One-Day Roundtable
Regional Implications of Indian Hegemony in the SAARC

A one-day roundtable titled “Regional Implications of Indian Hegemony in the SAARC” was organized by Islamabad Policy Research Institute (IPRI) on March 8, 2017. The roundtable had one working session which focused on the following main themes:

- Dynamics of Indian Hegemony in the SAARC Region
- Politico-Economic and Security Implications of Indian Hegemony in the SAARC Region and
- Ways and Means for Making SAARC a Win-Win Entity: A Way Forward

Lt. Gen. (R) Asif Yasin Malik, Former Secretary of Defence was the Session Chair at the roundtable. Participants included professional experts, practitioners, academicians and scholars. The aim of the one-day roundtable was to examine the regional implications of Indian hegemony in the SAARC and the growth of regional cooperation in South Asia; highlighting the challenges to regional cooperation and formulating policy recommendations.

Following are the salient points of the roundtable:

- Hegemony is defined as a common relationship between a dominant state and a collection of states, in which the dominant state, through its material power, tries to exercise hegemony. The idea of SAARC, as regional organization is essentially based on two elements: geographical contiguity and common colonial experience, especially British colonialism. India views South Asia as a geographically interlinked civilizational unit whose security and prosperity is dependent on collectivity and in its absence, the region could become subject to subjugation from foreign powers. India wrongly considers South Asia as a unit that should have a center and a capital to govern the region.

- India has exhibited characteristics of a status inconsistent state which believes that the international community should recognize South Asia as sphere of Indian influence where only its will should prevail. In this regard, two Indian objectives were identified: first, a South Asian state system to be governed by India, and second, outside interference should be avoided. India knows that it lacks power and capability to challenge the oligarchy of states at global level which is why it has been advocating moral principles such as non-violence and peaceful co-existence. However, at the regional level, it has been using policy of coercion and intervention vis-à-vis smaller states.

- Over the years, India has been able to establish its market dominance in South Asia alongside the wide prevalence of its cultural

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norms, however its political hegemony has always been resisted. SAARC has also been a victim of competing agendas where smaller states have failed to come up collectively against India and India has also failed to use SAARC as an instrument to establish its hegemony.

• It was opined that India has managed to develop a strategy in concert with the West, providing added impetus to its aspirations for acquiring global status, specifically in the absence of Pakistan. However, Indian cannot fulfill its aspirations to achieve regional hegemony since it has kept important countries such as China outside the South Asian realm.

• India considers itself an heir of great civilization and the successor state of British empire thus, dominance is inherent in the Indian psyche, strategy and doctrines. India defines its doctrines in terms of Indian particularism and wants to protect its strategic autonomy as it is evident from “Indira Doctrine.” Indian hegemonic designs were described as a source of instability and polarization in South Asia and regarded as efforts to shape a regional order heavily dominated by India.

• SAARC region’s strategic significance has increased considerably since Indian attempts to determine the South Asian order have been resisted from nationalistic forces within the member countries. India’s deep involvement in domestic situations is paradoxical as, on the one hand, it provides room for itself to exercise regional hegemony while on the other hand, it generates anti-India feelings among smaller South Asian states.

• SAARC is economically one of the least developed regions that has little intra-regional connectivity. While describing the positive side, it was identified that the inclusion of Afghanistan into SAARC was an opportunity to link South Asia to Central Asia. It was mentioned that each country in the region has a grudge against India but due to India’s market dominance in these countries, they have little choice to find an alternative. As regards regional dynamics, Pakistan needs to internally strengthen itself and develop its economy, as well as enhance its soft and smart power. Unless Pakistan itself develops a futuristic, forward thinking vision for South Asia vis-a-vis SAARC, it cannot play any significant role within this regional body. There is a need to reform SAARC as this is the decade of intra-regional as well as inter-regional connectivity, and if SAARC does not wake up to this reality, it will remain far behind.

Major Recommendations

In the light of the views expressed by the eminent participants, the following recommendations were put forth:-

• To neutralize India’s hegemony in the region, Pakistan can play a useful role. Pakistan, despite its smaller size is a nuclear power and its strategic capabilities are a balancer against Indian hegemonic domination for which, Pakistan needs to be strong economically and militarily.

• SAARC as a region has failed to grow. The lack of cooperation among the regional states due to the perception biases has been a major impediment. In the prevalent era of globalization, conflict and military approaches are not the order of the day rather economic prowess determines the standing of a regional actor in the comity of nations. In line with the present day realities, there is a need for a paradigm shift to focus on economic cooperation and energy connectivity. If SAARC countries want to emerge on the world stage as an economically prosperous South Asia, cooperation at regional level is a must. Economic integration under SAARC needs to be pursued vigorously.

