Regional Bonding - A Suggestion

Why in News?

The former Sri Lankan Prime Minister Ranil Wickremesinghe set out a number of suggestions for regional co-operation at a private conclave.

What did he suggest?

- He has pushed for **regional economic integration** and for **India-Pakistan dialogue** should be studied carefully by New Delhi.
- He blamed India-Pakistan tensions for bringing economic integration within the SAARC region to a "standstill".
- He said that the SAARC's original purpose was to build a platform where bilateral issues could be set aside in the interest of regional growth.

What was the sub-grouping that he suggested?

- He said that there is a lack of economic integration in South Asia, and the failure of SAARC and BIMSTEC.
- When it comes to the intra-regional share of total trade, SAARC and BIMSTEC languish behind ASEAN, EU and MERCOSUR.
- To **engender more intra-regional trade**, he suggested forming a sub-grouping of four countries with complementary economies (**India, Sri Lanka, Bangladesh and Thailand**).
- They should begin the process of reducing tariffs and demolishing non-tariff barrier regimes.
- He suggested that with India's leadership, a more integrated South Asian region would be better equipped to negotiate for better terms with RCEP.
- He also envisioned an **Economic Integration Road Map** to speed up the process.

Will these suggestions be accepted by India?

- Given the current policy trajectory of the present Indian government, it is unlikely that any of the suggestions will be welcomed.
- India has made it clear that talks with Pakistan are strictly off the table.
- Due to the protectionist turn that India has taken on multilateral trade pacts, it is relying more on direct bilateral deals with countries.
- SAARC summit, which has not been held since 2014, is unlikely to be

convened anytime soon.
- It has also walked away from the ASEAN-led Regional Comprehensive Economic Partnership (RCEP).

What could India do?

- For any regional sub-grouping in South Asia to flourish, it is India that will have to make the most concessions which it may not wish to do.
- However, India's global reach will be severely constrained unless it is integrated with its neighbours, and tensions with Pakistan are resolved.
- This is a projection which cannot be disproved.
- India needs to be **more accommodative** for the realisation of its ambitions.

Source: The Hindu

BIMSTEC

- Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) is a **sector-driven** sub-regional organization.
- It came into being in 1997 through the **Bangkok Declaration**.
- Its member States lie in the littoral and adjacent areas of the Bay of Bengal.
- **7 Member States** - Bangladesh, Bhutan, India, Nepal, Sri Lanka, Myanmar and Thailand.

SAARC

- South Asian Association for Regional Cooperation (SAARC) was established with the signing of the **SAARC Charter** in Dhaka in 1985.
- **8 Member States** - Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan and Sri Lanka.
- SAARC Secretariat was set up in Kathmanduin 1987.
- Objectives of SAARC –
    1. To provide a platform for the peoples of South Asia to work together in a spirit of friendship, trust and understanding.
    2. It aims to promote the welfare of the peoples of South Asia and to improve their quality of life through accelerated economic growth, social progress and cultural development in the region.

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