initiatives, such as poverty alleviation programs, a regional development fund, and food security reserves, remains bogged down owing to the lack of confidence between the member states of the South Asian Association for Regional Cooperation (SAARC). The extent to which SAARC can succeed depends on the willingness of the South Asian countries to subordinate their mutual animosities to achieve the larger extraterritorial objective of regional cooperation (Chari 1997). Unfortunately, these mutual animosities derive from elites’ perceptions of their respective national interests. It has been suggested that a relaxation of Indo-Pakistani trade barriers would allow market forces to transcend political borders and reverse the steady criminalization of politics in India and Pakistan, which is among the root causes of these two nations’ crises of governance (Chari 1997). An increase in people-to-people contacts is considered to be the most fruitful means to erode the mistrust and suspicions pervading the region. Confidence-building measures of a nonmilitary nature, especially “track two” initiatives and the involvement of the private sector, are increasingly regarded as critical to peaceful interstate relations. Because political considerations and endemic mistrust among the member states, especially India and Pakistan, have stultified regionalism, some experts argue in favor of emphasizing nonmilitary factors in national security
planning as a balance against purely military ones (Cheema 1997). Nevertheless, both a drastic reduction in defense expenditure in the region and a substantial decline in the purchase of modern sophisticated weapons and equipment appear unrealistic. The mutual threat perception—especially between the two largest regional powers, India and Pakistan—persists, and no one would risk endangering national survival by concentrating too much on nonmilitary options to security.

**FUTURE PROSPECTS**

Recent developments in South Asia indicate encouraging, though not fully convincing, signals that the region has made some progress toward achieving peace and stability. First, South Asia can be justifiably considered to be going through a process of democratic transformation, which, however, has not been without its pitfalls. In the beginning of the 1990s, new democratically elected governments emerged in Bangladesh, Pakistan, and Nepal, while elections also took place in India and Sri Lanka leading to the formation of new governments. Another round of general elections took place in 1997 in Bangladesh, followed by the same in India. Although the dismissal of the elected government of Benazir Bhutto on charges of corruption and inefficiency in 1996 was a setback for the democratic process, the possibility of an authoritarian backlash in the form of another round of military rule was hardly anticipated, as confirmed by the subsequent peaceful transfer of power to the democratically elected government at the beginning of 1997. Viewed objectively, the countries of the region have a long way to go before the democratic institution-building process can take lasting root. But there is no doubt that, despite notable setbacks to the democratic process, recent trends are encouraging. More importantly, to the extent that democracies are more likely to favor nonconfrontational interstate relations, this is a reason for optimism.

Second, all of the countries in the region have taken bold and positive measures to liberalize their economies, which are consequently showing signs of higher rates of growth, greater macroeconomic stability, and a surge in incoming foreign direct investment. Every country of the region has embarked enthusiastically on the process of privatization and promotion of free enterprise to keep pace with the winds of change worldwide. Basic reforms have been introduced to make currencies convertible,
thereby easing restrictions on foreign investment and eliminating import controls. To deepen and broaden the reforms aimed at achieving self-reliance, governments are increasing internal resource mobilization, reducing public expenditures and subsidies, and promoting public-sector efficiency. These efforts, too, may promote more peaceful relations.

Finally, despite the criticism that SAARC has failed to deliver as promised, it has developed a fairly elaborate institutional infrastructure and appears to have achieved the resilience needed to survive the recurrent setbacks that are a fact of life in South Asia. On a more optimistic note, SAARC has the potential of becoming a war-preventive and peace-facilitating forum.

In terms of regional cooperation, SAARC as an institution is indeed far from achieving the level of internal cohesion found in most other regional bodies that have achieved better success. The association was born handicapped, limiting itself to cooperation in noncontroversial socioeconomic and cultural areas. Progress in even those selected areas suffered repeated setbacks largely because of the factors discussed above. It was mainly because of the constraints rooted in these realities that the member countries opted for a modest approach, thereby keeping the process of regional cooperation separate from “bilateral and contentious” issues, or, for that matter, any problem having security implications. This means that no bilateral dispute can become a part of the agenda for deliberations under SAARC. Similarly, any issue that is considered contentious, even if regional in nature and substance, cannot be raised in a SAARC forum. But, as a close examination of the SAARC process will reveal, despite these limitations the association has also functioned as a forum where member states can discuss—fruitfully or not—problems having implications for regional security and stability.

One notable aspect of SAARC is the increased frequency of contacts at official and political levels. And there has hardly been any major SAARC event that did not witness informal consultations by member states on issues of dispute. Such issues do not appear as agenda items, but on the margins leaders and officials discuss matters of common concern basically without any restrictions. This trend was set in the first SAARC summit held in 1985 in Dhaka, where the member governments decided through “informal” consultations to explore the possibility of expanding cooperation in combating terrorism and drug trafficking and abuse—areas that are not only of a complex political nature but also quite
controversial and basically bilateral in scope. Considering the nature and state of relations among the countries, the prospect of cooperation on such areas was considered rather remote. Nevertheless, negotiations continued and subsequently two separate regional conventions—one on the suppression of terrorism and the other on the prevention of drug trafficking and abuse—have been in effect since 1988.

