

"Formidable challenge to South Asia is environmental conservation"

—Jigme Singye Wangchuck

The world has changed dramatically during the recent past and there is a new surge towards the free market system. The trading blocs of the major economies are posing new challenges for the smaller economies of developing countries which are being increasingly marginalised. These factors make it imperative for us in South Asia to review the role of SAARC in the emerging

one of the most serious impediments to economic development and progress in our region has been the growing menace of terrorism. Even a small country like Bhutan, which has traditionally been a haven of peace and tranquility, has not been spared the depredations of terrorists who have been trying to subvert our country for the past two years. Another major challenge



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new world order and to enhance cooperation in the core economic areas. The major structural changes in the economies of SAARC countries with greater emphasis on liberalisation and privatisation can contribute significantly to this process.

to the success of regional cooperation in the serious resource constraints faced by SAARC for implementing its programmes and projects. The structural adjustment measures arising out of the bold programme of economic reforms that SAARC countries have embarked upon have imposed new financial hardships on our governments. Our efforts at alleviating poverty, ensuring the survival and development of children, protecting the environment, expanding intra-regional trade and implementing the Integrated Programme of Action will not succeed without substantial capital inputs.

"We cannot end problems by evading them"

—Ranasinghe Premadasa

Our Association has actively promoted intra-regional trade and economic cooperation. We have been able to reach finality on the text of SAPTA — the South Asian Preferential Trading Arrangement. We will be signing this Treaty here in Dhaka. The Treaty will mark the commencement of a process. Items of preferential trade, and other details of SAPTA need now to be negotiated.



isolation. Reaching out to international markets, to technology, to financing and other organisations is not a negation of the SAARC spirit. Specific irritants may arise in our relations. They may sometimes affect bilateral relations. They may also blunt the thrust of regional cooperation. Misunderstandings left alone may fester. They may aggravate misunderstandings. We have already agreed that our Summit meetings be businesslike. Ceremonial can be reduced to the barest minimum. In between the formal Summits, let us hold quick short meetings. This could bring timely solutions. It would help at least to contain the problem. Our Charter precludes SAARC taking up bilateral or contentious issues. This was considered necessary when our unity was thought to be too fragile. Yet, if problems confront us, we cannot end

Our goal must be the elimination of poverty in all our countries by the end of this century.

Pending formal agreements on greater regional trade, Sri Lanka has unilaterally taken some preliminary measures. We are now allowing the free flow of certain imports from South Asian Countries. Among them are fruits and pharmaceuticals. Our consumers identify these items with SAARC. They are cheaper than imports from traditional sources. This is making SAARC meaningful to them. The success of our endeavours will depend on three factors. Firstly, the viability of our own efforts, within South Asia, towards achieving self-reliance. Secondly, our common endeavours for the prosperity and the well-being of our people should be carefully planned and well coordinated. We should avoid duplication of effort and the resulting waste of resources, both human and financial. Thirdly, our ultimate success will depend on the strength of South Asia's joint economic capacity both as a market and as a productivity area. We need to sustain cooperation with other centres of economic excellence for mutual benefit. Self-reliance is not

them by evading them. I am of the view that bilateral questions should not inhibit regional cooperation. Our growing regional cooperation should facilitate and further friendly bilateral relations. Such cooperation will help dispel suspicions which may still linger. Such cooperation will build confidence and trust where there was misunderstanding. I believe that SAARC has reached maturity. We could now initiate and sustain a dialogue extending beyond economic and social issues. We cannot wish away the disparities in scale among the seven States of South Asia. A dialogue at the level of our leadership will help reduce any political effects they may result from such disparities. We must cast our sights towards the establishment of a strong, secure South Asia. A South Asia in which each nation is secure and confident in its independence. We can then freely interact on equal terms with others in the Association. This is an ideal which is attainable. The trust we have patiently built up should help us to work towards it.

HIGHLIGHTS

Excerpts from the speeches of the visiting SAARC leaders at yesterday's opening session of the Seventh Summit.

