

Zentrum für Europäische Integrationsforschung
Center for European Integration Studies
Rheinische Friedrich Wilhelms-Universität Bonn



Kant K. Bhargava

**EU - SAARC:
Comparisons and
Prospects of
Cooperation**

Discussion Paper

C 15
1998

Ambassador Kant K. Bhargava was born in 1934 and educated at Agra University. He joined the Indian Foreign Service in 1958 and retired in 1992 as Secretary-General of South Asian Association for Regional Cooperation. He has served in senior diplomatic positions in Moscow, Brussels (Deputy Chief of Mission to the European Union), Paris (Head of the Secretariat of Nineteen developing Countries participating in the Paris Conference on International Economic Cooperation), Sofia, Addis Ababa, Harare, Port Louis and Kathmandu. He worked as Head of International Economic Policy Division in the Indian Ministry of External Affairs, New Delhi, from 1979 to 1983. Currently he serves as Consultant to the German Foundation Friedrich-Ebert-Stiftung and as Advisor of the SAARC-Chamber of Commerce and Industry. He functions as Co-convenor of Coalition for Action on South Asian Cooperation, a South Asian think tank.

Kant K. Bhargava

European Union (EU) – South Asian Association for Regional Cooperation (SAARC): Comparisons and Prospects of Cooperation

The very title of this essay implies a certain exercise in comparisons and forecasts. Comparisons can be odious. Forecasts may at times go wrong, but they are starting points for understanding and planning processes. In the present age of information technology, where events may, in comparison to the past, telescope time, a searching look into the distant future is a practical necessity in the realm of possibility. An innovative approaches to Europe-South Asia relations may become apparent against the backdrop of a sufficiently long span of time and in the context of comparisons between the European Union (EU) and the South Asian Association for Regional Cooperation (SAARC).

This Paper covers:

- A brief comparative History of important developments in Europe and South Asia over last three centuries;
- Europe and South Asia on the eve of the twenty-first century;
- Comparisons between EU and SAARC;
- Cooperation possibilities between EU-SAARC;
- Parameters of a compact between EU-SAARC.

Brief comparative history

In his book “The History of Aryan Rule”, the British author E. B. Havell commented “.... the mother of the Western Parliaments, the British Parliament, had an Aryan relative in India before the sixth century B.C showing a strong family likeness”. Ashokan Empire covered present-day India, Pakistan, Bangladesh, Nepal and Afghanistan. Ashoka had excellent relations with Antiochus II, Theos, the Greek ruler of Asia Minor, Ptolmey II, Philadelphus of Egypt and the Kings of Macedonia and Epirus. Ashoka renounced the notion of an expanding empire in favour of ‘conquest through Dharma’. The most striking feature of ancient Indian civilisation, according to the well-known British Historian Basham was its humanity. During the period of the medieval conquests, the cultural aspect got weakened and internal struggles surfaced. The eighteenth and nineteenth centuries witnessed the struggle for western dominance between major European Powers in South and South-east Asia with British colonial rule and domination over South Asia.

The first half of the twentieth century witnessed the mounting struggle for independence in the Indian Sub-continent and two bloody world wars, which started in Europe. Following the end of the World War II, the independence from British rule was accompanied by the partition of British India as a result of the dead-end strategies of the British authorities.

On the eve of the second half of the twentieth century, Europe found itself embroiled in the cold war, with Western Europe looking for cooperation opportunities through European Steel and Coal Community and European Economic Community. Soon after partition, India and Pakistan fought over Kashmir whilst facing challenging tasks of nation building. While the Franco-German Friendship Treaty was signed in 1963, India and Pakistan fought war in 1965.

Bangladesh was born in 1972 and soon thereafter the Simla Agreement was signed between India and Pakistan. The first enlargement of the European Economic Community took place in January 1973 with the UK joining and the Nine adopting the „Joint Declaration of Intent“ on commercial

difficulties arising for Bangladesh, India, Pakistan, and Sri Lanka. In 1974 trade was resumed between India and Pakistan.

Economic cooperation in the framework of EEC was consolidated and Political Consultations of the Nine commenced and evolved in the inter-governmental framework during the 70s and 80s. This period was one of the pains of political growth in South Asia.

Pakistan withdrew from CENTO in 1979 and Bangladesh mooted the proposal for regional cooperation in 1980. Greece joined the EEC in 1981 and in the same year the South Asian Regional Cooperation (SARC) was born. In 1982, the Indian Foreign Secretary handed over a draft of a Treaty of Peace, Friendship and Cooperation to his Pakistan counterpart. In 1983, there was an agreement between India and Pakistan to discuss the Pakistani proposal for non-aggression and non-use of force. SAARC was born in 1985 in Dhaka, Bangladesh. Portugal and Spain joined the Community in 1986. The Single European Act was ratified in 1987. In 1988, at the time of the Islamabad SAARC Summit, India and Pakistan concluded three agreements on prohibition of attack against nuclear installations and facilities, cultural cooperation and avoidance of double taxation.

