

# South Asia's greater integration in Asia

## A non-Indian perspective



SELIM RAIHAN

**T**HE regional integration and cooperation initiative in South Asia started with the formation of the South Asian Association for Regional Cooperation (SAARC) in 1985.

SAARC includes Afghanistan, Bangladesh, Bhutan, India, Nepal, the Maldives, Pakistan and Sri Lanka. SAARC countries signed the SAPTA (SAARC Preferential Trading Arrangement) in April 1993 which came into force in December 1995, with the aim of promoting intraregional trade and economic cooperation within the SAARC region through the exchange of concessions. SAPTA was replaced by the South Asian Free Trade Area (SAFTA) in January 2006, designed to more proactively promote and facilitate intraregional trade among the SAARC members. Besides SAFTA there are three bilateral free trade agreements (FTAs) in South Asia, which are India-Sri Lanka bilateral FTA, India-Bhutan bilateral FTA, and Pakistan-Sri Lanka bilateral FTA. Furthermore, the Bangladesh-Bhutan-India-Nepal (BBIN) is an initiative for a sub-regional cooperation.

But despite these, South Asia is one of the least integrated regions in the world. The proportion of "within South Asia trade" in the region's global trade hovers around the five percent mark.

There are a number of challenges and tasks ahead for greater integration in South Asia. The presence of the long "sensitive lists", non-tariff barriers (NTBs), lack of trade facilitation and political relations between countries appear to be major barriers to intraregional trade in South Asia. Furthermore, though liberalisation of the services trade is a critical economic agenda, there has not been much progress on the South Asian Agreement on Trade in Services (SATIS) after it was signed in 2010.

Also, South Asia remains one of the lowest recipients of Foreign Direct Investment (FDI) among the developing regions, with around 90 percent of the FDI inflow in South Asia destined to

India. Like trade, intraregional FDI in South Asia comprises only less than five percent of the total FDI flow and India is the dominant investor within the region.

From a non-Indian and economic perspective, there are concerns that a clear and visible leadership from India is yet to be seen to move the regional integration agenda forward in South Asia.

Despite the aforementioned "pessimistic" scenarios, there are aspirations for greater regional integration in South Asia. Also, countries in South Asia aim for expanding integration with the rest of Asia, especially with the East and Southeast Asian countries.

Furthermore, under China's Belt and Road Initiative (BRI), the Bangladesh-China-India-Myanmar economic corridor (BCIMEC) paves the way for greater economic and trade integration between two economic giants in Asia, namely China and India. BCIMEC also provides an opportunity for Bangladesh to exploit huge potential benefits from such economic and trade integration. However, BCIMEC has not yet been launched due to the political tension between India and China. The China-Pakistan economic corridor (CPEC) has however been at the most advanced stage among all the BRI initiatives. Yet, being a bilateral

have taken place. RCEP represents 45 percent of the world's population, accounts for about 40 percent of the world's GDP, and makes up around 30 percent of world trade.

As the sole party from South Asia, RCEP has created significant opportunities for India to integrate with the advanced economies in Asia and the Pacific and to participate further in the global value chains. It is believed that RCEP can help reduce the overlaps among Asian FTAs, rationalise rules of origin, and promote FDI flows and technology transfers by multinational corporations.

However, RCEP has led to some important implications for the other South Asian countries. There are concerns that the RCEP will lead to the escalation of bars in standards and trade governance which might work as significant non-tariff barriers for the South Asian countries, especially for the LDCs, while exporting to the RCEP countries. Therefore, there is a need for strong efforts to improve the quality of trade infrastructures, capacities, and institutions in these countries.

There are also risks for other South Asian countries with respect to the potential loss of market access from the erosion of trade preferences. Simulations using the global general equilibrium model (the GTAP model) suggest that the RCEP FTA would lead to gains, in terms of the rise in real GDP, for all RCEP member countries, and for India, it would be 0.73 percent.

In contrast, all other South Asian countries would experience fall in real GDP, and the major affected countries would be Nepal and Bangladesh as these two countries enjoy the largest trade preferences both in India and China. A hypothetical "extended RCEP" scenario, where all other South Asian countries could join the RCEP FTA, would lead to gains for all South Asian countries, and India's gain would become larger than what would be observed under the RCEP. Therefore, other South Asian countries should negotiate for their participation in the RCEP. The "extended RCEP" scenario would certainly lead to the meaningful integration of South Asia, East Asia, Southeast Asia and the Pacific.

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The initiative which created the opportunity for the majority of the South Asian countries (Bangladesh, Bhutan, India, Nepal, and Sri Lanka) to integrate with two Southeast Asian countries (Thailand and Myanmar) is the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC) which was initiated in June 1997. However, even after 20 years of existence, the achievements under the BIMSTEC have been rather minimal.

