

Business Cooperation and Political Will: Way Forward for SAARC

Since its creation in 1985, the South Asian Association for Regional Cooperation (SAARC) has been working at unifying the member nations and pursuing the noblest aims of economic, cultural, and social development based on shared benefits, unanimity, mutual understanding, and respect. Despite the fact that SAARC is an apolitical organisation, it has resolved many pressing regional and bilateral issues and has successfully used its institutional endowment to tackle political and apolitical issues in the region.

SAARC also serves as a platform for the leaders and people of South Asia and offers them a new understanding of regional and bilateral politics. Bilateral and contentious issues are excluded from any discussion in regional processes under Article 10(2) of the SAARC Charter. However, every belligerent and acrimonious bilateral matter has been discussed and resolved between the SAARC member countries at the sidelines of the SAARC Summits.

SAARC was created to expand cooperation on regional society, economy, commerce, and culture, however, 'even with such an apolitical perspective, there are political differences between South Asian countries and attempts to expand cooperation in the non-political field have not been materialized, especially given the current political turmoil' due to very tide of political will.

Despite conflicts and difference, the leadership of SAARC carried out dialogues and have accomplished a lot in the area of regional cooperation. Despite its potential, SAARC has been in limbo over the last decade due to weak political will. Regional trade lingers around mere 5.6% and it is 20 times easier and less costly to trade with Brazil than to trade amongst SAARC countries.

During the COVID-19 Pandemic, South Asian countries performed below their potential as compared to peer regions. Business and cross-border transactions in the SAARC region remained low due to untapped e-commerce potential, business regulatory regimes' obstructions, and lack of intraregional connectivity. Contrarily, countries that had better Information and Communication Technology (ICT) infrastructure and logistics performance; and robust e-business ecosystem performed well and sustained their business transactions during the Pandemic.

The world is moving towards the Fourth Industrial Revolution and businesses are going global. However, SAARC countries find it difficult to even allow their postal services to deliver goods across the border. Technology is redefining industries, markets and trade and regional blocs are preparing for a new paradigm of global economy. ‘Political Will of all the SAARC members is the utmost important requirement’ and now more than ever, there is need to accept ‘peaceful co-existence and building interdependence mutually amongst them at the times of need.’

This session, therefore, aims at discussing absence of political will amongst the SAARC member nations, the opportunity costs of this absence of political will and how common people of the region are being affected. The session will also discuss how relevant stakeholders can garner political will amongst the leadership of SAARC member countries. In addition, the session will discuss future avenues of South Asian countries intraregional connectivity via e-commerce.

Panel Organisers

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