1989 was the historic turning point for the world with the end of the great ideological East-West divide. In 1990 Germany was united. That year Pakistan tried to mobilise world public opinion on Kashmir. In 1992, the European Community was transformed into the European Union after the signing of the Maastricht Treaty. The Treaty enshrines the objective of the completion of the economic and monetary union by 1999, the provisions concerning the common foreign and security policy and cooperation in the fields of justice and home affairs. The same year Pakistan proposed talks under the Simla Agreement. India sent six working papers and Pakistan two but no headway could be made.

In December 1994 the European Council accepted the proposals of the Commission for a new strategy for Asia and set out its objectives. In January 1995, Austria, Finland and Sweden joined the European Union. Subsequently an agreement on partnership was signed between the European Union and India.

In 1996 the European Commission resolved a Memorandum of Understanding on Cooperation with the SAARC Secretariat. The same year the first ASEM (Asia-Europe Meeting) took place in which South Asia was not represented. The Amsterdam Treaty, which defines the basis for the deepening and broadening of the European Union, was adopted in 1997. In 1998 the Second ASEM took place in London with South Asia remaining excluded.

Europe and Asia on the eve of the 21st century

On the eve of the twenty first century, the main topics, concepts and facts surrounding the European Union, which is poised to take in Central and Eastern European States, are becoming clear. The activities of NATO, OSCE and the EU define in a way the areas where Europe acts in concert with its institutional partner. The number of agreements reached by the European Union with major countries and other regional organisations show its truly internationalist vocation. There are indications that in its institutional interaction with Asia through ASEM, Europe would like to include South Asia as well. This is because the European policy makers are conscious that there will be no global answers to problems in the twenty first century without South Asia, which represents one fifth of mankind. Furthermore, South Asia has impressed the world with major achievements in the field of high technology.

Unfortunately, South Asia today presents a mixed picture of conflict and cooperation. Pakistan and India have yet to negotiate their way successfully from confrontation to cooperation. Economic cooperation is progressing in a halting manner. Political cooperation and consultation is very weak. The external relations of South Asia are developing slowly but in a steady manner.

Comparisons between European Union and SAARC

Age and Nature

The European Union, which is a successor body of European Community, embodies rich experiences of over 47 years in the field of regional cooperation. There are now treaty based provisions, inter alia, in regard to common foreign and security policies and development cooperation policy towards all developing countries SAARC is a fledgling organisation less than 13 years old. It is the most populated regional grouping in the world and potentially a big market for industrial and new technologies. It operates in agreement with the SAARC Charter and has no institutions comparable to those of the European Union.

The European Union has succeeded in generating peace and prosperity. On the other hand, the people of South Asia have yet to feel tangible and visible benefits of cooperation. SAARC has hardly progressed beyond signs and symbols. At present more rhetoric than action is evident. SAARC has not yet succeeded in addressing itself successfully to meet the challenges of policy formulation and implementation without which the objectives of SAARC Charter will not be achieved. In their report, the members of the Independent Expert Group on the Integrated Programme of Action (IPA) were not able to carry out an assessment of the benefits of the IPA activities in its entirety because of lack of availability of the precise, methodological tools, well defined criteria, data and information. However, this Group has concluded that the activities of IPA have in general led to:

- Closer personal contact between the experts of the region in their individual fields of specialisation.
- The exchange of data and information contributing to better understanding of the situation obtaining in the Member States in the agreed areas of cooperation between the Member States.
- Seminars and workshops resulting in the sharing of experiences.
- Study tours, thereby providing first-hand knowledge.
- Training courses and Expert Group meetings, useful in building up capabilities.

- Compilation of compendia and directories, which provide a host of information.
- Completion of the state-of-the art reports valuable in focusing attention on areas of common concern.

In the economic area some progress has been achieved in the framework of South Asian Preferential Trade Agreement (SAPTA) and work is continuously progressing about towards a South Asian Free Trade Area (SAFTA). The Heads of State and Governments of SAARC countries have recognised the importance of achieving the free trade area by 2001.

Mechanisms

The novel approach of the EU is based on the development of a unique and unprecedented institutionalism, the rule of law and solidarity.

Progress in SAARC can only be achieved on the basis of unanimous inter-governmental decisions taken at the level of the Council of Ministers. SAARC, however, follows the approach of:

- Exchange of information whereby its members learn from each other's experiences;
- Functional cooperation in major areas, and
- Trade and economic cooperation where input from the SAARC Chamber of Commerce and Industry is also invited.

Decision Making

There is a growing acceptance in the European Union of the view that adherence to unanimity would often result in a stalemate. The notion of qualified majority voting has been accepted in case of some institutions. This attempts to reconcile the notion of member states being equal in law whilst being unequal in size by using the references both to a majority of the member states and to a majority of the Unions population.