"A time of ferment and transition"

P V Narasimha Rao

This Summit marks the beginning of the second cycle of summit meetings of our region. This is a watershed that merits introspection. Introspection leads me to the conclusion that the content and range of cooperation within the SAARC region has been slower than what we wished for. The reasons are the geo-demographic disparity amongst member-countries and inhibitions born of problems inherited from the past. We cannot wish these away. But, we certainly can abide by the stipulation in the SAARC Charter by setting aside issues on which there are differences of opinion, issues which are essentially bilateral. We must purposefully forge cooperation in areas of common interest and which are of more profound relevance to the well-being of our people.

We are embarked on a programme of structuring regional economic cooperation to build a dynamic South Asian community. Collectively, we are endowed with natural re-



sources, skilled manpower and the economic incentive of a mass market of nearly one billion people in the South Asian region. Our needs, our prod-

structure and content of cooperation in SAARC is not being limited to the executive political sphere in terms of summit meeting and derivative activities based on the decisions of these Summits. Arrangements have been put in place for interaction between the presiding officers of our legislatures, between our jurists and between leading figures in the sphere of academy and culture.

In recent months we have considered suggestions for the establishment of a South Asian Development Fund to mobilise global resources for development in our region. While mobilising the surpluses available is a desirable effort, we must remain conscious that in the foreseeable future we are subject to limitations of recessionary trends in the world economy, and demands from, and attention to, other parts of

the world away from our region. We hold our deliberations in a time of ferment and transition. A holistic or historical assessment may be that na-

tion pass through these cycles of crises time and again and that, therefore, detachment rather than involvement should be the proper attitude. It has been said that the essence of faith is fewness of words and abundance of deeds. It is deeds exceeding words, which lend meaning to life. This should be the ideal which should guide us. Let us work together to make these lands and these peoples of ours endowed with plenty and prosperity, fragrant with the flowering of our efforts to meet the ideals and objectives which we adopted in this beautiful city of Dhaka seven years ago, at the inception of SAARC. In the words of Shri Rajiv Gandhi, who was present on that occasion, and whose energy and vision helped chart the course that our Association set for itself. "We have must to learn

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Effective social mobilisation of the establishment of appropriate national support mechanisms for poverty alleviation programmes are essential.

the services that we can orchestrate can be mutually complementary if backed up by positive political will, mutual trust and confidence. We are happy that the

from each other and much to give. We have a profound faith in peaceful coexistence. We are confident that we share these beliefs with all partners in the region."

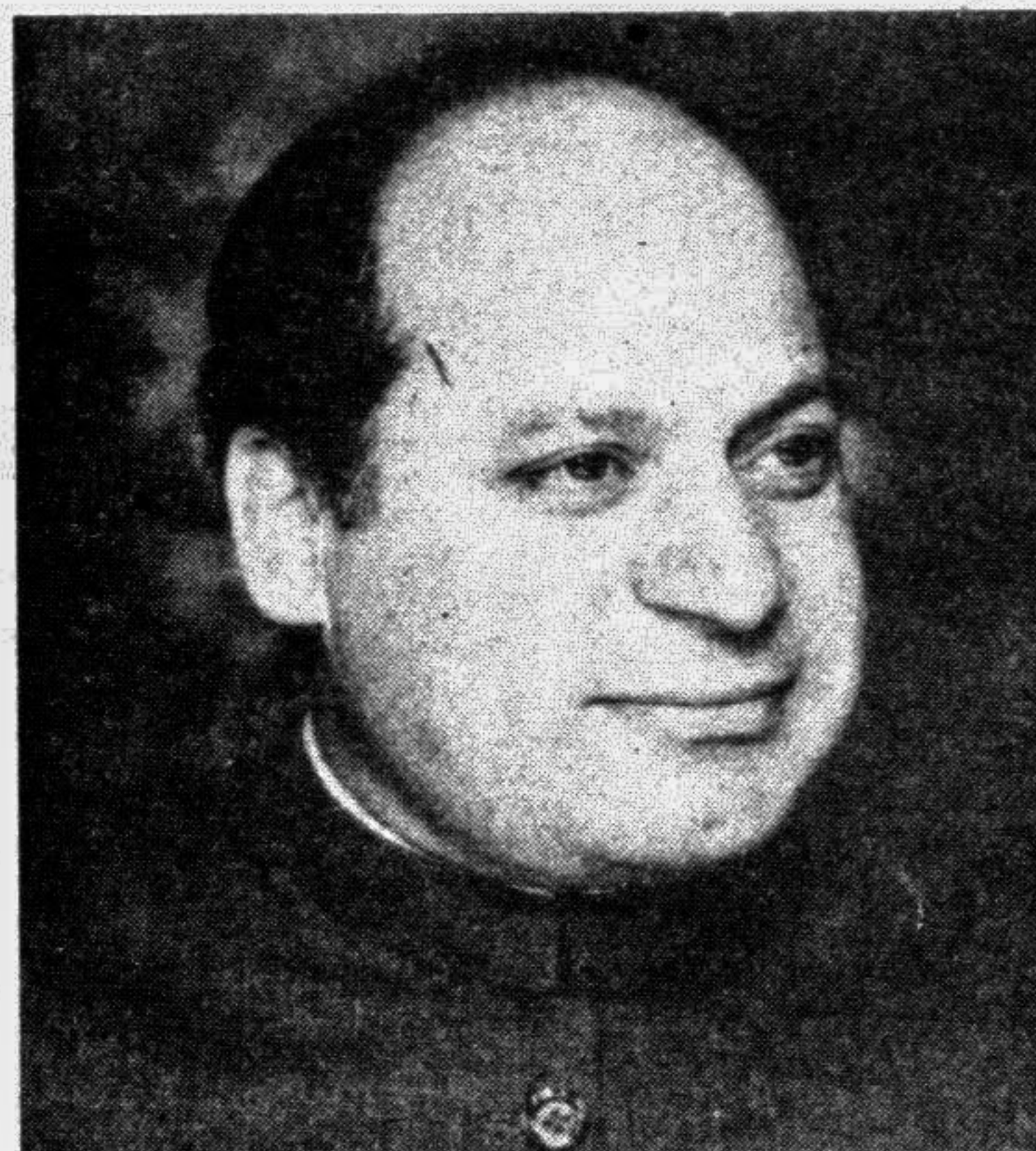
"We must counter the menace of religious fanaticism and intolerance"

