











## South Asia Amidst a New World Order





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### Preface

Consortium of South Asian Think-Tanks (COSATT) celebrated its 10th anniversary in 2018. It was in 2008 that it was founded in New Delhi with the aim of fostering better relations between the prominent think-tanks of South Asia and bring about quality publications on various facets of regional cooperation. Ten years is not a long time in the lifespan of a consortium or a network. However, COSATT has achieved a lot in terms of regional recognition in South Asia and beyond. The contribution made by the COSATT in the region for strengthening cooperation and promoting the concept of South Asian-ness through continuous intellectual discourse and policy advice has created a milestone and established the consortium as one of a kind. Recently, the '2018 Global Go To Think-Tank Index Report' brought out by the University of Pennsylvania recognized COSATT as one of the top think-tanks in Southeast Asia and the Pacific. COSATT has successfully brought in heads or representatives of about 50 different South Asian think-tanks and research institutions in its conferences and events that it organizes every year. All this could not have been possible without the unwavering support that it receives from the Konrad Adenauer Stiftung (KAS). In this context, I would like to thank Mr. Christian Echle, Director of the Regional Programme Political Dialogue Asia of the KAS for the support and his encouragement to COSATT.

In this 10<sup>th</sup> year, COSATT devoted itself to address and analyze South Asia's place in the world by deliberating and critically discussing on its past, present and future. Leading scholars and academics gathered in Kathmandu, Dhaka and

Singapore and presented thought-provoking papers and articles on crucial issues facing the region and provided suggestions to policymakers. COSATT would not have been a vibrant and robust track-II initiative and reached thus far without the active and steadfast commitment of our partner think-tanks.

At times, when the SAARC Summits have not taken place on schedule, COSATT events have provided the platform for track-I and track-II to engage in frank discussions on how not to make regional cooperation efforts hostage to bilateral tensions. Our every event is chosen with a relevant theme of importance for contemporary times.

On March 25-26, 2018, COSATT organized a regional conference on "South Asia Amidst a New World Order" in Kathmandu. We are grateful to our chief guest Hon'ble Upendra Yadav, a senior political leader of Nepal, current Deputy Prime Minister and former Foreign Minister. He is also President of the Federal Socialist Forum, the third largest party in parliament.

The question before the conference was to how South Asia should manage itself to adjust in a rapidly changing international situation? As the Trump administration and other major powers like Britain are turning their back on globalization and increasingly looking inwards, who will step forward to fill the leadership void? Any country that aspires to jump into the vacuum will require the possession of military, political and economic prowess. How should South Asia manage itself in this phase of flux and transition? Correspondingly, China's interest and investments in SAARC countries on bilateral or multilateral avenues have changed regional equations and balance of power. In this backdrop, the entire region is in a state of political, economic and security vulnerability. There was a forceful call for a need of change in our collective behavior as a community of nations of a

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single region while at the same time, importance was underscored of the multilateral and regional organizations' continued relevance for South Asian countries.

I would like to thank Ms. Megha Sarmah, Research Officer, Regional Programme Political Dialogue Asia of the KAS for her active participation and suggestions during the course of the 10<sup>th</sup> year anniversary and Mahesh Raj Bhatta, Research Officer of the CSAS for his help in editing of the papers. I am confident that the readers will find papers incorporated in this volume useful. The authors have delved into the issues highlighted above with a critical focus on other areas of statecraft like democracy, refugees, migration, cyber security, disaster management, and climate change. Some of our previous publications have been enlisted in the curriculum of University courses. I believe this publication will also be valuable not just to the intellectual, academic community and students but will also provide insights to the policymakers and respective governments of our region.

Dr. Nishchal N. Pandey Director, Centre for South Asian Studies and Convener, COSATT



## Inaugural Address

### Honourable Upendra Yadav<sup>1</sup>

It gives me immense pleasure to be here this morning to inaugurate this regional conference on 'South Asia Amidst a New World Order' organized by the Consortium of South Asian Think-Tanks (COSATT). I would like to congratulate the organizers COSATT and Konrad Adenauer Stiftung for having chosen this theme at a relevant time in international and regional arena. All of you are aware of the profound changes taking place in the international stage but what we have to remain alert is about its implications for South Asia and how we can mitigate the challenges.

With the legacies of internal divisions, exploitation and domination by external and internal power elite, I think there are many challenges we face in common. We set-up the SAARC with the hope of sharing our problems and our strengths for the common good of the people of the region but the gradual erosion of the collective spirit has frustrated our efforts. The gap between SAARC's promise and its achievements remains wide. The disillusionment with the continuing deadlock and the poor implementation record of the organization thrusts upon us greater responsibilities for the future.

Track-II has a special responsibility to keep nudging the governments for a change of the status quo. I would like to thank the organizers and the speakers who have assembled here in

<sup>1</sup> Author is at present Deputy Prime Minister and Minister of Health, Government of Nepal. He is also former foreign minister.

Kathmandu from across the region for keeping the candle of hope alive for the SAARC process and for the future of South Asia.

Regional cooperation is a viable bridge from where, I believe, journeys can be undertaken through a process of mutual trust and cooperation in South Asia. But foremost, we need to translate pledges and commitments into concrete actions, lofty statements into viable projects.

It is a matter of satisfaction that all South Asian nations today have elected governments. However, we must ensure that all sections of our respective societies are duly represented in all layers of decision-making. Nepal has embarked on a historic journey of a federal set-up which is being tried for the first time in our country. All provinces have elected governments but they are resource crunched. We need to be able to allocate adequate resources and be open about power devolution so that the rural people are able to reap the benefits of federalism. Merely paying lip-service to federalism without shunning centralized state-thinking of the past is not going to do justice to the people clamoring for a change.

I am happy to learn that all of you will be discussing on crucial themes such as climate change, connectivity and migration from a standpoint of a changing world order and implications for South Asia. I am confident that your two-day deliberations will help in giving a new and meaningful impetus to our search for a sustained and enhanced regional cooperation.

I wish this conference all success!

Thank You.

### Remarks

Amb. (retd.) KC Singh<sup>1</sup>

I would like to express my sincere gratitude and appreciation to the COSATT and the KAS for inviting me to chair the session on "Promoting Connectivity, Democratization, Social Inclusion and Emerging Political Situation in South Asia." The theme of this conference is very timely and needs to be discussed with high priority.

South Asia is characterized by its large population, poverty, weak governance structures, delicate democratic institutions, and sectarianism. Most countries in the region experienced colonization before becoming independent sovereign states. Governments in South Asia have pursued national security through destructive military apparatuses, rather than seeking protection for citizens by actualizing their creative potential.

Dynastic rule has strongly dominated much of South Asia. Political dynasties have taken such a stronghold all over the region particularly in India and Pakistan. Even today when all the member countries in the region are democratic still political dynasties are common in South Asia. As a region, it has unique features and many contradictions. It is culturally, socially, economically and politically diverse, with a common cultural base but perhaps linguistic and religious difference.

### **Regional Connectivity**

There are various facets of connectivity-physical, socio-cultural, political and economic. Most of South Asia was historically part

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<sup>1</sup> Former Secretary, Ministry of External Affairs, New Delhi

of a larger entity, with multiple levels of connectivity. However, present South Asia is mostly divided and has set an example of one of the poorly connected regions in the world. One of the primary objectives of SAARC was to strengthen physical connectivity-building transport infrastructure and transit facilities to enable trans-South Asian road and rail connectivity and, subsequently, trade. Despite the efforts in the past, South Asia continues to suffer from poor connectivity and infrastructure deficits.

Much discussion in the recent time has focused on improving connectivity between India and the rest of the countries of the region. This includes connectivity by both land and sea. Greater land links among the countries would significantly augment the movement of goods and people. But there has hardly been substantive progress on connectivity. There are several reasons given for the slow progress in strengthening intra-regional economic integration in South Asia, including low intra-regional trade, lack of political commitment, weak national and regional institutions and poor confidence-building measures (CBMs).

Lack of confidence building among the member states, especially between India and Pakistan has disturbed multiple regional projects in the past. CBMs provide the atmospherics for improving inter-state relations. They can establish trust between adversarial states, but the minimum trust is required before CBMs can be negotiated. The need for some limited confidence between states is, therefore, essential before CBMs can be negotiated. CBMs are difficult to set-up but easy to disrupt and abandon, and India and Pakistan are well experienced on it. CBMs will ultimately develop trust between the signatory states and help in achieving peace and stability in the region. Once we establish strong CBMs, significant components like trade and economic

cooperation will take the lead and eventually the disputes will decrease.

### South Asia- Southeast Asia Cooperation

Apart from regional connectivity among the member states within this region, South Asia should also expand its connectivity with Southeast Asia. It is important to establish robust connectivity with ASEAN states not only because it is our neighboring region but also because of its existing market for trade and business. If connectivity between South Asia and South-east Asia is expanded with modern technology and equipment, undoubtedly it would boost the economic relations of the member states of both the regions. Till date, most trade between South Asia and Southeast Asia is by sea, but with improved infrastructure and easier border crossing procedures, the volume of goods and passenger traffic by land would also grow.

South Asian and Southeast Asian economies have been isolated from one another in economic terms and prospect for inter-regional economic integration is not explored enough. Myanmar is a land bridge between South Asia and Southeast Asia, so the state would play a critical role in connecting the two regions. However, its links to northeast India are weak because of geographical constraints as most of the borders are hilly and difficult. We should also explore Bangladesh's geographic location between South Asia and Southeast Asia since it provides a unique opportunity for the country to benefit from greater cross-border business. Connectivity is also a critical component of India's 'Look East' policy. India's northeast is a hub of this policy, from which linkages would spread through Bangladesh and beyond, south-eastwards.

### India on OBOR and CPEC

China insists that its One Belt One Road (OBOR) initiative stretching along three continents will benefit the entire world. Many countries in South Asia welcomed OBOR, and most of India's neighbors attended the 2017 OBOR Summit in China. India refused to participate, maintaining opposition to China's investment in the China-Pakistan Economic Corridor (CPEC) which passes through Pakistan-occupied Kashmir. Regarding CPEC, India has expressed its reservations by failing to attend the OBOR Summit, citing sovereignty issues as a significant impediment to its joining the corridor project.

Except for some reservations, India as a leading economy in the region firmly believes and promotes regional and intraregional cooperation in South Asia. Presently, a multitude of regional economic projects exists to improve connectivity in the region. These projects include the BBIN, CPEC, the IranPakistan-India (IPI) natural gas pipeline, and the TurkmenistanAfghanistan-Pakistan-India (TAPI) natural gas pipeline. However, as geopolitical dynamics intensify, economic gains face substantial obstacles in coming to fruition and improving livelihoods. Importantly, these obstacles to improve regional connectivity are not exclusively regional as global politics also hinder them. Sometimes external powers also get interested as per geo-strategic and security concerns.

With these remarks, I would like to conclude and thank you all.

## South Asia Amidst a New World Order: A View from Germany

### Mark Hauptmann<sup>1</sup>

I would like to thank COSATT network and the KAS for organizing and inviting me to this timely conference on South Asia.

I would like to start by talking about three external key players that have been playing a significant role in the Asian continent. First of all, I would discuss Rising China which is a potential global power but also an immediate neighbor of South Asia.

Today, South Asian region is one of the least economically integrated regions in the world. Intra-regional trade remains well below its potential due to poor regional connectivity, lack of trust, political tensions and many similar reasons. Consequently, most SAARC countries rely heavily on developed nations as export destinations, and increasingly import from China.