• The emerging regional architecture, in view of the energy connectivity projects between South and Central Asia is an optimistic move, likely to have a positive impact on regional cooperation. Pakistan could emerge as a regional pivot in view of its geographical location, presence of the Gwadar port alongside the initiation of
China-Pakistan Economic Corridor (CPEC). Therefore, Indian efforts to isolate Pakistan would remain futile. It is an imperative for India to give up its futile efforts to isolate Pakistan and join the CPEC to draw related economic benefits of regional connectivity.

- SAARC Charter includes sixteen different areas of cooperation which can be used to revive the organization and ensure cooperation among the regional players. It would be desirable to focus on issues which are less controversial. This would help in building confidence among the member states.
- The traditional and non-traditional security issues are common to all the South Asian players. Nearly 40 percent of the world’s malnourished children and women live in poverty-stricken South Asia. To bridge the ideological differences and enhance trust among states, there is a need to address the common problems of poverty, education, environmental degradation through a unanimous regional approach at the SAARC level.
- To ensure security and stability of the South Asian region, there is a need that SAARC countries should develop a mechanism to counter terrorism and resolve differences on the issues through dialogue.
- The role of foreign powers in South Asia has negatively impacted the regional balance of power. The US tilt towards India, and concessions to the latter by offering strategic partnership has accentuated Indian hegemonic aspirations. Pakistan needs to gear up its regional standing by participating in other regional organizations, like the Economic Cooperation Organization (ECO), Shanghai Cooperation Organization (SCO), Gulf Cooperation Council (GCC) and African Union (AU) etc.
- Pakistan, other than cooperating at the regional level also needs to look towards the East. In this regard, Pakistan’s economic partnership with China could yield dividends. Pakistan should back China’s entry into SAARC as its permanent member. This would not only neutralize Indian domination but would also bring in China for economic development of the region.

- In order to strengthen SAARC, there is a need to enhance educational, cultural and people-to-people contacts. Further, think tank interaction and Track-II diplomacy must also be encouraged.
- To enhance tourism, and promote economic and trade cooperation, there is a need to have leniency over visa issuance and people’s movement.

- The Indian movies reflect the self-centred mindset, thinking highly of themselves and view other South Asian states as satellites or subservient. Pakistan’s strategic capability makes it a strong regional player, likewise, our dramas and movies should deter the Indian hegemonic mindset. Historical dramas highlighting the true facts should be aired. This will not only educate the youth but will also address the biases.

One-day Workshop
Optimizing CPEC Connectivity - Region and Beyond

Date
April 26, 2017

Venue
IPRI Conference Hall
Ms. Gulshan Bibi, Assistant Research Officer, delivered a presentation on the topic, “Beyond SAARC: Options for Pakistan.”

Following are the salient points of the discussion:

- South Asian Association for Regional Cooperation (SAARC) was established in 1985 to promote the welfare of the peoples of South Asia by improving their quality of lives and to accelerate economic growth, social progress, and cultural development. The countries including Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka were the founding members. However, Australia, China, the European Union, Iran, Japan, South Korea, Mauritius, Myanmar, and the United States (US) later joined as observers between 2005 and 2008. Afghanistan joined SAARC as a member at the 2007 New Delhi Summit, while Myanmar applied for membership in 2008 ahead of the Colombo Summit. Russia has also applied for observer status membership.

- SAARC represents the world’s most populous and least-integrated region.

- There exists an opinion that SAARC is sinking into irrelevance. The region is mired with inter-state conflicts. Although, the region constitutes 1/5th of the world population but its share in global income accounts for 6 percent only. More so, the agreements such as the 1993 Preferential Trading Arrangement (PTA) and the 2004 South Asian Free Trade Area (SAFTA) have failed to boost economic cooperation. It is believed that SAFTA exists more in name than in practice.

- Intra-regional trade among South Asian nations is under 5 percent of the total official trade in comparison with 35 percent of the total trade in East Asia, 25 percent in Southeast Asia, and almost 12 percent in Middle East and Africa. India being the region’s largest country by land has always tried to dominate SAARC due to its influence over the smaller countries which is nowhere the case of regional organizations such as the EU and ASEAN.

- There are multiple issues barring SAARC from functioning as an effective organization in terms of enhancing regional cooperation and improving economic growth. Broadly, there are twofold factors contributing towards SAARC’s inertia i.e. structural and functional. The structural factors relate to: the SAARC charter; agreements and conventions; and SAARC bodies. The functional issues which are hampering the promotion of cooperation and trust among the members include: bilateral conflicts of the regional states and India portraying itself as the regional hegemon.

