

BIMSTEC vs SAARC: RSTV – The Big Picture

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Larger Background:

- External Affairs Minister S Jaishankar recently said that India will aim to enhance regional cooperation under the BIMSTEC grouping as there have been certain problems with SAARC.
- Speaking at a seminar, he added that implementation of developmental projects in neighbouring countries and elsewhere will be one of his key focus areas.
- Citing continuing support to cross-border terrorism from Pakistan, India has maintained that it is difficult to proceed with the SAARC initiative.
- The last SAARC Summit was in 2014, held in Kathmandu.
- In the past few years, India has been pushing for regional cooperation under the BIMSTEC umbrella.
- Besides India, BIMSTEC comprises Bangladesh, Myanmar, Sri Lanka, Thailand, Nepal and Bhutan. Founded in 1997, BIMSTEC currently represents over 1.5 billion people and has a combined gross domestic product of 3.5 trillion US dollars.
- In 2014, PM Modi had invited all SAARC leaders, including the then Pakistan Prime Minister Nawaz Sharif for his swearing-in ceremony, in a major initiative to reach out to the neighbourhood.
- However, this time, the BIMSTEC leaders were invited, which was seen as an attempt to avoid inviting Pakistan for the event.
- This edition of the Big Picture will take a closer look at India's neighbourhood policy.

A Neighbourhood First Approach:

- In 2016, India had decided to make an outreach to further the BRICS. Members of the BIMSTEC countries were invited as part of this outreach programme. This itself was an indication that since SAARC was in a deadlock situation, wherein we were unable to hold a summit meeting (largely because of Pakistan), thus India decided to take the idea of the BIMSTEC forward.
- If we look at the BIMSTEC composition, then we realize that barring Afghanistan, Maldives and Pakistan, the rest of the countries who are members of the SAARC, do figure in the BIMSTEC grouping as well.
- In addition to this, we also have the inclusion of Thailand and Myanmar. It is also important to note that Thailand and Myanmar are members of the ASEAN as well. So, through BIMSTEC, India's outreach certainly does increase.
- The Foreign Minister, S. Jaishankar also spoke about the fact that India is looking to take forward the idea of connectivity in South Asia. And, as a principal economy in the region, the onus falls upon India to pull countries in the neighbourhood up in this regard.
- Even in the year 2014, when the last SAARC summit was held in Kathmandu, Prime Minister Modi made an emphatic statement that all the members of the SAARC need to come together, especially on infrastructure and connectivity.

Has SAARC lost its utility?

SAARC hasn't lost its utility. However, there are three points to be made.

1. Unfortunately, SAARC has been held hostage by our western neighbour, Pakistan. As a matter of fact, Pakistan has tried to stymie any developments and significant progress that India has attempted

to make and they have consistently vitiated the atmosphere by bringing in bilateral issues which is not allowed by the SAARC charter. This has unfortunately become a compulsive habit of Pakistan.

2. India was not keen initially towards the SAARC. This was because of a variety of reasons. Firstly, the SAARC was an initiative of Bangladesh. However, as the SAARC took off, India warmed up towards it and then took the lead. For the last couple of decades, there has been a mantra of India's foreign policy, that being the largest economy and the largest country in the region, India would be the tide that lifts all boats. Thus, India's basic interest is in taking the region along; enhancing integration and cooperation in the region; improving connectivity in the region. India will also not allow any country to stand in the way. Thus, even if SAARC doesn't become a suitable vehicle, India would continue the cooperation.
3. BIMSTEC affords India the opportunity to continue regional cooperation in the absence of SAARC. BIMSTEC has also become a bridge between SAARC and ASEAN. Thus, it is very natural for India to gravitate towards BIMSTEC. As far as countries which cannot be included in the BIMSTEC are concerned, we (India) are already having a robust bilateral cooperation with them (minus that of Pakistan).

Would Pakistan be the biggest loser?

- India is a large economy and thus, doesn't need to concern itself too much with any trade cooperation with Pakistan. Having said that, if it does take place, then it would certainly be beneficial to both the countries (India and Pakistan). However, if it does not take place, then the loss to Pakistan is far greater than anything to India.
- When you look at the psychology of Pakistan, one realizes that they have always tried to be what India is not. This has been a consistent trend right from 1947 till date. The Pakistan military loses its role if India were to have as friendly a relation with the Pakistani government as it does with Bangladesh currently. The Pakistan military will never allow relations between India and Pakistan to come to a stage by which they can be friends.
- India's shift to the BIMSTEC will also accelerate India's Act East Policy.