China's internal motivations have set it in the direction of expansion. Engagement of China with its neighbors whether it is in South East Asia or in South Asia and its muscular approach is certainly a challenge to its neighbors. In the past decade, China has emerged as a top exporter of goods to the region, including to India, penetrating into South Asian markets with its export-led

<sup>1</sup> Author is Member of the Bundestag and a Member of the parliamentary Committee on Economic Affairs and Energy

growth strategy. Its trade growth with most of the countries in this region has been increasing yet the current trade balance overwhelmingly favors China. Much of the recent attention to China's growing footprint in South Asia focuses on its development assistance and government investment programs, particularly for large infrastructure projects.

China has characterized its 'Belt and Road' initiative as a win-win for its aspirations to become a global trade leader and developing economies' desire to fund transportation infrastructure. But China is also facing accusation of imperialist behavior when its debt plans go wrong. We do not have to go far to understand this reality but example of one of the countries in South Asia; Sri Lanka being unable to pay the heavy debt to China and the consequences of handing over its strategically located Hambantota port should be an eye-opener for other countries who are heavily dependent for their infrastructure development.

Another important key player that has a larger influence in Asia is the USA. However, US foreign policy under the Trump Administration has been under security. Trump's vision for U.S. foreign policy is clear and summed up in two words: "America First". Acting on this, he abandoned the Trans-Pacific Partnership trade deal and pulled out of a global climate agreement. But this has led to 'America Isolated'. Under America First policy, US has been ignoring the global concerns. As a result, the US is standing alone on key global issues than ever before. If this continues, I am afraid that there will be a big vacuum in the international system and order. And the question is who is going to fill this vacuum?

It's too early to state whether Trump's foreign policy has been a success or a failure. It's still not clear where Trump's foreign policy will take the U.S. And it's too early to pass judgment on whether he can 'make America great again,' at home

or abroad. However, the way US has been ignoring global concerns and isolating other counterparts, the US loses world power. At the same time, Europe is setting its own course, Russia and China have been moving toward each other and acting in tandem, often with positions opposite the US. While Washington was trying to isolate Russia, it has been building new friendships and alliances.

Another important key player in this region is Europe. EU and Germany might not have strong political role in the changing order in Asia Pacific like other partners; the US, China and Russia. However, on issues of trade and economics, the EU is clearly showing that it has interest in this region. The EU has realized that the Asia Pacific region has become central to worldwide prosperity and to the EU's growth prospects. The world's largest population buys almost a quarter of EU exports; it is among the fastest-growing export markets and is home to the fastest-growing economies. In the recent past, the EU has increased its trade pace with the ASEAN countries both in regional and bilateral level. For instance, The EU has concluded ambitious trade deals with Singapore and Vietnam and has been in negotiation with Indonesia, the Philippines, Malaysia, and Thailand. The EU has concluded an FTA with Korea. Similarly, Chancellor Angela Merkel is currently visiting India and we are optimistic that there will be some strong diplomatic commitments on bilateral ties. The EU cannot expect to address any of the major global challenges from climate change to refugee crisis to terrorism without strong cooperation with its Asian partners.

### EU's engagement in Asia

Let me now briefly discuss how the EU operates in the Asia Pacific region. The EU operates at three levels. First, EU is a prominent member of ASEM (Asia-Europe Meeting), the biannual

meeting that brings European and Asian leaders together to discuss global concerns. Second, the EU supports regional groupings such as ASEAN and SAARC. The EU is perhaps the biggest contributor of financial and technical assistance to ASEAN. And third, via bilateral relations with the focus on the EU's four strategic partners- China, Japan, India, and Korea.

Now, I would like to discuss three key challenges that Asia faces today:

Lack of Trust: South Asia, a highly significant region for international politics, remains mired in political mistrust. Pakistan, India, and Afghanistan have a grave trust deficit amongst themselves. A lack of trust has not only fueled previous bilateral issues, but also has had implications on regional politics. Both sides interpret the economic and strategic policies of the other with suspicion. Some examples include the increasing Indian role in Afghanistan, Pakistani-Chinese economic cooperation, and Indian-Iranian economic relations. Mistrust is a major reason contributing to instability in the region. Thus, by building trust measures at political, military, economic, and social levels, regional stability can be attained on strong grounds.

Lack of Democracy and Democratic Principles: Political systems in the region have produced many forms of government: democratic, socialist, military and monarchical. Military rule, monarchy and centralized autocratic political systems are accepted within the framework of democracy in the region. South Asia, being a crucial region for international politics, holds a critical global status. Absence of democracy, lack of strong democratic institutions and instability does not only affect the region, but also has implications for global politics.

Lack of Multilateral framework: South Asia lacks cooperation in multilateral framework especially when security is

concerned. There is a need for multilateral forum and framework to solve regional issues and disputes. The Regional network of multilateral arrangements and working to build a perception of 'common interest' in South Asia will strengthen regional solidarity. Collective security arrangements and multilateral cooperation in the sector of the economy, politics, social, military, maritime and other similar issues are needed in the region.

I would like to conclude by mentioning two key opportunities for Asia. If the cooperation is being established between the West and East the prospects for this region would be;

NATO Plus and Maritime Security: NATO's partnership structures and cooperation programmes offer a multilateral framework for security dialogue and opportunities for practical bilateral cooperation in a wide range of areas with NATO member states and other partner countries. This promotes transparency, builds confidence and helps address shared security challenges. NATO is looking for democratic allies from the Asian region who would like to collaborate with NATO plus network. NATO's relationships with the countries outside the Euro-Atlantic region have developed rapidly in the last few years. Cooperation in Afghanistan has driven the development. Countries like Australia, New Zealand and Singapore are now troop contributors to the International Security Assistance Force in Afghanistan. Others, like Japan and South Korea, are making direct and indirect contribution to the Alliance's effort. These countries are now called 'other partners across the globe.' NATO's cooperation and collaboration possibilities are open to those democratic states who will rise above their own challenges and will demonstrate that they can contribute to the collective needs and security.

Free Trade and Economic Opportunities: There is scope for establishing and enhancing the existing trade and economic

relations between the Asian and the European countries. Considering the growing importance of Asia in the world economy, the EU has made efforts to strengthen economic ties between the EU and Asia. Since Asia is expected to grow economically in the near future, Asian countries have become and are becoming more and more important to the EU as trade partners. For example, Germany is one of India's most significant trading partners and India's largest trading partner in the European Union. Bilateral relations between the two are based on common principles of democracy as well as common views on international trade.

With these points, I would conclude my remarks. I thank you all for your attention.

# South Asia in the New World Order

Dr. Shambhu Ram Simkhada<sup>1</sup>

Human actions are recorded in the dynamic template of time (history) on the diverse canvas of space (geography). Calendars are useful to celebrate achievements but also learn from the past to set new goals for the future. In this gathering of thinkers and practitioners of International Relations (IR), diplomacy and security organized to celebrate a decade of the South Asian Consortium of Think Tanks (COSATT)@10, it is perhaps useful to start by recalling that 2018 marks the 100th year of the end of the 1st World War, which many believe made the 2nd inevitable. Together they were the biggest human-made disasters in human memory not just where the wars started from but engulfing the whole world. Asia experienced nuclear devastation and Korea's division. Many South Asians including Nepalese lost their lives in them. As we stand at a new threshold of time and space, what does the future have in store for the people of the world and us - South Asians in particular?

### World Order-Disorder

From new space explorations, DNA research to more billionaires, ingenuity is propelling humanity to greater heights in science and technology, health and wealth, ability to talk, travel, live and work across borders. But artificial intelligence and automation to unemployment, cryptocurrencies to regulators' nightmare, poverty

<sup>1</sup> Author was Nepal's Permanent Representative to the UN in Geneva.

amidst plenty, threat of nuclear proliferation to violence and terror despite increasing expenditure on peace, access to means of communication but discord within and across societies are exacerbating the global crisis of politics, economics, security, climate change and governance, challenging human wisdom. American fury seen in President Trump's "America First" policies, Russian President Putin's display of weapons with "unlimited range and capability" and Chinese President Xi Jinping's instructions to his military to be ready for war show, one wrong move somewhere can plunge the whole world into another catastrophe.<sup>2</sup>

A great thinker once said, "history is something we create for ourselves." Deeply affected by the horrors of the two World Wars, the United Nations was created never again to allow such tragedies to recur. The United Nations was mandated to establish new rules based behaviour of nation-states for collective security, prosperity, and dignity of "we, the Peoples of the World." That vision disappeared in the long and dense fog of the Cold War. That is why in the early 1990s, virtually every speech in the UN started with the punchline "with the end of the Cold-War," hoping it would usher in a new era of global prosperity and security. That was only a mirage. Today many countries are suffering from violent internal conflicts and major global powers act not much different from the days of the mutually assured destruction (MAD).

### **Does Humanity Ever Learn?**

By the end of the 1990s, everyone forgot about the Cold War, and the punchline changed to "end of the 20th Century" and soon

<sup>2</sup> See Simkhada, Shambhu Ram, 'Uncertain Asia in a risky world', The Kathmandu Post, Sunday April 20, 2018.

"beginning of the 21st Century, 3rd Millennium". UN welcomed the new Century, Millennium with fanfare. But just 255 days into the new century a mind-boggling event changed the punch line "the world will never be the same." On September 11, 2001, the World Trade Centre Twin Towers in New York City, not far from UN headquarters, were blown away by airplanes reportedly masterminded by terrorists in remote caves in Afghanistan. Since then the punch lines keep changing with the authors of the socalled "War on Terror" proclaiming "terrorism started in Afghanistan and it will end there." But with London, Madrid, Beslan, Bombay, Kashgar, Paris, Munich, etc. let alone daily tragedies in Somalia, Iraq, Syria, Yemen and sadly in South Asia, Pakistan, and Afghanistan, things got only worse.

Towards the end of the 2nd decade of the 21st Century, poverty, political violence, corruption, bad governance, and terrorism are rampant. As if leaders have forgotten the horrors of history, new threats raise the specter of inter-state, even nuclear wars.<sup>3</sup> And the organization created to ensure security, prosperity, and dignity based on the sovereign equality of nations stands helpless. Disgusted by this, someone who had personally experienced the tragedies of WW II challenged world leaders in one UN summit, "does humanity ever learn?"

### **Regional Cooperation-the Next Best Hope**

Regional Cooperation-the Next Best Hope: As the postwar vision of moving away from the classical power-centric order to one based on collective security, prosperity and dignity at the global

Serious scholars like Stephen M. Walt, Professor of International Relations at Harvard University, Richard Haas, President of the prestigious New York based think tank Council on Foreign Relations and Ian Bremmer, President of the Eurasia Group are among those warning of the danger of a global war.

level seemed too farfetched, scholars downsized their vision to a possible regional level. Regional cooperation/integration evolved as the next best hope. The European Union started to lead the world in changing the behaviour of the State, arguably the highest and most powerful political entity created by the human mind to govern ultra-nationalism, itself. But bureaucratization, unemployment, migration, and terrorism are putting pressure on the European project of sharing sovereignty and prosperity by using soft power and norms/rules-based behaviour. If Catalonia adds more questions, reverse-Brexit or its successful conclusion could re-validate the new state strengthening process by evolving upwards to a supra-national level while devolving downwards to the individual protected by the rule of law.

Closer home, the Belt and Road Initiative (BRI) showcases the economic rise of China with the 19<sup>th</sup> CPC Congress reflecting its ideological assertiveness. With economic success, China's political power and external role are growing. But Rising China will also see new challenges at home, in Asia and beyond. Greatly empowered as core leader and now without a term limit, President Xi Jinping's leadership will be tested in dealing with many domestic issues as well as managing the "competition" with the US, complexities of North Korea, rumblings with Japan, South Korea, Australia, India and partnership with Russia and Pakistan. Coming days could worsen the contemporary global paradigm flux, turning our discussion on South Asia in the new world order into disorder. Where does South Asia stand in this new world order or disorder? What should South Asians do to prepare for the future?