- Another predicament of the SAARC is the Article X of its Charter which prohibits the discussion of contentious bilateral issues in its meetings. Since India and Pakistan make up around two-thirds of South Asia, it is argued that SAARC cannot render positive results unless the disputes between India and Pakistan get resolved. India’s approach vis-à-vis conflicts with its neighbours, particularly Pakistan, are based on a twofold strategy. The first is to reject third-party mediation meanwhile stressing upon the need to pursue a bilateral approach to deal with contentious issues. Second, whenever Pakistan would raise the Kashmir dispute with India under the framework of composite dialogue, India would refuse to give any serious consideration to the matter.

- Currently, almost all agreements and conventions that are adopted and signed by SAARC members focus on promotion of social and economic linkages. Under the banner of SAARC, there are hardly any significant efforts to promote mutual trust alongside the resolution of mutual disputes. Dispute resolution has been, unfortunately, left out of the scope of SAARC since its inception. The enhancement of trust and promotion of cooperation amongst the regional states in political domain have unfortunately been left out of the focus. Instead of becoming a bridge in SAARC, India has had so far conflicts with all of its neighbours, like India-China Akshin Chini dispute, India-China South Tibet/Arunachal Pradesh dispute, Kashmir dispute, Sir Creek dispute, bilateral dispute over construction of dams by India in the Indian held Kashmir in violation of the Indus Water Treaty, and usage of Afghan soil by India to sponsor terrorism in Pakistan. The trade barriers in the SAARC region are in the form of tariffs, transportation bottlenecks, transit difficulties, no land connectivity and complicated visa systems which are also hampering intra-regional trade and connectivity. Besides, India has launched a well-orchestrated campaign to isolate Pakistan in the SAARC region.

The Need to Think Beyond SAARC & Options for Pakistan

- Meanwhile, the world observes major policy shifts in economic and political terms, South Asia stands far behind, lacking social and economic development. Under such circumstances, South Asia has not been able to embrace the concept of regionalism in any of its forms. There exist two varying opinions regarding subsistence of SAARC as regional organization i.e. first, finding an alternative or replacement of SAARC in the form of other regional/intra-regional organization and second, focusing on ways and means for the revival of SAARC as an emblem of regional integration.

- Considering the value of SAARC as the only regional organization, its extinction is not an option, not even supported by Pakistan. However, Pakistan does support expansion of its diplomatic horizon as the world today believes more in following the ideals of diplomacy. More so, the threats including Indian ambitions which support a SAARC without Pakistan
Options for Pakistan

and terrorism alongside Pakistan’s fight against it, both demand an extraordinary diplomatic maneuvering as the need of the hour. Pakistan being an integral part of major regional alliances such as Shanghai Cooperation Organization (SCO) and Economic Cooperation Organization (ECO) needs to foresee its options and means to capitalize on those options. Pakistan’s friendly ties with countries in Middle East, Central Asia and East Asia provide multiple options for diplomatic support.

• Given the strategic location and resource link, Pakistan can easily capitalize upon its Eastward policy. Seeing the China’s economic growth, active diplomacy and initiatives of regional connectivity, the effective use of Eastward policy can help Pakistan penetrate the Chinese largest markets particularly the provinces in the Western China. The already existing infrastructure like Karakorum Highway provides a suitable outlet for the Pakistani goods. For this, Pakistan has to hook itself into the global supply chain of China where it can provide components and parts to the largest manufacturing factories in the world.

• Further, the integration across Asia can also be promoted by creating greater consciousness about the concept of regionalism. The intra-regional trade has remained stagnant at less than 2 percent of the total trade in the last three decades. The political unease and tensions between the two large countries in the region have not allowed trading relationships to flourish. Foreign direct investment flows to this region can also be enhanced if the tariff, non-tariff barriers are removed, transit facilitation measures are put in place, standards alongside infrastructure are harmonized and developed to allow multiple entry points for road, railway, shipping and air transportation.

• In this regard, the initiative of CPEC can be a game-changer not only for Pakistan but a fate-changer for the entire region. CPEC as part of OBOR initiative has the potential to integrate sub-regions of East, West and Central Asia, lending the states an opportunity to enhance their commercial and economic activities. For instance, the Central Asian countries had historically been linked to Russia as Soviet Union and there was very little exchange of goods and services among these countries. Since their independence, each country is pursuing policies to secure best of their national interests. States such as Azerbaijan, Kazakhstan and Turkmenistan are significant energy producers and their routes for trade are dictated by the demand for their oil and gas resources. The two poorer countries in this region, Tajikistan and Kyrgyz Republic have surplus hydel power that can be utilized by power hungry Pakistan, provided if, security situation in Afghanistan improves. CPEC in this regard can help these states bring their imported goods and ship their exports through CPEC routes to Gwadar Port as the shortest possible route.