BIMSTEC not meant to replace the SAARC:

- It is also important to point out here that the SAARC shouldn't only be confined to summit level meetings. SAARC is much beyond that.
- Over the past 34 years, a whole range of mechanisms have evolved in areas such as agriculture, space research, remote sensing satellites (the South Asian satellite was launched by India recently).
- A whole range of sectors have had mechanisms to promote a more integrated SAARC.
- Even the establishment of the South Asian University is an example, where in the past ten years, the number of applications received have doubled. Thus, there are a whole range of mechanisms that together make up the idea of SAARC. Within SAARC, it is only the summit level meetings that have not happened so far. Also, there have only been 18 SAARC summit level meetings in the past 34 years, thus it is not the first time that the summit meetings have been delayed (although this time, it has been inordinately delayed).
- Also, it is important to note that Pakistan is not the only country that gets disconnected if India moves away from SAARC to BIMSTEC. **Afghanistan is also a country that gets affected.** Also, BIMSTEC can never be SAARC. As a matter of fact, the foreign minister has himself said that we need to be far more generous to our neighbours (this opens the space for the possibility of some back-door channels between India and Pakistan as well).
- So, **BIMSTEC is not really an alternative to SAARC.** As a matter of fact, the charter of BIMSTEC says that it is a bridge between SAARC and ASEAN.
- The organic unity of South Asia that has evolved, and the entire process of 'regionalization' that has happened under the SAARC over the past 34 years, is much stronger compared to the work done under BIMSTEC.
- BIMSTEC has had only 4 summit level meetings in about 22 years. Thus, the BIMSTEC is not

meant to do what the SAARC is supposed to do. Also, it does not have the stature of what the SAARC is supposed to do. The SAARC has its own relevance, but yes, there is a certain policy direction which one observes that India is giving towards putting the SAARC on hold on one hand and encouraging the potential of BIMSTEC on the other.

Limitations and Challenges as far as BIMSTEC is concerned:

- There are two projects that India has taken up, i.e. the **Kaladan Multi Modal Transit Transport Project**, and the **India–Myanmar–Thailand Trilateral Highway**. Another significant factor that was pointed out by the Foreign Minister was that his ministry is in touch with the ministries of commerce and finance because one of the principal challenges that India has faced, has been its inability to deliver on projects.
- **There is a tremendous amount of time lag between the time when India actually starts the project and the time when India completes the project.** This has been a bane of our delivery mechanism for a very long time. When people compare this with that of China, one observes a huge contrast. The Foreign Minister also indicated that one of the factors that India is looking at is to bring the MEA projects under the PRAGATI model. In NDA-I, the Prime Minister of India, brought in a time-monitored PRAGATI model wherein every month projects are reviewed, and the bottlenecks, if any are addressed.
- This is important as the investments that are locked up in such projects is huge. A similar model is being talked about now as far as the MEA (Ministry of External Affairs) projects are concerned.

Potential Outcomes as far as the BIMSTEC is concerned:

- Connectivity is the mantra for not just the BIMSTEC, but for all the neighbourhoods, and beyond. Connectivity can be in the form of physical connectivity, people-to-people connectivity, or electronic connectivity. It is with connectivity that development, integration and cooperation progress can be ushered in, and it is this that cannot be overemphasized.
- It is important to note that India-ASEAN relations is anchored on 3-C's. These are Connectivity, Commerce and Culture. This holds true for BIMSTEC as well.
- However, unfortunately due to a variety of reasons, there is a gap between our ability to deliver and the commitments we make. This is not working well for us. Countries in the neighbourhood want to work with us- this is amplified by the fact that China is sucking in countries in a “debt trap”, and India is seen as a benign power and a rising star. India is also one of the two engines of growth in Asia and beyond.
- One can take pride in the fact that India's Prime Minister and External Affairs Minister are very focused on this particular aspect and the time has come to set up ‘Special Purpose Vehicles’ (SPV's) to take projects through.
- Currently, India has a lot at stake, and it is a part of her developmental vision to take the neighbourhood along.