### **Rich But Risky**

From the standpoint of natural and human resources, South Asia is diverse and rich. In terms of population, it is the largest regional

grouping with great civilization and diverse culture. With better governance, South Asia has the potential to grow and prosper much faster.

With a glorious past and future potential, today's South Asia sadly lags far behind in critical matrix of poverty-prosperity, peace-violence-terrorism, corruption-governance, and state capability-fragility. The regional trading regime is weak accounting for less than 5 percent of total trade. Connectivity in the region is not just cumbersome but regressing; in South Asia not only old walls remain but new ones are being built. As one of the most conflict-prone, radicalized, terrorism affected nuclear-locked regions, South Asian security is precarious. Collective identity, consciousness, and values-consensus, so essential for more effective regional cooperation, is not even on the agenda. Meanwhile, South Asia and the central Himalayas are emerging as one of the main epicenters of the current global paradigm flux. So, South Asia today presents a fractured picture.

Discussing the role of the organization created to promote regional cooperation, one former Secretary General himself writes "SAARC has hardly progressed beyond signs and symbols." Given the nature and scale of the problems from within and outside, to maximize potentials and minimize risks, South Asia needs far-reaching transformation. Here, I shall only touch on three areas:

- Transforming the Trans-Himalayas, with India-China relations significantly affecting South Asia
- Transforming South Asian states individually for greater integration
- Transforming SAARC from its current failures with focus on relations between the two largest members as the biggest obstacle to greater South Asian integration but

also signaling that their bureaucratic rigidity preventing SAARC from moving forward is creating serious risks to their historical importance in South Asia and hence counter-productive to their longer-term interests

### Transforming the Trans-Himalayas

Five of the eight members of SAARC have the Himalayas as one of their northern frontiers. Historically, the Himalayas symbolized both the connection and separation of China and South Asia. But developments in transport and communication technology and the melting snow are accelerating the "death of distance." What is happening not just in the north and south but further east and west of the Himalayas is also forcing China and South Asia to come closer, as the recent Xi-Modi informal summit indicates.

- The evolving objective realities are moving in one direction. But recent reports, highlighting India's concerns at Chinese investments in and around South Asia, reshaping not just economics but also the politics of the region, reflect the need to intellectually comprehend and politically and diplomatically manage the cooperative and competitive nature of the rise of India, the pivotal power in South Asia and next door neighbor China.
- Strengthening cooperation while managing competition and keeping the Trans-Himalayas peaceful is essential for South Asia but also China and India. So, they must come together to transform the Trans-Himalayas, first through the power of new ideas rather than follow the stereotypes of history. Only then cooperation in trade, connectivity, investments, technology, etc. benefiting both sides of the Himalayas can be realized.

### **Transforming South Asia**

With the house in disorder, violence in Afghanistan and Pakistan, turmoil in The Maldives, periodic internal disturbance in

Bangladesh and problems of post-conflict transition management in Sri Lanka and Nepal most of South Asia has been wasting vital human and social capital, natural and financial resources and even external goodwill and support. India presents a hopeful picture making politically stable, economically and militarily strong and diplomatically confident India crucial for itself and the region. But even then, relations with the US, China and Pakistan could profoundly change India and consequently South Asia.

In this age of unlimited access to knowledge, technology and financing what has been preventing South Asia from positive transformation by using its own plentiful natural and human resources and external investments? What keeps South Asia so divided internally and poor regionally? Massive investments in better infrastructure and livelihoods with dignified employment could drastically alter the South Asian socio-economic, political and security situation. But no society, country or region can really transform itself with external investment and influence alone, without internal preparations and readiness.

### **Transforming SAARC**

Beyond short-term electoral goals, from a long-term national and regional perspective, South Asia's challenges can be addressed only within a new paradigm of developed and integrated market harmonizing individual, national with regional and global goods. So, instead of wasting individual talents and state resources in people's or holy wars or more and powerful weapons in the name of change and security, South Asians must start building new political community connecting all peoples, societies and states for collective prosperity and security of the region as well as deal with extra-regional influence with unity and strength.

Such a new political and economic community building starts by restructuring the South Asian states, harmonizing policies and

strengthening sub-national to trans-national structures as well as accommodating new and emerging actors. The Europeans started doing so in the aftermath of the two devastating World Wars but are now under pressure from re-emerging ideological and strategic fault-lines. Combining available information with proper knowledge, South Asians need to work with wisdom rather than wait for the painful posterior experience.

For this, South Asia needs leaders able to grasp new ideas and build institutions to best cater to the needs and aspirations of all South Asians. PM Modi's vision of "sab ka sath sab ka bikas," "neighborhood first" idea and invitation to the South Asian Heads of Government to his inauguration raised hope of a new South Asia and a revitalized SAARC, but soon succumbed to the pressure of business as usual.

With its current mandate making contentious and political issues untouchable, feeble secretariat and the Secretary General as an administrative officer, it is unrealistic to expect SAARC to perform its crucial role of meeting the ideas gap at the national and regional levels. That makes transforming SAARC by changing its mandate and de-bureaucratizing the secretariat vital for any initiatives of national transformation through deeper regional integration in South Asia.

SAARC today suffers from many problems. But an attitude of its central power that "SAARC was born with anti-Indian zest," relations between its two most powerful members and collective decision to bureaucratize the secretariat are at the centre. As the most powerful member, by far the largest in size, population, economy, and military, India's political leadership bear a special responsibility to lead the SAARC process forward or else inspire the smaller members to lead the transformative process by supporting intellectually, diplomatically and financially.

#### Conclusion

In this age of far-reaching transformations all around, Germany united long ago, North and South Korea taking steps to end their long-running state of war, is it not the time for leaders of India and Pakistan too to start thinking of transforming their relations? As the current Chair and host, Nepal, under the leadership of Prime Minister K. P. Sharma Oli, has started taking initiatives to revitalize SAARC. Visit of Pakistani PM Shahid Khaqan Abbasi some time ago and Indian Prime Minister Narendra Modi later, significantly soon after his informal summit with Chinese President Xi Jinping, could be important.

PM Oli is in a unique position to talk to Modi that a more effective SAARC is not against India but in the interest of all members including India. On the contrary, resistance to strengthen SAARC risks marginalizing not only SAARC but also India's pivotal role in South Asia in regional affairs, as many events have shown.

## South Asia Amidst a New World Order: A Viewpoint from India

Maj. Gen. (retd.) **Dipankar Banerjee**<sup>1</sup>

At the outset let me congratulate the COSATT and the KAS for organizing this timely conference on "South Asia Amidst a New World Order." I would also like to congratulate the convener and the member think tanks of COSATT for accomplishing a journey of 10 years. Since its inception, COSATT has played a significant role in South Asia in the sector of track II diplomacy. Track II diplomacy plays a vital role in promoting understandings between countries. As an unofficial and informal channel of dialogue, conversations at the track II level are more open, free and frank, allowing participants to find their way to common ground that official representatives and negotiations might not occur in most of the cases. Thus, the track II process is particularly valuable when government level discussions have reached an impasse'. When implemented well, track II dialogues support the track I process by bridging differences, managing conflicts and promoting peace and understanding. An active track II process will also bring out new ideas and perspectives, and foster closer connections between academics, civil society, leaders, and institutions. Before launching COSATT, we felt there was a dire need of establishing a regional forum of think-tanks from all over the region where we can candidly discuss regional issues, barriers,

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and prospects. With the gracious support of the KAS, we could establish COSATT as a regional consortium for track-II diplomacy. Now it has been a journey of a successful decade for COSATT, and I am confident it will continue playing a significant role to support the SAARC process from track II level.

Our common purpose is to ensure peace, prosperity, and stability in this region. Over one-fourth of the world's population lives in South Asia. The region is not only the world's largest population center but also a host to several of its youngest, fastestgrowing, and most dynamic economies. The changing global order certainly has implications for South Asia, especially in the globalized world of the 21st century.

When we talk about the changing global order as well as the changing order within our region, one cannot ignore the influential role of China and its implications for South Asia. China's involvement in this region whether it is concerning bilateral, multilateral or at the regional level, it has been able to leave a substantial impact and will continue to do so in future. Similarly, the bilateral cooperation between China and India as potential world powers promises to test the established global order in the coming decades. As the two powers grow, they are bound to the current international system-with implications for themselves, the United States, and the world. And whether they agree on the changes to be made, especially when it comes to their relationship with the West, will influence the system's future character. Despite existing bilateral differences like border disputes, security concerns, and regional influences; today China and India tend to agree on the importance of state sovereignty and the need to reform global governance institutions to reflect the new balance of power. They also share a strong commitment to the open economic order that has allowed both powers to flourish in the global marketplace.

India and China are well aware of their growing economic size within the international trading system, and they see the rise of G20 and the member states of BRICS as reflecting a broader shift in economic power from the developed to the developing world. Accordingly, Beijing and New Delhi believe that developing nations are entitled to greater representation and rights within international financial institutions, notably the International Monetary Fund (IMF) and the World Bank and that the fundamental structure of these organizations must be altered.

### SAARC process and the regional response to the changing world order

It is important to point out that SAARC does face some serious obstacles to success. The organization is facing a severe resource crisis, and the SAARC countries have shown little willingness to increase their contributions to the association. Moreover, SAARC must battle the public perception; it is more a figurehead of South Asian unity than an actual facilitator of regional cooperation. The public has criticized SAARC for only reaching agreements on the lowest level of cooperation among states instead of pushing for cooperation that would benefit South Asia.

Currently, trade between South Asian states remains relatively low when compared to other regional blocks. Moreover, political and economic ties between nations rest on unstable foundations. Divisions among South Asian countries have made regional cooperation difficult and have lead states to pursue their economic goals at the bilateral level. SAARC is still a valuable forum for political dialogue in South Asia, but its economic role in the region has been mitigated by conflict and tension among its member states.

To respond to the changing world order, I see three ways that South Asia as a region should act through its regional platform -SAARC.

- A. Develop regional resilience: with vibrant dialogues, discussions, and cooperation across the region in all aspects of trade, education, tourism, and others we should develop resistance in South Asia.
- B. Develop ourselves economically: South Asian member states should enhance their economy at national as well as at the regional level. Though South Asia is one of the fastest growing regions in the world, however, the reality till today is India's economic success is the primary reason behind the strengthened the regional economy. All the member states need to have a stronger economy which will eventually enhance the SAARC's economy as a region.
- C. Revive the process of regional cooperation: Finally, we should reinforce the cooperation process in the region. Time has come to give it a new thought, new direction and further changes in the current order. It requires a new approach altogether.

The changing global system could be hugely beneficial to the member states of SAARC, provided they shape their respective social and public policies with a regional approach to economic development. Strong regional cooperation will enable the member states to occupy a prominent place in the world's economy and utilize the opportunities of an increasingly globalized world. With the cooperation and goodwill of all the member states and their sincere commitment to the principle of regional collaboration, peace, stability, and prosperity in South Asia would prevail.

South Asia Amidst New World Order

Prof. Gamini Keerawella<sup>1</sup>

First, it is necessary to clarify what 'New World Order' means. The hope of a new world has a long history and it emerges again and again at times of intense political crisis and historical transition. However, the concept of a 'new world order, in its systemic framework, emerged only in the 20<sup>th</sup> century amidst the crises and calamities of world politics.