Nawaz Sharif

A tension free and politically conducive environment is essential for promoting effective and harmonious regional cooperation.

The Seventh SAARC Summit is being held at a time of profound change on the global scene. The international situation offers challenges and opportunities. We need political determination and a commitment for regional cooperation in order to create a new and balanced framework for peace and progress.

Member States of SAARC must actively contribute to the process of a new, just and lasting international order. Our commitment must be reflected in our own conduct, in our relations with one another and in the positions adopted by us in international political and economic forums. Within our own states and societies, we must protect the fundamental human rights of our nationals without discrimination. We must counter the menace of religious fanaticism and intolerance and seek to establish the supremacy of the rule of law and the principles of justice. In our relations with one another, we must respect the principles of sovereign equality, non-interference in each other's internal affairs, avoidance of the threat of the use of force in settling inter-state disputes. Above all, we must devote our efforts to generate an atmosphere of understanding that would be conducive to



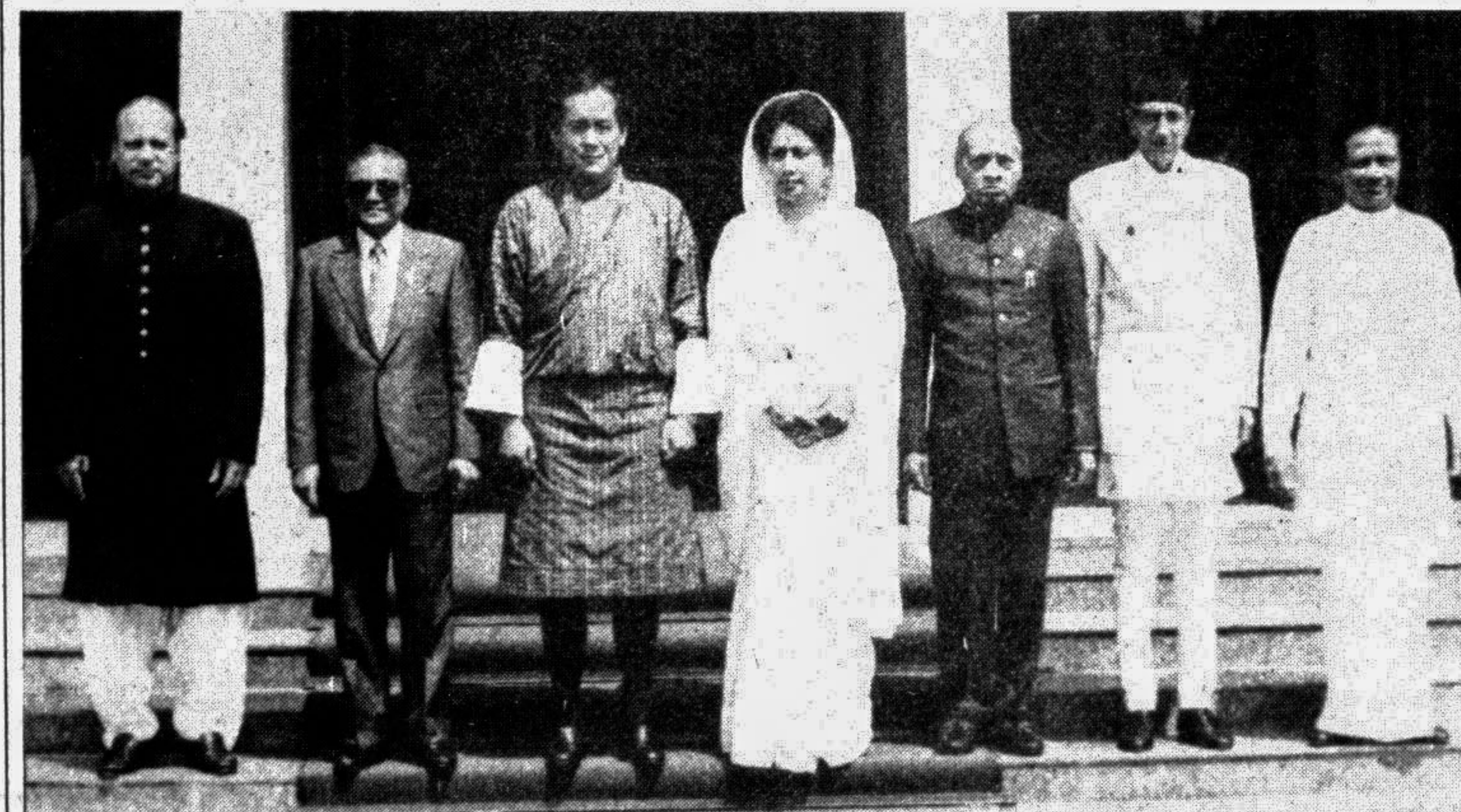
the establishment of tension-free and cooperative ties amongst Member States of our Organization.

We hope that the SAARC Regional Fund will help to

States to expedite socio-economic development in the region.

Trade and economic cooperation forms the bedrock for any organization for regional cooperation. SAARC has taken its first and important step towards achieving this goal through SAPTA. We greatly welcome and endorse the objectives of SAPTA and would recommend that the framework document should be signed as soon as its schedules are completed. I firmly believe that our hopes for an even more effective role by SAARC in contributing to socio-economic development and cultural renewal can best be fulfilled if we — the Member States — resolve all outstanding issues through negotiations and other peaceful methods stipulated in the UN Charter. A tension free and politically conducive environment is essential for promoting effective and harmonious regional cooperation.