India also has bilateral FTA with the ten member states of the Association of Southeast Asian Nations (ASEAN), which came into effect in January 2010.

economic corridor, CPEC has not been able to draw interest from other neighbouring countries.

The most comprehensive regional integration initiative in Asia so far has been the Regional Comprehensive Economic Partnership (RCEP) which is a proposed FTA between the ten member states of the ASEAN and the six states with which ASEAN has existing FTAs (Australia, China, India, Japan, South Korea and New Zealand). RCEP is one of the proposed mega trading blocs of recent times. RCEP negotiations were formally launched in November 2012 and until now 18 rounds of negotiations

## Both seaports remain underdeveloped

### Why infrastructure not being upgraded?

**W**HILE many countries do not have the benefit of even one seaport, we have two. But the irony is that, while Chittagong port is saturated with heavy congestion, the Mongla port is underutilised, because of lack of infrastructure and shallow draft.

If one looks at the five year data on cargo handling at Mongla port, we find that the number of total containers cleared presently has actually gone down steadily from 2013 and a mere 26,952 twenty feet containers (TEUs) were handled in fiscal 2016-17 at a port that has the capacity to handle 70,000 TEUs. This is most disheartening because the Chittagong port has been grappling with congestion where container ships have had to wait at outer anchorage for 6 to 12 days and bulk carriers around 20 or more to get berth.

One would have thought that policymakers would have recognised the dire situation by now and taken steps to upgrade Mongla port to take some of the pressure off Chittagong, but that has not happened.

With the bulk of our imports and exports going through Chittagong port, we are once again constrained to highlight its lack of infrastructure. Because of inordinate delays that have now pushed back loading and unloading of containers at the port city, many shippers have had to increase their charges up to USD 400 per TEU to offset the cost of demurrage for goods that are offloaded due to delays. Policymakers have not prioritised the upgrading of key port facilities like the number of jetties, which have remained stagnant since 2007, and we see the building of a container terminal now shifted to 2019. The lack of action on the principal port Chittagong is pushing up cost of doing business which is hardly helpful to our foreign trade.

## Legal advice before recording section 57 cases!

### The problem is with the section, not just application

**T**HE Inspector General of Police has issued an order on all police units to seek advice from the legal wing of the Police Headquarters before recording any case under section 57 of the ICT Act. The direction comes in the wake of indiscriminate use of the law under tenuous claims to harass and sue people, many of them journalists. Given the long history of protests and reservations about the section, we would like to point out here that the IGP's direction—well intentioned as it may be—cannot be the solution, when it is the provision itself, and not just its haphazard application, that is the problem.

Let us take only one example: the suing of a journalist for sharing a report about the death of a goat. What sounds like something from the realms of satire is exactly what we witnessed a few days ago in the case of Abdul Latif Morol who was sued under section 57. In the above case, the police not only accepted the case, but the journalist was arrested when, reportedly, over 50 policemen surrounded his home at midnight. That the magistrate then took cognizance of the case and provided bail shows that the issue is not about absence of legal knowledge. We wonder if it was considered at any stage of the legal process whether the case merits cognizance at all. With the IGP's order, the main issues with section 57 remain just as unresolved.

We have repeatedly stressed, the provision is a threat to freedom of expression and free speech, and our fears that the media will be the hardest hit have been well justified. In this context, when personal grievances and political sycophancy result in ridiculous cases, the government must realise that the problem is with the law itself. We urge section 57, with its threat of disproportionate punishment, be scrapped from the ICT Act, and not sneaked in through the backdoor under guise of the Digital Security Act.



MINDA DENTLER

**I**N June this year, world governments and other donors pledged USD 1.2 billion to help carry the 30-year fight to eradicate polio over the finish line. At its height, the polio epidemic caused 350,000 cases of paralysis in children every year. Last year, only 37 cases were reported. So far this year, the number stands at six.

But as momentous as these gains are, victory over polio is not yet assured. And one factor—the role of female vaccinators—will be a critical determinant of success.

Women have long been on the front lines of the global effort to end polio. In places like the tribal areas of Pakistan, male vaccinators are often not allowed to enter a stranger's home, whereas female health workers can deliver the vaccine to vulnerable children, along with other routine immunisations and basic health services.

In 2015, I travelled to neighbouring India to take part in a national immunisation campaign, joining an all-female team of health workers assigned to administer the polio vaccine to children in an impoverished part of New Delhi. I accompanied a local health worker, Deepika, on my crutches, as I have been crippled by polio myself.

We made our way through the crowded dirt paths, and at one house, a mother of three whom Deepika knew well invited us in. Deepika paused knowingly: "Someone is missing," she said, counting two children. The mother replied that her eldest child had gone to another village. Deepika recorded this fact in her notepad, vowing to return, and vaccinated the remaining children before moving on. Even one child missed is too many.