• Moreover, the region with which Pakistan’s geographical location and historical interests coincide is the Middle East or the GCC countries. These countries are running huge current account surpluses. These capital surplus countries have limited domestic markets, real estate and infrastructure development projects to invest in. On the other hand, Pakistan has huge markets for goods and services but is short of capital. GCC countries do not have the necessary expertise and skills and therefore prefer to use capital markets for channeling their investment. Another important forum is the ECO. Recently, ECO has formulated Vision 2025 as a development charter known as “Connectivity for Prosperity.” Since Pakistan understands the importance of connectivity, the prospects of regional co-operation are reflected in its eagerness to promote the CPEC, the aspiration to develop overland corridors to Central Asia and enthusiasm to join the Shanghai Cooperation Organization (SCO).

• Given the critical and continuously evolving nature of current global order, Pakistan has to tread carefully in choosing friends and partners. In all the regions mentioned above, Pakistan has to secure best of its own interests vis-à-vis Indian rapprochement through policies and strategies viable enough to give Pakistan a diplomatic and economic boost.

Conclusion

SAARC is still relevant because global multilateralism is under threat and regional powers like Pakistan or India are being forced to seek stability in their immediate region and secondly SAARC remains the only all-South Asian organization. Despite the limitations and poor performance, SAARC remains a useful tool for smaller countries to promote understanding and cooperation at bilateral level. Despite failings, a number of significant achievements such as “The Regional Convention on Suppression of Terrorism, SAARC Agriculture Information Centre at Dhaka, SAARC audio visual exchange programme (SAVE) and Social Charter to set targets for eradication of poverty, population stabilization and human resource development” fall to its credit. India cannot hope to become a major power if it is unable to manage its relationship issues within South Asia. Geography cannot be ignored, and without Pakistan and its people, the South Asian bus will not go very far.
Threat of ISIS in Afghanistan: Implications on Regional Security

Ms. Aymen Ijaz, Assistant Research Officer, delivered a presentation on the topic, “Threat of ISIS in Afghanistan: Implications on Regional Security.” Following are the salient points of the discussion:

- Since 2014, Islamic State of Iraq and Syria (ISIS) or Daesh is gaining ground in Afghanistan after suffering setbacks in Syria and Iraq. The terrorist group has taken advantage of a security vacuum to establish a foothold in Afghanistan’s northeastern border, especially in the Nangarhar Province and also along Af-Pak border.
- ISIS is a jihadist militant group of Iraq and Syria with deep ingress in other regions that include Middle East, North Africa, Europe, South and East Asia. ISIS is a broken faction of Al-Qaeda that follows ideology of Salafi Jihadism and aims to establish its Khilafah/Caiphate or state in occupied areas of Iraq and Syria and all over the world which they called as Wilayet.
- The first signs of the Islamic State in Afghanistan appeared in 2014. The branch of ISIS active in Afghanistan called itself as ISIS of Khorasan province (ISKP). ISIS of Khorasan was formed by defectors from various factions of Taliban who pledged allegiance to the Islamic State. The militants who had participated in fight in Syria and Iraq along with Sunni insurgent groups, after their return did not establish IS-K, nor do they currently constitute a significant number of the IS-K rank and file.
- ISIS is more than just a terrorist organization with its own territory, economy, complete system, millions of people under its cover, own system of welfare and strong communication channels. As an organization, ISIS is equipped with modern weapons, operational tactics and logistic system. Besides, the ISIS has used internet and web as the main tools to radicalize the youth across the globe.
- The extent of direct operational links between ISIS presence in Afghanistan and Middle East have remained unclear. It is due to lack of respect for Afghan history and its policy of extreme brutality, ISIS of Khorasan is seen as an outside force in Afghanistan.
- Afghanistan is a war-torn country with political instability, poor economy, fragile state structure, strong ethnic divisions and a weak security apparatus. Foreign invasions and involvement in prolonged warfare with counter insurgency operation along Af-Pak border have given birth to insurgency and militancy.
- According to the latest UN report, there are around 2,000 to 3,500 fighters overall in Afghanistan and that number had not fallen significantly despite heavy losses sustained in 2016. The United Nations September 2015 report on Afghanistan asserted that IS has maintained a presence in at least 25 of Afghanistan’s 34 provinces.
- The emergence of ISIS can pose serious implications on the regional security that include an increase in terrorist attacks and casualties, spread of Salafism under Jihadi narrative, rise of sectarian violence, radicalization of youth through media sources and cyber tools, allegiance of many jihadi fractured and rebel groups, increase in chaos and mistrust among South Asian states, strain in Pak-Afghan relations, threat to CPEC and spillover effect of terrorism.
- In order to tackle this menace of terrorism, the Afghan Government and International bodies have taken initiatives that include authorization of US military to target IS in Afghanistan. More so, the US forces have vowed to defeat IS by two prong strategy and new anti-ISIS plan 2017. Similarly, the Afghan government has also requested for more US troops to fight IS alongside the launch of military operations such as Operation Dawn and Shaheen.
- A regional framework should be established to have a realistic look at the spread of ISIS and its recruitment patterns in order to devise counter strategies. Strict border surveillance and monitoring must also be ensured.
- The extensive unregulated cyberspace can be used for radicalization purposes, for which immediate and effective measures must be taken.
- A counter narrative against the extremist ideology of ISIS must be spread through educated moderate clerics and religious scholars.
- The IS network must be rolled back in Middle East to fracture IS recruitment and financing in Afghanistan. Success against IS relies on the ability of the Afghan National Unity Government to overcome its internal divisions and capacity of ANSF and security agencies.
- The regional platforms of South Asian Association of Regional Cooperation (SAARC) and Shanghai Regional Organization (SCO) under Regional Anti-Terrorist Structure (RATS) can provide better opportunity to deal the ISIS threat at regional level.