The Government of Pakistan remains firmly committed to the objectives enshrined in the SAARC Charter. We are determined to make our full contribution to the strengthening of SAARC for the progress and well-being of the peoples of South Asia.



New Chairperson Begum Khaleda Zia, flanked by the other SAARC leaders, pose for the camera after yesterday's opening session of the Summit. From left: Mian Mohammad Nawaz Sharif of Pakistan, Maumoon Abdul Gayoom of the Maldives, Jigme Singye Wangchuk of Bhutan, the Bangladesh Prime Minister, P.V.Narasimha Rao of India, Girija Prasad Koirala of Nepal and Ranasinghe Premadasa of Sri Lanka. — Star photo

"Regions destiny is in the hands of the region itself"

—Girija Prasad Koirala

Confidence in the future of our Association is under strain in the prevailing climate of fear and suspicion. Remedy, in my opinion, is not retreat which we must avoid but a renewed commitment to the SAARC ideal and objectives in the wider politico-economic context. SAARC should become a way of life and thought in South Asia. A South Asian regional identity which has been built on our steady efforts of cooperation for over seven years and which has invited

more in the hands of the region itself. But regional tensions all over the world have stepped up. We have a world now with reduced superpower tensions but increased regional tensions. South Asia is no exception in this pattern. But underlying it all there is a welcome trend politically in this region towards a vision of society unfolded by democratic values. It is not uniform but unmistakable. Economically, member countries are currently engaged in radical re-



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increasing international interest is slowly emerging.