Among the first to use the term 'new world order' as a political prescription to reorganize the world were Woodrow Wilson and V.I. Lenin. Wilson wanted to see a new world order after the First World War to be based on Liberal Democratic norms, while Lenin wanted it to be on Socialist norms.

In January 1918, Woodrow Wilson presented his famous Fourteen Points to the US Congress, as the basis for peace after the First World War. In Fourteen Points, he advocated no economic barriers and secret agreements between states. To address the pressing issue of nationality in post-war Europe in the wake of the dissolution of three multi-national empires in Europe, Wilson presented the principle of National Self-Determination.

Lenin believed that the Russian Revolution heralded a new era in human history and that a new world order was in the making, consequent to the impending socialist revolutions in Europe, followed by the national democratic revolutions in the

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colonial world. However, crises and calamities in the inter-war period shattered the hope of a New World Order. In the course of the inter-war years, an idea of a new world order emerged from a different framework with the rise of Fascism in Europe.

In the throes of the Second World War, H.G. Wells presented the idea of a new world order to unite the nations of the world, bring peace and end the war. In the book published in 1940 titled *The New World Order*, H.G. Wells remarked that "Step by step and here and there it will arrive, and even as it comes into being it will develop fresh perspectives". However, systemic rivalry that cropped up between the United States and the Soviet Union after 1947 belied any hope for a new world order of peace and stability which H.G. Wells predicted.

The discourse on the need for a change of the existing international economic order found a forum with the establishment of the UNCTAD in 1964. The demand for a change in the existing international economic system was found in the report prepared by Raul Prebisch for the Geneva Conference on World Trade and Development in 1964. In 1974, the UN General Assembly adopted the Declaration for the Establishment of a New International Economic Order. The enthusiasm generated by the UNCTAD initiatives, especially among developing countries identified as 'the South', dissipated gradually in the 80s.

The end of the Cold War kindled the hope, more than ever, for a new international order. The end of the Cold War was viewed as a decisive historical event, the 'end of history' and the dawn of a new historical era. President Mikhail Gorbachev articulated his vision for a new world order and identified the wide-ranging measures necessary for creating a new world order at the UN General Assembly in December 1988. Presidents Mikhail Gorbachev and George Bush met on December 2-3, 1989

on board off Malta, to discuss the post-Cold War order. At the meeting, both leaders widely used the term 'new world order' to denote the post-Cold War world. The cooperation between the superpowers was considered the foundation for peace and security of the new world.

The early euphoria generated by the end of the Cold War as to the emergence of a new world was proved to be short-lived. In August 1990, Iraq invaded Kuwait. In November, The UN Security Council passed the Resolution 678 authorizing all necessary means to uphold and implement the earlier Resolution. The United States launched 'Operation Desert Storm' in January 1991. The process of disintegration of the Soviet Union was complete by the 24 of December 1992, leaving the United States the only superpower in the world. Subsequent political developments that took place at the global scale dissipated the remaining hope for a new world order after the Cold War. Many argued that the post-Cold War New World Order is not new, not world and not an order.

The manner in which the Cold War ended was interpreted as an ideological victory for Liberal Democracy. On the face of it, it was true that liberal capitalism had won the war of systems. But, the liberal capitalism with 'Washington Consensus' had not succeeded at a more fundamental level because, as Ken Booth aptly remarked, it could not satisfy all basic needs but it could meet the wants of the powerful. The language and idioms that the political leadership of the United States used to describe the new world order underscore US intentions for hegemony in global politics. However, it is clear that the realities in post Cold War global politics do not allow the US to enact its own script for a new world order.

The term new world order has so far been presented as a prescription guide to a desired world order. In contrast, the term is used to describe the more fundamental systemic level changes taking place in the modern international order. It is a gradual process but, due to variety of dynamics in the last three decades, the frame and contents of the global system is changing at a rapid pace.

In order to place the current discourse on new world order in a broader perspective, it is necessary to trace how some fundamentals in the 'modern world order' are getting changed. The emergence of the modern world system could be traced in Western Europe since demise of the Medieval Order. The 'Modern' World Order evolved, as an interlinked historical package, in stages where modern capitalism, the nation state system, modern science and enlightenment culture comprised its integral elements. Emerging new nation states in Europe formalized the international order at the Westphalia Peace Accord in 1648, baptizing the sovereign nation state as the only actor in international political space. The Western colonialism evolved as an economic project of capitalism and a political project of new nation states. As Immanuel Wallenstein pointed out, modern capitalism emerged as a world system with long-distance trade on a global scale. Colonialism facilitated this process. It was an unequal exchange in which surplus from the periphery of the capitalist world system continuously transferred to the center. It leads to a process of capital accumulation on a global scale, and necessarily involves the appropriation and transformation of peripheral surplus. This division of labor leads to the existence of two interdependent regions: core and periphery in a single world system. All these units and processes were not static. They were changed over last five centuries to suit evolving historical forces. But they are within the same paradigm.

However, rapid and fundamental changes brought forward by political, economic and technological developments are now pushing the existing world order towards a paradigm shift. Primarily, the character and primacy of the sovereign nation state, the constituent unit of the modern political order, is rapidly changing. Its authority is curtailed internally by the sub-national forces and externally by the international decision-making instruments. That is not to say the nation state as a political entity is withering. It is rapidly changing and is compelled to share its authority and power internally and externally.

Another important development that has a profound impact on global politics is the emergence of international public space along with international civil society. Prior to the Second World War, the main if not only, actor in international politics is the sovereign state. The intervention of non-state actors who are operating in international public contribute to decide the direction of global political discourses, using global forums which states simply cannot afford to ignore.

The process of globalization, presently in full motion, created an unprecedented globalized world. The intense global flow of goods, services, finance, people, images and ideas has compressed the world by linking dispersed localities and people. The unprecedented level of contraction of time and space in human activities due to some technological advances has pushed the entire world into a structurally a different phase of interaction and web of global relations. It creates a high degree of interdependence and multiple properties of collective decision making systems in global politics. As a result, one nation rests on the decisions of many others. Furthermore, the role of Internet, Email, Facebook and Twitter in day to day life reflects the way in which the world today has transformed. The political power of social media in the information age has been revealed in many

parts of the world and it clearly indicated new trends in political behavior and culture which no political leader can ignore.

At the same time, the nature and structure of war has changed. The intensity and violence of inter-state wars are replaced by intra-state wars, especially identity based conflicts. In the changed context, new doctrines of intervention have also emerged. As *Economist* identified in 1992, two sets of conditions that are used to justify such interventions. These two conditions include, first, 'Wars of Interests' and, second, 'Wars of Conscience'. In wars of interests, the focus was on the control of vital resources that the developed world needs urgently. The second category includes direct military intervention that is necessitated in the face of degrading living conditions and humanitarian crises due to manmade or natural calamities. As far as the second category is concerned, there was no consensus in the international community because of the complexities and competing strategic interests.

Since the emergence of modern international system, the center of gravity of global politics remained in the West. Consequent to the economic and politico- strategic resurgence of Asia along with other changes in international politics, the center of gravity in global politics is gradually moving towards Asia Pacific. It is now estimated that Asia will surpass North America and Europe combined in global power based on GDP, population size, military spending and technological investment by 2030. According to World Bank, South Asia solidified its lead as the fastest growing region in the world in 2016. WTO rated China the second largest merchandise trader in the world in 2016. Accordingly, China has risen to be the second largest economy in the world, surpassing Japan in the new century. Today, Chinese Navy claims to the second largest in the world. India is ranked fourth in the Global Fire Power (GFP) ranking, based on each

nation's potential for conventional war- making capabilities across land, sea and air.

These developments are crucially important to South Asia, as a region and to its individual countries. First of all, South Asia's position in the global order has changed. It is no longer a periphery to the West. Furthermore, the shifting of center of gravity in global politics from the West to the Indo-Pacific region has made the Indian Ocean a pivotal global geo-strategic space in global politics. The South Asian Peninsula projects into the Indian Ocean basin centrally, making it a natural hub linking the eastern and Western flanks of the Indian Ocean. Nearly 40 percent of the world's offshore petroleum is produced in the Indian Ocean and two-thirds of global seaborne oil trade transits the Indian Ocean, rounding South Asia. It is important to note that Indian Ocean ports handle about 30 percent of global trade. South Asian advances in the knowledge industry linked with the IT revolution are also very impressive today. The impact of the lead in 'colonizing the cyberspace' by South Asia is reverberated in the Silicon Valley too. South Asian brainpower is a critical factor in the corporate world in the West.

Despite all these changes, however, the old antagonism between India and Pakistan and their strategic rivalry lingered in the new millennium too. The Jammu and Kashmir issue was the *casus belli* between India and Pakistan: it continues to be the same. Indo-Pak rivalry has now become a socially constructed phenomenon. With the formal declaration of the acquisition of nuclear weapons in 1998, both countries added a new dimension to the rivalry. It is important to note, however, that the regional level bi-polar order is changing as a result of the power asymmetry between the two countries. India emerged the predominant power while Pakistan could not maintain the bi-polar structure in the face of its continued internal crisis.

At the same time, the states in South Asia are compelled to take into account the fact that new global-scale social forces, set in motion by globalization, have contracted the role of the state. Human rights, good governance, and accountability are no longer just domestic issues and concerns as international civil society actors fully use the UN institutions and instruments to make them global. The process of relocating political authority upward towards super-national entities, sideward towards transnational organizations, and downward towards sub-national groups and communities is a stark reality which South Asian states need to accept sooner or later.

Finally, going with global trends, the violence of declared inter-state state wars in South Asia is replaced by intra-state wars, especially identity based conflicts. Since Kargil, no war between India and Pakistan has been reported. Political and economic cost involved with the inter-state wars compels states to think twice before going to war. Nevertheless, intra-state conflicts are in the rise in South Asia. Except The Maldives, all the countries in South Asia are multi-ethnic, multi-religious entities. In the context of the global tendency of rising ethnic sub-nationalisms, ethno-political mobilizations has become a conspicuous feature in the political landscape in South Asia. To quote Anthony Smith, it is still nationalist high noon, and the owl of Minerva has not stirred. In the context of ethnic resurgence, many ethno-national identities come forward to redefine their collective self and to change their relationship with the state, either peacefully or violently.

Hence, foremost challenges that South Asia confronts amidst the emerging new world order are, first, how to come to terms with international regimes and global instruments in many functional areas that were hitherto considered a prerogative of the sovereign state and, second, how to manage of ethnic relations in domestic sphere. Both are interrelated. What is required today is

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new concepts, vision and strategies to remodel the state and the citizenship in line with the changes that are in motion in this historic phase.

# Where will South Asia Stand in the Emerging Multi-Polar World?

Prof. Moonis Ahmar<sup>1</sup>

#### Introduction

As the global order is transforming from unipolar to multipolar, one fundamental question which arises in the minds of concerned people is how South Asia will deal with new global realities. South Asia is known as the hub of inter and intra-state conflicts, is termed as a major flashpoint because of uneasy relations between the two nuclear-armed countries of the region - India and Pakistan.

The growing Indo-U.S strategic ties which is reflected in the convergence of their perceptions and interests on major global and regional issues is, however, having an impact in the shape of rising Chinese engagements in Pakistan. A loose type of alliance to transform the world order as multipolar is Brazil, Russia, India, China, and South Africa (BRICS). Shanghai Cooperation Organizations (SCO) is another type of security arrangement in which apart from Russia and China, India and Pakistan and Central Asian states are also its members.