Conclusion

ISIS is an extremist militant organization that poses not only a security threat to Afghanistan’s peace and stability but to the entire region and the world. The only mean to tackle this menace of terrorism is through joint efforts and collective action by the regional states. The role of Afghanistan is very crucial in this regard. Hence, the regional states should work together and put past grievances aside while fighting against ISIS as it is a common threat to all regional states. A comprehensive, political and long term strategy must be devised to address the threat of ISIS in Afghanistan as it is imperative for regional peace and security.
A Chinese Scholar, Dr. He Ruifang has joined Islamabad Policy Research Institute (IPRI) for two months on a Visiting Fellowship Programme.

Dr. He Ruifang is Research Associate at South Asia Institute, Yunnan Academy of Social Sciences, China. She holds a PhD in Economics from Renmin University of China (RUC), Beijing. Her PhD thesis was about spatial economics. Her research areas cover regional and international economics. From 2014 to now, she has been engaged in South Asian and Southeast Asian studies. Her previous research engagements in Pakistan were related to China-Pakistan economic and trade cooperation such as research on ‘International Production Capacity and Equipment Manufacturing Cooperation between China-Pakistan from Investment Perspective’ and ‘Risk Prevention of China-Pakistan Economic Corridor Cooperation.’ She has also done some research about the cooperation between China and the Indian Ocean countries. She is now focusing on ‘The role of the Indian Ocean in China’s energy security’ and ‘Anti-terrorism situation and China-Pakistan Economic Corridor.’

She has been to Islamabad and Lahore in 2016. Due to the characteristic of its geographic sight and culture, the Lahore city has left a deep impression on her. As an economic researcher, in her future visits, she would like to visit Gwadar Port which is known as the “Western Paradise” from the most famous Chinese classical novel named ‘West Travels’ which regards this paradise as the ultimate pursuit of some Chinese however, she believes that many people still do not know the “Western Paradise” is in Taxilla.

CPEC: Macro and Micro Economic Dividends for Pakistan and the Region

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Call for Papers
IPRI Journal Winter 2018

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Submission Deadline: September 30, 2017

Papers/articles should be concise and not exceed 8,000 words, including an abstract of 150-200 words. Reviews of recent books by scholars of standing in their field should comprise of 1000 words. Guidelines for Contributors are available at:

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Authors are requested to submit soft copies in MS Word format, a brief bionote as author of no more than 30 words, complete contact address (email as well as postal), telephone and fax numbers to the Editor at:

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Islamabad Policy Research Institute
Contact Information
Address: Fifth Floor, Evacuee Trust Complex, Sir Agha Khan Road, Sector F-5/1, Islamabad, Pakistan
Phone: +92 51 9211346-49, Fax: +92 51 9211350
Maryamazir1991@gmail.com
www.ipripak.org
https://twitter.com/IPRI_Pakistan
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