Results in our opinion, though not spectacular, have been considerable and suggest that at the present moment of apparent drift, the SAARC spirit is even more necessary.

The most important measure of South Asian Cooperation is the volume of regional trade. Trade operates not on subsidies nor on charity but on the hard laws of economics. This demands both meaningful competition and meaningful cooperation. In this perspective the state of regional trade at the moment is far from satisfactory. In these circumstances, it is a matter of satisfaction that this subject has engaged the serious attention of our Association.

SAARC was not conceived as a substitute for hard national effort. On the contrary, it presupposes even more committed efforts on the part of member countries. Our own political experience tells us that no member state will be helped regionally or internationally unless it helps itself. In terms of cooperation and values underlying it politics and economics go together. Our region's destiny is

structuring and re-adjustment of their economic policies and institutions. There is more compatibility now in basic economic philosophy. A shared system of political and economic values essential to the evolution of South Asian community seems in sight. This should be matter of hope. Of course, there are uncertainties. The most immediate uncertainty in most member states individually and in the region collectively is the current state of unrest and heightened tension. While values are being recognized as universal, selective use of such values for political purposes remains. The dominant contradiction in the international economic system is the theory of market-oriented free trade and enterprise and the practice of overt or disguised protectionism. Complex issues of development have not received the attention they deserve. It is highly desirable that SAARC adjusts its own perception of the future in recognition of these changes and of the fact that the post-Cold War South Asia is freer and less externally incumbered to shape its own destiny.

"Communal hatred must be defeated"

—Maumoon Abdul Gayoom

The main objective of SAARC, and indeed that of all such regional groupings, is to provide a better quality of life for their people. Undoubtedly, economic cooperation, supported by trade liberalisation, is the vital link in the processes that lead to the achievement of that objective.

We must act on the decisions of the historic Earth Summit and the action programme contained in Agenda 21 without further delay. In view of the special urgency of the impending environmental problems to my country, the Maldives has been among the first few nations to ratify the UN Framework Convention on Climate Change and the Convention on Biological Diversity that were adopted at the Rio Summit.

Another area of prime concern to us continue to be that of the situation of children. During the past few years, our attention has been focused on the issue of protecting the rights of children and ensuring their proper development.

It is imperative that within the framework of SAARC, too, we pay special attention to the upliftment of the status of youth in our societies and to utilising their unlimited potential in the task of nation-building. Towards this end, I wish to propose the designation of 1994 as "The SAARC Year of Youth" to give the necessary thrust to mobilising the creative energies of young people for development work. I should also like to suggest the convening of a regional meeting of Youth Ministers of SAARC countries to discuss youth-related concerns. The Maldives will be happy to host such a meeting in Male at a mutually convenient time.

This Association (SAARC) was created for the benefit of the peoples of South

Asia, whose aspirations we reflect and represent here. Our efforts must be aimed at fulfilling this objective. Forging closer regional cooperation is



not by itself an objective, but the benefits that our peoples get from such cooperation should be the ultimate purpose of our association.

The recent increase in ethnic and communal violence in our region has become a major cause for concern for many governments. The escalation of communal strife, if unstoppped, could lead to the disruption of development programmes and threaten the political stability of the countries concerned. The possible spill-over effects of such acts of violence in one country to neighbouring countries could jeopardise regional stability and security as well. Ethnic tensions must be defused. Communal hatred must be defeated.

If we do this, and really assert ourselves in the battle for development, we can certainly rise from the dormancy placed upon us by years of imperial and economic intimidation. Our region can indeed become a formidable growth centre in Asia. Collectively, we have the human and the material resources. What we need is the willingness to adapt, to shed the beliefs and practices that have constricted us in a world of poverty and ignorance; and above all, the resolve to work together for our common good.