This paper will examine how South Asia will respond to the emergence of a multipolar world and how India and Pakistan as the two major regional countries and with a history of conflicts

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will view the emerging transformation of global order? Other questions which will be responded in this paper are:

- 1. What are the key challenges faced by South Asia in the contemporary global order and how these challenges could be met?
- 2. How SAARC can be revitalized by breaking the existing standoff?
- 3. Can China as a full member of SAARC enhance the geo-political, geo-strategic and geo-economic position of South Asia?

Indeed, South Asia is far below than other developed regions of the world in key indicators of social and human development. Illiteracy, social backwardness, poverty, energy and water shortages, population explosion, unresolved inter and intra-sate conflicts, the rise of extremism, intolerance, militancy, radicalization, violence, and terrorism are rightly termed as the fault-lines of South Asia. How issues which are responsible for keeping South Asia economically and technologically backward can be dealt with and to what extent India and Pakistan, as the two major countries of the region can play a vital role in transforming South Asia from a low income to a high income region?

### **Transformation of Global Order**

The post-Second World War global order which was bi-polar and dominated by the two superpowers, the United States and the Soviet Union, collapsed with the demise of the Soviet Union and disintegration of Warsaw Treaty Organization (WTO). With the demise of one superpower, the United States emerged as the only superpower which transformed the world from bipolar to multipolar. The then American President George W. Bush on September 11, 1990, in an address before a joint session of

Congress, called for a 'New World Order' based on the rule of law shared interests and responsibilities of the major stakeholders of the post-cold war era. He argued that the United Nations must play a leading role in the transition following the end of the cold war by preventing aggression and the use of force by launching peace keeping operations. He reaffirmed his call for a New World Order during his speech of March 6, 1991, which he delivered before the Congress. Unfortunately, Bush's 'New World Order' proved to be a non-starter from the beginning as no one took it seriously. Samul P. Huntington's work on the clash of civilizations added a further scope for a debate on how the vacuum created by the demise of the Soviet bloc will be filled by the competing Islamic, Western (Christian) and Confucius cultures and civilizations<sup>2</sup>.

In the world order emerging after the disintegration of the Soviet Union and the end of the cold war, four major realities emerged. First, the vacuum which existed after the collapse of the Soviet Union and the Warsaw Pact became a major challenge. The world which was divided on the ideological ground witnessed the emergence of new conflicts which were primarily intra-state particularly in former Yugoslavia, Tajikistan, Georgia, Azerbaijan, Somalia, Sudan and in other parts of the Third World. The surge of ethnic and religious nationalism became a major reality in the post-cold war era which caused enormous destruction and displacement of millions of people. Second, the United States, which emerged as the only superpower to provide a leadership role in the unipolar world coopted the Russian Federation, the successor state of the Soviet Union in Group of Seven. Now called as Group of Eight after the

<sup>2</sup> Samuel P. Huntington, *The Clash of Civilizations And the Remaking of World Order* (New York: Simon & Schuster, 1996).

co-option of the Russian Federation, G-7 composed of the United States, Britain, France, Canada, Italy, Germany, and Japan maintained its hold over the policy-making framework of the group. However, in 2014, G-8 reverted to G-7 when Russian participation was excluded because of its occupation of Crimea. Thus the co-option of Russia in the Western thought and policy process under the framework of G-8 ended.

Russia's opposition to the expansion of NATO with the inclusion of several former members of Warsaw Pact and its occupation of Crimea unleashed another phase of the cold war between Moscow and Washington. The resurgence of Russia under Putin proved the worst fears of the U.S correct that the demise of the Soviet Union which also significantly weakened Russia's hold over world affairs was a temporary phenomenon. Moscow under Putin not only challenged America's grip over global affairs but also succeeded in dividing the West. Third, the emergence of BRICS is also termed as a major reality in the prevailing global order. Russia, China, and India, the three giants of Asia along with South Africa and Brazil managed to form a loose type of an alliance challenging the U.S led the unipolar world.

Can BRICS emerge as a compelling challenge to the U.S hold over global order? Will the West, which since the end of the Second World War till now supported America as a custodian of Western interests, maintain its clout in existing global order? It seems, given the technological superiority of the United States and its huge defense budget of around \$ 700 billion, it will take several years for BRICS or any other group of countries to effectively challenge Washington. Even Barack Obama, the former American President had to reconcile to the fact that the United States was losing its edge over global affairs and the world was transforming as multipolar. Challenging the U.S to

hold over global order would mean to what extent BRICS would deal with its internal contradictions and remain united as a counter to the United States.

Third, the role of other powers other than BRICS states cannot be undermined. For instance, the European Union (EU) as an economic bloc regardless of BREXIT is a noticeable power bloc. Stretching from Portugal to Poland and from Sweden to Greece, EU is the third largest economy after the United States and China. Although a majority of the members of EU are in NATO, a pro-American alliance, the bloc is not in conformity with all the American policies, particularly those pursued under the Trump administration. EU's independent approach to foreign policy matters and its reservations on U.S President Donald Trump's policy on protectionism, anti-Islam phobia, and exaggeration of immigration threat reflects Europe's pragmatic approach on issues of vital importance. Finally, the post-cold war situation and the emerging world order cannot be analytically examined without referring to the rise of Islam as an ideological competitor to the mostly Christian dominated international system. The theory of the clash of civilization presented by Professor Huntington in an article in Foreign Affairs journal published in 1993 was a reflection of the thought process which was unleashed primarily in the West that the ultimate conflict in the post-cold war era will be between Western and Islamic civilizations. The perceived rise of Al-Qaeda and other Islamic hardline and extremist groups were depicted as significant sources of threat particularly by the United States which was depicted by the then American President George W. Bush as 'war on terror.'

It was not only the rise of Islamic extremism which emerged as a major security threat after the end of cold war, but religious extremist groups were representing Christian, Jewish, Hindu and

Buddhist religions also emerged. In Israel, India, United States, Europe, Thailand, Myanmar and Sri Lanka, religious extremist groups representing Christianity, Judaism, Hinduism, and Buddhism became a fundamental reality. The decline of Communism as an ideology and the rise of religious extremism made a dangerous impact on global order. It led to the surge of intolerance, extremism, militancy, radicalization of youth, violence, and terrorism.

Transformation of global order is the need of the hour but much depends on two major requirements. First, the new multipolar international system must deal with issues which seem to have threatened the survival of this earth, namely climate change and global warming. It is this challenge which needs to be given a priority by the major stakeholders of global order particularly those belonging to the West; those representing BRICS and those located in the least developing world. Unfortunately, the United States, which should have been responsible enough to support efforts for eradicating environmental pollution and global warming, is not to be seen side by side with those who are committed to preserving earth from further ecological destruction. Same is the case with dealing on shortages in energy and water resources; deadly diseases; displacement of millions of refugees as a result of armed conflict particularly in Africa and in the Middle East and coping with the menace of terrorism. Second, an authoritative role for the United Nations to enforce peace is the need of the hour. While not fulfilling its responsibilities under Chapters V-VIII of the charter, the UN has been unable to stop violent confrontation going on in Syria by restraining foreign powers of their intervention in that volatile country.

#### South Asia and Global Order

Where South Asia stands particularly when the global order is passing through a transitory phase? How much South Asia matters in the global economy, technology, and sports? Why South Asia lacks leadership which can exert its influence as far as the global affairs are concerned?

According to United Nations Development Program on Human Development Index, 2018 Afghanistan ranked 169 out of 188, Bangladesh 140, Bhutan, 132, India 131, Maldives 105, Nepal 144, Pakistan 148 and Sri Lanka 72.<sup>3</sup>

According to the details of the Human Development Index, South Asia ranked the following position as a region:

Human Development Index (HDI)	0.621
Life expectancy at birth	68.7%
Expected years of schooling	11.3
Mean years of schooling	6.2
Gross national income (GNI) per capita	5,799
GNI per capita rank minus HDI rank	
HDI ran	

**Source**: http://hdr.undp.org/en/composite/HDI accessed on March 5, 2018

As far as the economic growth rate of South Asian countries is concerned, according to the World Bank South Asia remains fastest growing region but with exceptions. Following is the breakup of the economic growth rate of South Asian countries during 2016.

Afghanistan: 2.9% Bangladesh: 7.2%

<sup>3</sup> http://hdr.undp.org/en/composite/HDI accessed on March 5, 2018.

Bhutan: 6.7% India: 7.7% Maldives: 3.5% Nepal: 1.7%

Pakistan: 4.5% Sri Lanka: 5.3%

**Source**: http://www.worldbank.org/en/news/press-release/2016/04/09/south-asia-fastest-growing-region-world-vigilant-fading-tailwinds

Based on the above facts and data, it seems South Asia has a long way to go to establish its place in global affairs. When most of the indicators on human development reflect low progress, it would mean marginalization of South Asia as far as global economic and technological standing is concerned. Four primary reasons account for South Asia's lack of proper impact on world order in the light of human and social development and quality of life of people as a whole. First, the leadership of South Asia is unable to institutionalize the process of regional cooperation and is a victim of unresolved contentious issues. Unlike the European Union where the trade among the member countries is 60% and ASEAN 35% in the case of South Asia, trade among the members of SAARC is hardly 5%. Even South Asian Free Trade Area (SAFTA) which was reached on January 6, 2004, on the occasion of 12th SAARC summit held in Islamabad has failed to take off because of the lack of political will on the part of member countries to transform that agreement into reality. It means there is something seriously wrong with the leadership of South Asia as it has not been able to progress as far as significant economic and trade ties are concerned. However, SAARC Chamber of Commerce and Industry Vice-President Iftikhar Ali Malik before participating in a three-day 6th SAARC Business Leaders Conclave in Kathmandu on March 16 while talking to

media at the Lahore Airport said that, "the SAARC Preferential Trade Arrangements (SAPTA) and South Asia Free Trade Agreement (SAFTA) and more recently the SAARC Agreement on Trade in services as landmark achievements in the pursuit of common objective of a speedy regional cooperation. Statistical evidence suggests that intra-regional trade among SAFTA members is rising slowly and steadily. South Asia's intra-regional trading share has also increased substantially. The business community believes in harmony and advocates regional economic integration to address major challenges including job creation and poverty reduction."

Second, unlike ASEAN and EU, the two regional organizations representing South East Asia and Europe, SAARC lacks institutional mechanism on monetary, travel, trade and security matters. Ironically, since the inception of SAARC in December 1985 till today, corrective measures like SAFTA failed to strengthen the process of regional cooperation. There is neither the Visa-free regime nor common currency in South Asia which was proposed a long time ago. Without proper trade and travel connectivity, there is no way SAARC can have an impact as far as world order is concerned. The tension between Pakistan and India tends to derail the process of regional cooperation as is evident from the postponement of 19<sup>th</sup> SAARC Summit which was scheduled to be held in Islamabad in November 2016. Led by India, Bangladesh, Bhutan, and Afghanistan refused to attend the SAARC Summit because of New Delhi's criticism on what it calls the failure of Islamabad to prevent cross-border terrorism.

Third, Under the Modi regime, India which should have been a role model of tolerance, moderation, and prudence for other South Asian countries is following a different path. Intolerance against religious minorities and Pakistan bashing tends to become a dominant discourse and policy in India today.

India should have learned lessons from the Chinese model of peace and development as Beijing's policy since the last four decades is based on strict neutrality in global affairs; the policy of non-interference and non-interference in the internal affairs of neighbors and concentrating on progress and development. Still, India has world's largest concentration of poor population; is not able to provide necessities of life to its people; is a victim of caste, creed, and religious biases and pursues an aggressive policy vis-à-vis its neighbors. All such trends form a major impediment to transforming India as a role model of peace and development which negatively impacts on South Asia's standing in global affairs because around 75% of population, territory, and resources of the region are concentrated in India.