Similarly, informal negotiations held at SAARC forums have opened up the possibility of progress on other sensitive issues, including the sharing of water resources between Bangladesh and India, Indo-Pakistani nuclear issues, and the Indo-Sri Lankan problem over ethnic conflict in the latter country. The recent signing of the water-sharing agreement is considered to be the culmination of a series of nonofficial dialogues both within and outside the SAARC process that made significant contributions to parallel negotiations at the official level. The agreement between India and Pakistan to not strike each other’s nuclear installations is another example of successful confidence-building diplomacy using SAARC as the platform. Moreover, the ninth SAARC summit, held in Male in May 1997, once again provided opportunity for informal dialogue between the two largest traditional rivals, India and Pakistan, on a wide range of bilateral issues, including the Kashmir dispute.

Though SAARC leaders have carefully kept such controversial issues as growing regional defense expenditures or outstanding bilateral disputes outside the formal agenda, the association has expanded its activities in a way that demonstrates a de facto concern for “comprehensive security.” This has been shown in discussions to alleviate poverty and to strengthen cooperation in core economic areas such as trade, industry, and investment, as well as in education, gender equality, and unified strategies to address environmental degradation, natural disasters, terrorism, and drug trafficking and abuse (SAARC 1997). Therefore, in terms of policy pronouncements, though not so much in the form of tangible outcomes, the SAARC agenda has been multidimensional. At the end of the ninth summit, the Heads of State or Government of South Asia opened the possibility of cooperation on political issues that may impinge on regional stability and peace. They expressed their commitment to the “promotion of mutual trust and understanding and, recognising that the aims of promoting peace, stability and amity and accelerated socio-economic cooperation may best be achieved by fostering good neighbourly relations, relieving tensions and building confidence, agreed that
a process of informal political consultations would prove useful” (SAARC 1997, 2–3). In a more recent development, some countries within SAARC are moving toward subregional cooperation as a building block to regionalism. This includes the series of quadrilateral cooperative initiatives involving Bangladesh, Bhutan, India, and Nepal on specific issues such as resource-sharing, infrastructure development, energy, transport, trade, and transit rights. India and Pakistan have reportedly agreed to a Bangladeshi proposal to hold trilateral consultations on broad areas of economic cooperation, including trade and investment. Bangladesh, India, Sri Lanka, and Thailand are also contemplating forming a Bay of Bengal association that is expected to provide a link between South and Southeast Asia.

Another reason for optimism is the burgeoning number of nonofficial track two initiatives. Many such dialogues now take place between research institutions and various other professional groups, including the media; issue-based organizations such as environmental, gender, and human rights groups; aid workers; election monitors; accountants and management experts; engineers, educators, consultants, and business representatives; groups of students, youth, and private individuals; and political parties, trade unionists, speakers, and parliamentarians. In a region where dialogue and communication are not well-established practices in interstate relations, this nonofficial process can be viewed as an expression of regional public opinion in favor of a further intensification of cooperation for regional stability and harmony.

NOTES

1. Available resources are far from sufficient to guarantee the basic needs of the people and sustainable development, much less cope with high population growth in the already overpopulated region.

2. For a detailed discussion on the subject of refugees and security in South Asia, see Muni and Raj (1996). On population movements for environmental reasons and a resultant spread of conflict, see Swain (1996).

3. Information used here is drawn basically from Stockholm International Peace Research Institute (SIPRI) and International Institute for Strategic Studies (IISS) publications, complemented by data from the World Bank, the United Nations Economic and Social Commission for Asia and Pacific (ESCAP), and the United Nations Development Programme (UNDP). The usual disadvantages
and limitations attributable to the sources, including inconsistencies among them, are, therefore, applicable. For further details and statistical tables, see Iftekharuzzaman (1996).

4. The region is also spending considerably on military research and development, with India in the lead. According to SIPRI, the most striking development in world military R&D in 1995 was India’s decision to double the share of its already increasing defense budget devoted to military R&D by the year 2000. SIPRI also forecasts that if the present trend continues, India’s annual spending on military R&D, which in 1995 stood at US$430 million, will reach US$1 billion by 2005 (1996, 386–387).

5. Drawn from Rajni Kothari’s keynote address at the workshop on “Sources of Conflict in South Asia: Ethnicity, Refugees, Environment,” organized by the Regional Centre for Strategic Studies, held in Kandy, Sri Lanka, March 6–16, 1997. For details, see Kothari (1997).

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