In countries where polio still persists—Pakistan, Afghanistan, and Nigeria—vaccinators like Deepika work tirelessly to reach every child. This "last mile" in the global polio eradication drive is indeed the toughest. According to the June 2017 report of the Independent Monitoring Board (IMB) of the Global Polio Eradication Initiative, more than a million children remain unvaccinated, including 858,000 in Pakistan alone.

The hardest-to-reach children in Pakistan are those on the move, travelling from relative to relative as families search for a better life, often crossing the Afghan border. While some of these children are vaccinated at border crossings, many are missed.

The IMB is now calling for a new approach: finding the children not when they are in transit, but wherever they reside, no matter how short their stay. This strategy calls for deep local knowledge to anticipate when a child will return, so that a vaccinator can be there. And who better to know such intimate details than the women of the communities in need of this service?

## PROJECT ■ SYNDICATE

# Helping the heroines of polio eradication

In the Pakistani district of Kohat, south of Peshawar, female vaccinators have been credited with helping to lower the number of unvaccinated children from 30,000 to 22,000, and to reduce the number of vaccine refusals from around 4,000 to 400. These brave and dedicated women conduct their work despite great obstacles, including threats to their safety. One health worker described how she has been going door to door to administer the polio vaccine to children for 16 years. Despite pleas from her family to stop, she persists, heartened by the fact that for years, not a single child in her area had been crippled by polio.

Conversely, in Quetta, the area of Pakistan with the highest number of susceptible children, female vaccinators are in short supply, and turnover is high. There, the number of confirmed polio cases is on the rise.

women for its polio programme in 2014, the number of female vaccinators has increased dramatically. Nearly 62 percent of vaccinators in Nigeria are women. In Pakistan, the proportion of female vaccinators is 58 percent, and 30 percent in Afghanistan. As Aidan O'Leary, UNICEF's chief of anti-polio efforts in Pakistan, has noted, "female vaccinators are driving every single operational gain that is being made."

To be sure, female vaccinators are not the only ones immersed in this global fight. Religious and local leaders have played pivotal roles in building public understanding and engagement. Police and military personnel are sometimes needed to protect vaccinators from security threats. And, of course, political commitments at the highest levels have kept the momentum going.



**A Pakistani health worker administers polio vaccine drops to a child at Jinnah International Airport in Karachi. Pakistan is one of the few countries where polio remains endemic.**  
 PHOTO: AFP

These two cities tell the story of the polio eradication campaign: success, or failure, depends on the role that female vaccinators play. To ensure that female vaccinators stay engaged in this fight, it is essential to address the obstacles—whether physical security, social constraints, or low pay—that they confront.

Let us not forget the risks these women take to protect everyone from a disease that has taken an enormous toll on global health. As a polio survivor, I simply cannot fathom the possibility that, with complete eradication in our sights, we might allow polio to return. Since UNICEF began emphasising the hiring of

But at the end of the day, women on the ground know their communities best, and are uniquely qualified to finish the job. Completing the last mile will require creativity and tenacity, and governments and donors should support the women who will get the world across the finish line, to a world with zero polio cases.

Minda Dentler, a 2017 Aspen New Voices fellow, is a polio survivor and a global health advocate. In 2013, she became the first female wheelchair athlete to complete the Ironman World Championship in Kona, Hawaii.

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## LETTERS TO THE EDITOR

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### Annulment of the 16th Amendment

We are lucky that the Supreme Court escaped being subordinated to the parliament. The 16th Amendment to the Constitution was designed to raise the spectre of impunity and reckless abuse of power.

We thank the members of the *amicus curiae* for performing their role as the guardian of the nation. The verdict of the Supreme Court scrapping the 16th Amendment will remain etched in gold letters. Chief Justice SK Sinha and all the honourable justices of the appellate division deserve national gratitude for this historic verdict.

Rubel Islam, Rajshahi College

### Local cattle industry needs to be protected

We are dismayed by a report published in *The Daily Star* that the BCG will allow import of cows from India through legal channels. Only a few days back, however, cattle breeders held a press conference saying that they fatten, breed and hold enough cows to feed the market for sacrifice in the ensuing Eid Ul Adha. They claimed that there was absolutely no need to import or smuggle cows from India.

Neutrally speaking, our livestock quality is better than that of India. Deshi meat is tender and contains less fat, whereas Indian cows are big and their meat quality is poor. We also do not know about their breeding pattern, medicine history, etc. In my opinion, the government needs to give protection to the local cattle industry instead of allowing imports from India.

Dr. SN Mamoon, by e-mail