South Asia will establish its standing in global order if it excels in the following areas:

- 1. Economic progress and development.
- 2. Technological innovation.
- 3. Access to people in necessities of life such as health, education, clean and safe drinking water, better sanitation, housing, and public transport.
- 4. Controlling environmental pollution.
- 5. Better communication linkages among the SAARC countries.
- 6. Better sports and tourism facilities.
- 7. Disaster management.
- 8. Combating drug trafficking.
- 9. Combating corruption and nepotism.
- 10. Protecting the rights of minorities and women.

#### South Asia and the Challenges of Global Order

The emerging global order from unipolar to multipolar will pose multiple challenges to South Asia viz:

- 1. The rise and surge of China.
- 2. American loss of control over its western allies.
- 3. Rise of religious extremism and ethnic nationalism.
- 4. Rise of populism in Europe.
- 5. Growing schism between Russia and the West.
- 6. Growing chaos and instability in the Middle East.
- 7. Growing threat of nuclear proliferation.
- 8. Erosion of global leadership.
- 9. Melting of the North Pole and the possible outbreak of conflict.

Is South Asia capable of dealing with such challenges? Two realities must be taken into account as far as South Asia responding and dealing with eight challenges are concerned. First, asymmetrical nature of South Asia because of India's predominant position and its lack of readiness to be magnanimous while dealing with unresolved issues with its neighbors. When is the Indian leadership unable to resolve its existential conflicts with its only western neighbor, i.e. Pakistan how can South Asia seek political stability and economic cooperation? Second, the stalemate in SAARC particularly since the postponement of 19<sup>th</sup> SAARC Summit which was scheduled to be held in Islamabad in November 2016. If India along with some SAARC countries wanted to deprive Pakistan of hosting the SAARC Summit because of some bilateral issues, it means total lack of wisdom on the part of New Delhi thus further marginalizing the position of this regional organization before the world.

South Asia cannot meet the challenges of global order unless it puts its own house in order which would mean pursuing a professional approach on matters of regional cooperation particularly economic cooperation, trade, travel, energy, human

security, extremism, intolerance, violence, and terrorism. But India has taken its unresolved issues with Pakistan at the SAARC level which has weakened the bond of regional cooperation in South Asia.

SAARC can only be revitalized by taking damage control measures like holding the 19th SAARC summit at the earliest; refraining from hostile propaganda against each other; implementing the decision of SAARC for bettering regional cooperation and pursuing a forward-looking instead of a retrogressive approach. Personnel vendetta, which is a known culture of South Asia, needs to be replaced with a positive vision so that the future of the region is better than its past and present.

One way to deal with the structural imbalance in South Asia is to consider including China as the full member of SAARC. Presently, China has an observer status in SAARC yet because of reservations held by India, China is unable to join SAARC as a full member. China has borders with five out of eight SAARC countries and is also a distant neighbor of Bangladesh.

One can figure out three major positive implications if China is admitted as a full member of SAARC. First, China has enormous economic, commercial and trade ties with all the SAARC countries and is involved in infrastructural development and modernization. China's admission in SAARC as a full member will enormously help countries of the region in seeking better expertise and economic assistance. Second, China's admission in SAARC will help create power asymmetry in South Asia thus mitigating a sense of insecurity among small and medium level countries vis-à-vis the perceived domination of India. Finally, China will effectively contribute to South Asia's development and progress by applying its one belt and one road initiative. Already, China has more than 56 billion dollars of its

investment under China-Pakistan Economic Corridor (CPEC) which can benefit other countries of South Asia if China is granted full membership in SAARC. Certainly, China as the world's second largest economy will have a fruitful and constructive engagement in South Asia which will transform SAARC from a stagnant to a vibrant organization.

The vision for a progressive and prosperous South Asia with a firm standing in global affairs cannot be transformed into a reality unless there is forward-looking and wise leadership. As things stand today, South Asia has a long way to go to match with successful models of development not only in the West but also in the East. In the arena of think tanks, research, and development, human and social development South Asia needs to catch up with its counterparts in the West and the East. Consequently, South Asia will not matter in the global order, whether bipolar or multipolar unless it can reverse its marginalized position.

#### The Way Out

There is no shortcut or quick fix solution as far as South Asia's predicament in global order is concerned. One can contemplate on four possibilities, which if taken seriously by the custodians of South Asia, can go a long way in ensuring a better future for the region as a whole. First, the leadership of South Asia, particularly SAARC must come out of their parochial mindset and look beyond things. In an era of globalization, soft power, geo-economics, and information technology, there is a need for the governments of South Asia to give priority as far as meaningful regional cooperation is concerned. Second, the agreements on free trade like SAFTA and SAPTA must be given a practical shape because meager intra-regional trade tends to diminish hopes for a better future of the region. Furthermore,

apart from trade, there is a need to encourage and promote meaningful cooperation as far as the corporate sector in South Asia is concerned.

Third, travel, tourism, and connectivity must be given preference so that more than one billion population of South Asia can seek better interaction and connectivity. At the moment, South Asia lags behind many countries regarding Visa-free travel and connectivity and communication linkages by air, land, and sea. The capitals of South Asia need to be adequately connected, and private airlines should be encouraged to launch flights particularly between India and Pakistan. Finally, South Asia must present a positive image before the outside world instead of projecting conflicts, allegations, charges and counter-charges against each other. This would require cessation of propaganda warfare between Pakistan and India, Pakistan and Afghanistan and Pakistan and Bangladesh as these four countries given a variety of reasons tends to be hostile in their ties to each other.

# Cyber Space, Cyber Threats and the Fight Against Cyber Crime

Prof. Dr. Mario Voigt, MdL<sup>1</sup>

I would like to thank and express my sincere appreciation to the organizers of this conference for inviting me here in Kathmandu. My special gratitude to the Director of CSAS, to the KAS regional head and the COSATT network members. I would like to discuss the cyberspace and the cyber threat, which is not just limited to any particular region but has become a global phenomenon.

Over the last two decades, the internet and more broadly cyberspace has had a tremendous impact on all parts of society. In the modern, interconnected world, security and safety challenges are increasingly complex, impacting local, national, regional and international levels. As technology continues to evolve, so do the opportunities and challenges it provides. We are at crossroads. As we move from a society entwined with the internet to the coming age of automation, Big Data, and Information Technology are becoming more and more important.

As a society that runs largely on technology, we are also dependent on it. Technology brings benefits, but it also brings ever greater threats: by the nature of the opportunities it presents, it becomes a focal point for cyber-crime, cyber-attacks, and cyber-security. Therefore, protecting it is of utmost priority.

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#### NATO's Cooperation and Approach against Cybercrime

I will now discuss how NATO has been providing support through various institutions and mechanisms to fight against cyber-crime in Europe. Partnerships play a crucial role in effectively addressing cyber challenges. NATO engages with a wide range of partners including international organizations, the private sector, and the academia. Cyber defense is one of the areas of strengthened cooperation between NATO and the European Union, as part of the two organizations' increasingly coordinated efforts to counter possible threats. NATO and the EU share information between cyber crisis response teams and exchange best practices. NATO is also helping partner countries tackle cyber challenges. Several NATO bodies are also supporting the Alliance and individual nations to improve cyber defenses.

The NATO Communications and Information Agency, with headquarters in Brussels and Mons (Belgium) and The Hague (The Netherlands), supports NATO operations, connects NATO's information and communication systems, and defends NATO's networks.

*The NATO Cyber Range* in Estonia is used by cyber experts to develop their capabilities through realistic exercises.

The NATO Cooperative Cyber Defense Centre of Excellence in Estonia is a NATO-accredited research and training facility dealing with cyber defense education, research and development. The Centre offers recognized expertise on cyber defense.

The NATO Communications and Information Systems School in Italy provides training to personnel from Allied (as well as non-NATO) nations relating to the operation and maintenance of NATO communication and information systems.

*The NATO School* in Germany also conducts cyber-related education and training to support alliance operations, strategy, policy, doctrine and procedures.

The NATO Defense College in Italy fosters strategic thinking on political-military matters, including on cyber defense issues.

#### **EU's Cybersecurity Strategy**

The EU has classified cybersecurity in four different categories namely, cybercrime and justice, cyber diplomacy, cyber conflict, and cyber resilience. Based on these categories, the EU is trying to tackle cybersecurity challenges at the European level. To secure cyberspace, the EU has developed cybersecurity space at the member states level, regional and global level. These strategies are both short and long-term, they include a variety of policy tools and involve different types of actors, be it the EU institutions, member states or private sectors. The EU vision presented in this strategy is articulated in five strategic priorities, which address the potential issues that might challenge cybersecurity.

- Achieving cyber resilience
- Drastically reducing cyber-crime
- Developing cyber defense policy and capabilities related to the Common Security and Defense Policy (CSDP)
- Develop industrial and technological resources for cybersecurity
- Establish a coherent international cyberspace policy for the European Union and promote core EU values.

#### **Cybersecurity Threat in Germany**

Germany is a big target of spying and cyber attacks by foreign governments such as Turkey, Russia, Iran, and China. Key attack targets in the past were the Foreign Ministry and its overseas

offices, the Finance and Economic ministries, the Chancellery and the German military.

Cyber attack is not a recent phenomenon in Germany; in the past also some incidents related to IT and internet attack took place, for example, Chancellor Angela Merkel's mobile phone was hacked in 2013, Cyber attack on the lower house of the German parliament in 2015 and in 2016 several German political parties, including Chancellor Merkel's Christian Democratic Union of Germany (CDU), were attacked. Similarly, last year, the Russian hacking group was accused of targeting the federal government's internal communications network and information during the 2017 election. The incidents of successful cyber attacks make clear that the German government's data network is not sufficiently protected.

#### Germany's Cyber Protection Mechanism

Cybersecurity threat is becoming increasingly critical in Germany. Our society, economy, and state are increasingly becoming more digitalized, which also makes them more vulnerable. On top of that, attackers are becoming more professional, and they are using more intelligent malware. Attackers want to produce the largest effect possible. That's why they target their attacks primarily against critical infrastructure.

With Germany's IT security law, introduced in 2015, we have created legislation that focuses on such infrastructures. On the one hand, it introduces minimum standards for IT security: how operators need to protect themselves against cyber-attacks. There are regular checks to make sure they still follow those standards. On the other hand, they are obliged to inform the authorities about any critical IT security incidents. If operators are affected, they need to alert the German Federal Office for Information Security (BSI) about it, which in turn can analyze, assess the threat and

inform other operators as fast as possible so that they can protect themselves on time. In November 2016, Germany introduced a cyber-security strategy: a plan for the country on how to protect itself and how to best react to cyber-attacks.

Cyber-warfare and cyber-attacks have now become a reality. Given the significant role the internet plays in our society and economy, business, government and intelligence agencies have become a primary target for attack by nation states and terrorists. Today the reality is that many states and non-states actors and terrorist groups from all over the world have active cyber-weapons development programs. Cyber-attack is not merely limited and targeted to any particular countries or region rather anyone from anywhere in the world can target anyone. Therefore, there should be strong cooperation among all the concerned stakeholders to tackle this nontraditional global threat.

I hope this sharing of experience and knowledge is useful to other regions also. With this note, I would like to conclude my remarks on cybercrime and its potential threat. I am once again grateful to the organizers for inviting me to this event.