China: A Strategic and Security threat in the region?

- Think tanks of various countries in the region have expressed concerns over China. This is because China is big; but China is not benign. China goes ahead with its own motives. An example is the Hambantota port which is more or less outside Sri Lanka's control.
- One sees a similar story repeating wherever China has put its money. One even finds at certain levels within Pakistan as well, the concerns being expressed, though muted, of the 46+ Billion Dollar investment into the China Pakistan Economic Corridor (CPEC).
- Besides this, China has also got its own strategic interests as far as the South China Sea is concerned, and they have laid claims to territories which have been done in a unilateral manner.
- China is not prepared to discuss any of these issues with its smaller neighbours. It is important to note that all the ASEAN countries are their neighbours.

- Efforts should be taken to promote the ASEAN culture as a unifying culture in the region. The fact that the BIMSTEC and the ASEAN are getting together is a very positive development.

Issues concerning timely delivery of projects:

- As far as the completion of MEA projects are concerned, it is important that specific teams are formed and the commitments made by India must get off the ground within a few weeks. This team that is constituted should have full administrative and financial freedom to execute what has been promised.
- This is the only way to go forward as if we go by our existing bureaucratic structures, then despite the best intentions of the Prime Minister of India, not much will move.
- Delivering in a timely manner in India's neighbourhood has always been a problem. However, it is far too simplistic to say that just the bureaucracy is to be blamed.
- The structures that India has is very different to what say countries like China has (which has a single-party rule). Therefore, because the Chinese have walked into our neighbourhood, and have started to offer "Mega Projects" in quick speed; almost as a consequence, our projects have begun to look not only slower, but also smaller.
- These are things which cannot be changed overnight. It would need an enormous amount of effort to make structural changes to achieve the kind of speed with which China operates, and that may not even be desirable for India. It is important to note that China's economy is much bigger than that of India's, and their economic investments are thus naturally higher. India cannot compare and compete with the kind of investments that China makes.
- Thus, what we have been noticing over the past year or two is India broad-basing its relationship with her neighbours. India has been highlighting the fact that its engagement with its neighbours is very broad-based and very deep and enduring.
- It is also not just restricted to competing with China in commercial enterprises (however, this also is being increasingly expanded by India). **India has been broad-basing its engagement to project itself as being very different from that of China.**
- India also need not engage in "cheque-book" diplomacy- as a matter of fact, this is the last thing that India should be doing.
- There are encouraging signs within India however, wherein we have been able to deliver projects on time (for example the Delhi Metro- which was delivered with great quality and on time).

Concluding Remarks:

- The present moves are a very welcome continuation of the policies of the previous government. One sees in the next 5 years of the NDA-2 government, a further thrust towards the "Act East Policy", and a further strengthening of BIMSTEC as well.
- Further, one doesn't have much reason to believe that Pakistan's attitude would change much. Thus, India's relationship with Pakistan would continue to more or less remain a troubled relationship.
- It is also important that India is able to focus on areas where it can focus.
- As a matter of fact, there has been a continuous shift right from the time of the 1990's where we shifted from the "Look-East Policy", to the now "Act-East Policy". Even now, with BIMSTEC being promoted, and the Indo-Pacific being engaged, there has been a steady, continuous and evolving process. Even Japan and South Korea being engaged by India all bear testimony to this.
- Thus, what we see is a broad-basing of India's foreign policy and a recalibration of India's foreign policy by reaching out to the Indian diaspora and Indian culture through connectivity- while at the same time, not ignoring the fact that Pakistan is there (one should deal with that reality as well).
- India has no intention of boycotting Pakistan as Pakistan is a reality and a major country.
- As a matter of fact, **Prime Minister Vajpayee once famously said that we cannot change geography.**
- India has Pakistan as its neighbour and she has to deal with her.
- What we are perhaps doing is to hit the pause button and telling Pakistan that we are not comfortable

with them being the spoiler.

- India is currently heading towards being a 5 trillion dollar economy, and as and when Pakistan is ready, she can take steps to work alongside India as India's doors are open.
- Lastly, **India's emphasis on the "Neighbourhood First" policy is important as it is a key towards its success in foreign policy.**