### South Asia Amidst A New World Order

Promoting Connectivity, Democratization, Social Inclusion and Emerging Political Situation -Looking towards 2030

#### Dr. Geeta Madhavan<sup>1</sup>

The process of democratization denotes the substantive changes that are made for the transition from an existing regime wherein all, or certain rights are denied, to the securing of the basic rights previously abrogated or withheld. The most noticeable features of authoritarian or semi-authoritarian regimes are not only restricted liberty, lack of acceptable and recognized opposition and a completely or partially controlled media but also a defunct or partisan judiciary. In such situations, there can hardly be any institution or governmental agency that ensures or upholds a citizen's liberties or rights. Generally, the scope and authority of an authoritarian regime whether it be a government based on martial law or dictatorial dogmas is vested in a single individual or the chosen elite. These rulers are those who may be voted to power by suffrage who subsequently usurp complete power or those who have wrested power in a coup or uprising. A totalitarian or semi-totalitarian state glorifies itself via propaganda and retains power by crushing out any dissent.

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The etymology of "democracy" is associated with the Greek terms demos (people) and Kratos (rule) and therefore in its fundamental conception deals with the inclusion of people in the ruling process. Inclusion in a democracy cannot occur without systematic development of principles of discourse. Dissenting groups have to be accommodated through negotiations and mutual talks. There is a need to allow space for constructive criticisms and sometimes even protests in the form of public gatherings, mass processions, and civil protests. These demonstrations by sections of society either directly affected or consisting of those who support securing of rights, create the forum for curtailing the arbitrariness of the rulers, thereby ensuring not only citizens' rights to hold, express and form an opinion but also protect the minority or the marginalized sections of that society. Strategies by an opposition that highlight the wrong policies of the government, that create a momentum that makes the authorities responsible for actions which may adversely affect the people are necessary to develop a robust democracy. Socio-cultural, religious, educational rights and the right to dignity of life, which tend to get sidelined, can only survive if there is social inclusion in the process of democratization.

In the Indian context, the fundamental principle of inclusion is underlined in the doctrine of local governance. Article 40 of the Indian Constitution provides for the establishment of Gram Panchayats at the village level. In 1957 based on the recommendation of the Balwantrai Mehta Committee three-tier Panchayat Bodies were installed all over India. The three-tier pyramidal structures of Panchayati Raj institutions in India include Gram Panchayats at a village level, Blocks and Zilla Parishads at the Block and district level respectively. By the 73rd Constitutional Amendment of 1993 their structure, composition, and autonomy were further strengthened. The designated

Scheduled Castes, Scheduled Tribes under the Constitution of India and Women have been given adequate representation in Panchayati Raj institutions at all levels, thereby structuring democracy at the rural level on the principle of inclusion. Social inclusion was the vision of India's founding fathers which they enshrined in the Constitution giving it greater sanctity by preserving it for all times as part of the inviolable 'Preamble'. However, it is an undeniable fact that in recent times under a more apathetic government, the fundamental elements and fringe groups have indulged in violence and rising intolerance for minority rights is cause for great alarm. In the past years especially there has been heightened violence towards the marginalized and vulnerable section of society and religious and ethnic minorities.

Another emerging alarming trend is that apropos to "development," there is the organized and consistent abrogation of the rights of tribal rights people who have been living in the forest and mountainous areas which have been designated as protected areas. Along with the destruction of flora, fauna and natural resources in such areas; their livelihood and security have been threatened. Similarly, large agriculture lands that have been the backbone of the rural economy of India are seeking to be appropriated to be sold or leased to multinational and corporate entities by the government leading to large-scale protests. Focusing on India's economic architecture in the name of "economic reforms" has led to a constant assault on basic human rights. The intense discussions that have risen in the public space and in the media along with citizen's protests are because of a deepening disconnection between the agenda of democracy on the one hand and that of development on the other. The two ideas seem to be pulling in different directions. The intertwined nature of the democracy and development agenda has been consistently ignored even while it is hoped that somehow the fruits of

Although democracy does not automatically lead to the development of a state, there are higher chances of economic growth under it. With social inclusion, developments can be sustained in a democratic climate because democracies tend to be more resilient compared to the swift changes in authoritarian regimes. In any democratic situation, the changes come through suffrage or judicial declarations striking down undemocratic policies. Therefore, stability with inclusion and space for dissent promotes growth along with other social factors like literacy,

education and health index. The Asian Development Bank defines good governance as the manner in which power is exercised in managing a country's social and economic resources towards development.

The emerging trends in South Asia have caused global consternation especially in the context of China's regional posturing as a political power spurred on by its global economic ambitions. However, I do not see the rise of China as a hegemonic power in South Asia as an eventuality; the well-concealed regional ambitions of Russia will consistently and subtly negate any space China creates for itself in South Asia. Europe and the US have still not seen the rise of Russia or its policies for South Asia as a threat, but if more regional countries shy away from China, learning from the disastrous Sri Lankan experience with massive debt, the influence of China in the region will quickly be replaced by the Russians. Not only the vast but wasteful and almost unused infrastructures at the Hambantota Port in Sri Lanka but the building of the port facilities in Colombo along with other Chinese infrastructure investments has damaged Sri Lanka's economic policies.

It would be pertinent to other states in the South Asia region, especially Pakistan who leans towards huge Chinese investments for building infrastructure to face the reality that globalization has to be conjoined with state sovereignty. Sovereignty is the sacrosanct doctrine of the nationality and maintaining political and economic autonomy gains supremacy over foreign investments that threaten these principles. In this context, China's attempt to promote regional development by its One Belt One Road (OBOR) initiative has also become suspect.

Nepal canceled the Budhi Gandaki Hydro-Electric Dam Project in November 2017 on the grounds that it was "marred by

irregularities." The project had been contracted to a Chinese company, Gezhouba Group. Nepal's decision follows the cancellation by Myanmar of the \$ 3.6 billion Myitsone dams which had been contracted with China by the former Myanmar President Thein. Myanmar has also terminated the refinery contract to China after financing issues arose. Meanwhile, Thailand High-speed railway was cancelled in 2016 for not subcontracting sufficient work to Thai companies. These actions have far-reaching consequences in the region. Pakistan, however, with its intense desire for upmanship with regional states like Bangladesh, Nepal and Bhutan and its bitter relationship with India deludes itself that China is the route to its economic growth and stability.

The period starting 2020 and continuing into a decade or two could well be the period of the decline of China's influence in our region and the downward trend of regional dependence on China. As China's intentions and ambition are being viewed as excessive economic imperialism with political repercussions, the inclination towards Russia will become more pronounced. Russia also has definite plans to increase its influence in the region in various spheres. Russia is turning clearly towards India and ASEAN countries for regional economic and strategic ties; and in the future, Russia and India will be seen working together to promote political stability and economic development in the region. India could also be a model of democracy for the countries in Central Asia balancing the powers in the region skillfully. Close ties between Russian Federation and India will also counter the possibility of fruition of Chinese maritime ambitions. With the US developing a broader Indo-Pacific approach to marine policy, China's emergence as a naval power will also be severely curtailed. The shift of the axial incline away from China can only benefit all the countries in the South Asian region and lead to

greater regional cooperation. The shift will also resonate in the economic and trade ties of South Asian countries with Europe. This would undoubtedly usher an era of more significant and definitive ties based on trust and mutual benefits among the nations of South Asia.

# A Century of Political Experiments and Continuing Confusion in South Asia

#### CK Lal<sup>1</sup>

Sometimes an anniversary or a centenary can serve as a useful peg to hang vague ideas onto it. I am going to argue in this short piece that circa 1919 was hugely significant for South Asia and the political culture of the events of that year set into motion. It continues till today to shape attitude and beliefs of the polity and society in our region.

The fateful year began with the promulgation of the 'Rowlatt Act' in February. After the First World War and the Russian Revolution, the Rowlatt Act was perhaps the most significant event of the early twentieth century in South Asia. Promulgation of the Act was premised upon the doctrine of Reasons of State which continue to fascinate ruling elites that manufacture post-facto justifications for their political decisions in the name of protecting what has been called the "Supreme Community". Repeated use of the 'Doctrine of Necessity' in Pakistan and Nepal and draconian laws such as the Armed Forces (Special Powers) Act, more widely known as AFSPA, in India flows from principles of the Rowlatt Act.

The Government of India Act, 1919 introduced the concept of limited democracy and institutionalized diarchy. With provincial autonomy and independence, diarchy ended in principle but continues to exist in practice with the military-bureaucratic elite in

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Pakistan, the oligarchic plutocrats in India and the Permanent Establishment of Nepal (PEON) exercising far more authority than their constitutional status. In principle, sovereignty lies in the people and their duly elected and constitutionally empowered institutions exercise all state powers on their behalf. Meanwhile, something that the Americans call the Deep State is all-pervasive in South Asia.

The Kheda Satyagraha in Gujarat in 1918 preceded Mahatma Gandhi's peaceful movement against the Rowlatt Act in 1919, but the latter event was more significant in the sense that it tried to fuse Khilafat-an international concern-with demands of 'Swaraj' that addressed domestic aspirations. The large-scale mobilization of Muslims in India laid the groundwork for the popularity of Muslim League and eventually partition and the birth of Pakistan.

Afraid of the consequences of inter-religion solidarity emerging in the wake of Khilafat, the government intensified its efforts to undermine the influence of leaders of Satyagraha. The Amritsar Massacre, also sometimes called the Jallianwala Bagh Massacre or the Baisakhi Carnage, in Punjab de-legitimatized the British Empire just as the Sepoy Mutiny of 1857 had sealed the fate of East India Company. It proved that when soldiers come out of barracks against the people, no matter who wins the round, the ruling regime ultimately loses the game. Independence of Bangladesh and the fall of monarchy in Nepal show that mobilization of the army against the civilian population is a double-edged sword.

On the global scene, the Treaty of Versailles largely steered by President Woodrow Wilson heralded what came to be called the American Century. The USA would continue to play an important role in all subsequent political development of significance in South Asia. I prefer to call the USA 'sky neighbor'

of Nepal, which is as important as its two giant land neighbors-India and the People's Republic of China.

Important as all these developments of 1919 are, two events that stand out upon a quick reflection of events of the year after a century, are the Government of India Act and the call of Mahatma Gandhi for a general All India Satyagraha against the Rowlatt Act. These developments were important for two reasons. One, howsoever limited, the GoI Act sought to introduce the idea of constitutionalism in the administration of a colony. Over time, principles of constitutionalism such as separation of power, limited government, check and balance, a guarantee of human rights and the judicial review came to be viewed as a necessary condition for the emancipation of Indian population. Mahatma Gandhi's Satyagraha was producing a 'people,' which would later assert its right to have a government of, by and for it.

With the benefit of distance, however, it is possible to argue that there is some dissonance in the Gandhian idea of the 'people' which mobilized Hindus and Muslims alike but failed to fuse them politically. Additionally, unlike American, French, Soviet or Chinese revolutions, Indian independence movement failed to break its link with the past but didn't strictly follow the path of British reformism either and fell between two stools. The debate between Gandhian morality and Ambedkarite constitutionalism may be a false one, but neither succeeded in establishing new political thought.

The political culture-something that can be defined as a combination of beliefs, behaviour, practices, and conduct in political life-that emerged in the wake of still-born agitations of 1919 gave birth to several prototypes. These tendencies continue to vex actors as well as watchers of democracy in South Asia. I list just a few of them below:

- 1) The Dominant Party with an authoritarian bargain: The dominant party-the Indian National Congress in India, the Nepali Congress in Nepal or the Awami League in Bangladesh to take few prominent examples-continues to claim legitimacy upon its contributions in the past. That makes the leadership complacent and it treats the political challenge as a personal affront. Authoritarian tendencies among the top leadership of dominant parties can partly be attributed to dynastic succession that comes in the wake of a legacy of past contributions.
- 2) The Emergent Party and agitation politics: Since dominant parties acquire legitimacy from history- its leadership in democratic or independence struggles, for example-rather than performance, challengers find it convenient to tread the same path and appeal to passions rather than reason. That leads to volatility in politics. Emergent parties often have little alternative vision to offer and appeal.
- 3) The Leftwing Party of the so-called proletarian vanguard: Even though the Communist Party of India was believed to have been founded in Tashkent in 1920, the principle that political entrepreneurs had the right to take law in the own hands for the emancipation of the proletariat spread throughout Punjab after the Jallianwala Bagh massacre. It's not just direct, but structural and cultural violence are often used as causative factors behind the violence of resistance by leftwing armed groups in South Asia. The 'Ghaddar Party' may or may not have been communist by convictions, but its extremism continues to inspire retaliatory revolutionaries.
- 4) The movement or populist parties with strong caste or community base: Populist parties with identifiable and strong caste base are quintessentially an Indian phenomenon, but communally-charged outfits are common everywhere in South Asia. Their role in mobilizing hitherto marginalized groups can't be minimized, but beyond a point, they turn out to be counter-

productive and tend to produce dynastic leaders from charismatic personalities that had brought the community together.

5) The demagogic parties that pit "us" against "them" with the clever use of propaganda: These are potentially most dangerous political outfits that undermine every institution of the state. Majoritarian democracies nurture such political outfits that soon degenerate into authoritarian regimes behind a democratic façade. Its excesses were visible in Sri Lanka and events in Myanmar show that potency of such a divisive politics is far from over.

All these parties have been fighting wars of the past and seem ill-equipped to face emerging challenges that include but are not limited to:

- 1. Freedom from dynastic politics and dominant personalities they produce.
- 2. Rise of identity conciseness among the masses and ways of addressing them through pluralism and multi-cultural policies.
- 3. Yearning for a strong ruler to bring order to enveloping chaos and mitigating attendant risks with institutionalized political parties and vibrant media.
- 4. Democratization of delivery mechanism in political economy to ensure social justice.
- 5. Contest between respectability and dignity politics and the possibility of addressing them through federalism, autonomy and devolution of power.
- 6. Future of secularism and rise of ritualized religiosity and importance of multi-faith forums in maintaining peace and harmony between communities.
- 7. The Beijing Consensus of a free economy and guided polity and the possibility of what is sometimes projected as the Asian Century.

Perhaps the 'nation-state' as the fundamental unit of governance needs rethinking. More regional integration on the one hand and substantive federalism of nation states is another possible answer. Devolution of power to autonomous municipal governments-the city republics-could be a solution that will also require an innovative global governance structure to keep the peace. The devil, however, lies in the detail.

States haven't withered away and are unlikely to do so in the near future. That leaves the path of incremental reform as the only possible option for the near term. If that be so, then there is no alternative to robust constitutionalism and strengthening of political parties so that they can see the bigger picture even when operating at local and regional levels. The issue of a party to party relationship between different countries has long been neglected. It's never too late to begin. The rest, as the cliché goes, is politics. Politics, despite tall claims of some theorists, is unlikely to become a science with its rules of explicability, predictability, and replicability.

Perhaps to reflect over a political phenomenon is in itself a step towards changing it. That should make policy analysts revisit the past from time to time even as they grapple with contemporary issues.

### **Endnotes:**

Rowlatt Acts, (February 1919), legislation passed by the Imperial Legislative Council, the legislature of British India. The acts allowed certain political cases to be tried without juries and permitted internment of suspects without trial. Their object was to replace the repressive provisions of the wartime Defence of India Act (1915) by permanent law. They were based on the report of Justice S.A.T. Rowlatt's committee of 1918.

An aroused Indian public much resented the Rowlatt Acts. All nonofficial Indian members of the council (i.e., those who were not officials in the colonial government) voted against the acts. Mahatma Gandhi organized a protest movement that led directly to the Massacre of Amritsar (April 1919) and subsequently to his noncooperation movement (1920-22). The acts were never actually implemented. [https://www.britannica.com/event/Rowlatt-Acts] downloaded March 25, 2018.

- "In differences of opinion between the state and its citizen, the state is necessarily right," which can then "prohibit and prevent the expression in external acts and loyalty but that to the community which it represents." Bernard Bosanquet, Social and International Ideals pp. 283-284 quoted in Francijs W. Coker, Recent Political Thoughts, Calcutta: World Press, 1993.
- 3 The idea of supreme community is ancient. Aristotle believed that community government aimed to implement the common good. For him, the polis was the supreme community, and its goal the greatest good. Quoted in The Cambridge History of Greek and Roman Political Thought, Christopher Rowe, C. J. Rowe & Malcolm Schofield Cambridge University (Ed). 2000.9 https://books.google.com.np/books?isbn=0521481368).
- "That which is not legal, necessity can make legal," a doctrine interpreted by Supreme Court justices of Pakistan in 1955. Quoted by Waris Husain https://www.dawn.com/news/718316, accessed May 15, 2018.
- The Treaty of Versailles, a peace document signed at the end of World War I by the Allied and associated powers and by Germany in the Hall of Mirrors in the Palace of Versailles, France, on June 28, 1919; it took force on January 10, 1920. https://www.britannica.com/event/Treaty-of-Versailles-1919, accessed May 15, 2018.
- Henry Luce announced in 1941 that it was the "American century". It has been a popular phrase ever since and is sometimes used to prophesize its end. David S. Reynolds reviews a book of the same name by Harold Evans:https://archive.nytimes.com/www.nytimes. com/books/98/10/ 11/reviews/981011.11reynolt.html

- 7 http://archives.myrepublica.com/2012/portal/?action=news\_details & news\_id=38274
- 8 After Bhimrao Ramji Ambedkar, the architect of Indian constitution and an eminent jurist, economist, politician and social reformer.
- 9 Fareed Zakaria explored the phenomenon in *Illiberal Democracy at Home and Abroad: The Future of Freedom* (Viking, 2003) much before the emergence of demagogic regimes in Turkey, Philippines and the even USA among many other countries.
- Rana Dasgupta's reflection at: https://www.theguardian.com/news/2018/apr/05/demise-of-the-nation-state-rana-dasgupta

South Asia Amidst A New World Order: A Maldivian Perspective

Rasheeda Mohamed Didi, Ph.d.<sup>1</sup>

### Introduction

In analyzing "South Asia amidst a New World Order," there are many important factors that need to be considered, such as security, terrorism, democratic governance and the emergence of India and China as global powers. However, out of these, the most important and relevant foreign relations factor for South Asia and The Maldives is the emergence of India and China as strong economic and political powers.

Hence, in considering the New World Order, it is important to throw some light onto the evolution of two new powers that are crucial to South Asia. The origin goes back to the emergence of what the World Bank calls "miracle economies" which, propelled forward by trade gave rise to some countries in South East Asia such as Singapore, Malaysia, South Korea, and China in East Asia. According to most beliefs, after the economic rise of South-East and East Asia, the next in line to rise was to be South Asia. True enough, in this regard, we see the rise of India. This recognition of the rise of India in surpassing other countries in South Asia, perhaps, led China to Pakistan with its China-Pakistan Economic Corridor (CPEC) (Burki, 2017), which is a collection of infrastructures that are under construction throughout Pakistan.

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The project now is worth \$62 billion (China-Pakistan Economic Corridor, 2018).

Out of these two newly-risen economic powers in the New World Order, which country will overtake the other has been a question in the minds of South Asians for some time. Although most agree that China and India are the world's next major powers (Legace, 2003), in which sectors one will overtake the other, and what the strategy will be is hotly debated. It will be interesting to observe this process as the two countries have embraced very different models of development.

## Relationship with the two countries

In the relationship with these two countries, The Maldives looks for India for defence while establishing closer ties with China for infrastructure development and trade. The project most talked about in The Maldives is the China-Maldives Friendship Bridge, constructed between the capital, Male' and the adjacent island called Hulhule, which houses the international airport. Other developmental projects include the L. Gan Link Road, the agreement for which was signed on 4 June, 2013. The established cost of the project is US\$ 9,556,900. This is called the Island Stretch Road, which connects the island of Gan with the island of Fonadhoo. This has been completed and taken over by the Government (Government of Maldives, interview on China-Maldives relations).

China's massive lending program to the poor countries is seen as a challenge for South Asian countries because of the possible inability of the countries to repay the debts. Already, China has taken over ports it developed in Sri Lanka and Pakistan on long term leases (Mashal, 2018).

In The Maldives, Chinese loans for projects consist of 70% of the national debt. Former President, Mohamed Nasheed views what he calls the "land grab", which is lending or leasing islands, key infrastructures, and even essential utilities, will "undermine the independence of the Maldives, and the security of the entire Indian Ocean region (Kumar and Stanzel, 2014).

Development of Housing units is another project by which 1500 housing units are to be developed in the southern four atolls (Gaafu Alifu, Gaafu Dhaalu, Gnaviyani and Seenu Atoll) and Hulhumale. Additionally, a loan agreement was signed on 2 September 2012. This project has been completed on 4 December 2017 (Government of Maldives, interview on China-Maldives relations, 2018).

The upgrading of Velaana International Airport is a very important project, that is still ongoing. More importantly, Maldives-China Free Trade Agreement was signed on 8 December 2017. This agreement "eliminated most tariffs on Maldivian exports, primarily fish," and opens the country for "Chinese goods and services, including in finance, healthcare and tourism" ("As a Political Crisis Unfolds," February 11, 2018).

It was these developments that led the former president Nasheed to believe that, Maldives is "opening up the floodgates to Chinese investments with little or no oversight and transparency" ("As a Political Crisis Unfolds," March 13, 2018).

Some also see that China is expanding its geostrategic ventures in the maritime area. In August, 2017, three Chinese warships for joint training sessions visited The Maldives (Ramachandran, 2018, January 25). In addition, during the State of Emergency, from 5 February 2018 to 22 March 2018, 11 Chinese warships sailed into the eastern Indian Ocean ("Chinese Warships Enter East Indian Ocean", February 20, 2018).

India's help is different. It is our big brother who helps in the security arena. For example, in 1988 when a group of mercenaries tried to overthrow the government, India's military support kept the 30-year old Gayyoom regime in place. Later, India also supported former President Nasheed who, in 2008, became the first democratically elected president, by giving him protection in the premises of the Indian High Commission when the government attempted to arrest him after he was ousted in a coup.

But, it is in 2013 when president, President Yameen Abdul Gayyoom came to power that the country leaned heavily towards China. Soon after the change of government in 2013 itself, political analysts could see where the country was heading when the election results with Nasheed winning were nullified by the Supreme Court and a re-election took place until the desired results were obtained. That was, the winning of the Progressive Party of Maldives (PPM), headed by the current president.

"China now sees the Maldives as a crucial part of its "One Belt One Road" project along ancient trade routes through the Indian Ocean and Central Asia", (As a Political Crisis Unfolds, March 13, 2018). This route runs crisscrossing Afghanistan, in South Asia.

# Conclusion

The Maldives experience could be a beneficial lesson and wisdom for the South Asian countries. I do not envision China losing its prominence in the New World Order. And, for The Maldives, we will remain tied to China for many years, as we have committed to it by way of opening the doors for many projects, and leasing islands for an unusually long period of time, unprecedented in history.

As a pro-Indian new government has come into being, no doubt, we will resume close ties with India again.

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