The SAARC Charter has clearly stipulated that all decisions will be taken on the basis of unanimity and that all bilateral and contentious issues will

be excluded from discussions. The centrality of location and the size of India practically rules out any amendment to these provisions.

Approaches to Difficulties

The opinion, policy and decision-makers in the European Union subscribe to the dictum, that recognising the difficulties does not mean giving into them. A confident and determined approach marks the work of the European Union.

On the other hand, many SAARC leaders have a tendency to highlight the difficulties and constraints particularly those arising from unresolved bilateral problems. There is often an ambivalence in approach, prevarication in thinking and tergiversation in action. The virtues of incrementalism in regional cooperation are not always recognised, apathy and inaction are in evidence rather than confidence and determination, are often in evidence

Innovation and Change

In the European Union there is an ongoing examination of adapting the institutions, i.e. the European Parliament, the Council, the Commission and the Court of Justice.

In SAARC there is resistance to the idea of revising its Charter or even the Terms of Reference of the Charter bodies, i.e. the Standing Committee of the Foreign Secretaries, the Technical Committees, the Committee on Economic Cooperation and the Council of Ministers. However, in pursuance of the decision taken at the last Summit held in Male in May 1997, a Group of Eminent Persons (GEP) is currently finalising its report on future vision of SAARC and on measures and mechanisms for vitalisation.

Organised Flexibility

The example of Economic and Monetary Union shows that organised flexibility can be the route for deepening the Union. The Commission subscribes to the view that the European Union must make it possible to

have forms of cooperation or integration between those members wishing to progress faster and further in the attainment of the Treaty's objectives. This should be envisaged only after exhaustion of all other possible forms of action involving all the Member States. According to the Commission, the requisite flexibility will have to be guided by the following principles, so as to guarantee the unity of the Union:

- Compatibility with the objectives of the Union;
- Consistency with the institutional framework of the Union;
- Opportunity for other Member States which are willing and able to join at any time;
- Safeguarding of the single market and the policies accompanying it.

The proposal of some Member States of SAARC to explore possibilities of sub-regional cooperation has raised a furore and some unnecessary controversy. However, at the last SAARC Summit held in May 1997, a patchwork compromise was worked out. It may be recalled that the SAARC Charter stipulates the setting up of Action Committees by three or more Member States on matters of common concern with the approval of the Standing Committee of Foreign Secretaries. At their last Summit Meeting, the leaders have agreed to encourage the development of specific projects relevant to the needs of three or more member states under certain conditions.

Future Perceptions

The European Union, which is now at a very advanced stage of integration after the Maastricht Treaty of 1992, has set out four major objectives in the Amsterdam Treaty for the immediate future. These are:

- to place employment and citizens' rights at the heart of the Union;
- to remove the last remaining obstacles to freedom of movement;
- to strengthen security;
- to give Europe a stronger voice in world affairs;
- to make the Union's institutional structure more efficient with a view to enlarging the Union, through new member States joining.

As far as SAARC is concerned, some scholars and non-governmental bodies have done some very useful work to articulate ideas in towards the visions, goals, and strategies for the future. The Group of Eminent Persons, set up by the 1997 SAARC Summit, is working on these themes and its Report was submitted to the next SAARC Summit held in Colombo in July 1998.

Common Foreign and Security Policy

The European Union has yet to ensure the visibility of the common foreign and security policy. The Commission has proposed the setting up of a Joint Analysis Unit, composed of experts from the Member States and the Commission, and has the incorporation of a Permanent Political Committee into the existing machinery and the Council for preparing decisions in Brussels, so as to facilitate the formulation of common foreign policy. Even though its membership consists of both nuclear and non-nuclear powers, the common ground to cover on security matters is enormous.

On several key issues, the Member States of SAARC have diametrically opposite foreign and security policies. Two of the SAARC members India and Pakistan, are nuclear states with perceptions of threats from each other. However, on several issues relating to social development and International Economic Cooperation SAARC countries have common interests and have not hesitated to articulate these, often through joint communiqués of Ministerial Meetings held on subjects such as environment, labour matters, WTO related matters, social development etc. The representatives of SAARC countries meet at times in New York, Geneva, Brussels to coordinate their positions and to adopt common stands, if possible, on some matters of common interest and concerns.

Interaction with Civil Society

Institutions of the European Union have adopted various measures to bring Europe closer to its citizens by increasing openness in their proceedings. The European Commission holds open and structured dialogues with interest groups. The Commission has published a list of European Non-

profit Interest Groups accessible both to officials and to the general public. In any cooperation activities in the European Union, the inclusion of an interest group is purely voluntary and does not imply any form of official recognition by the Commission. The European Parliament has adopted a resolution on the participation of citizen and social players in the institutional system of the European Union. The access to internal documents of the European Commission is governed by an established Code of Conduct. In some cases, a fee is charged to cover the cost of reproduction of a document.

In the case of SAARC, the non-governmental organisations do play a role, which has even been recognised at the highest level. There are well-defined criteria, which must be met before any regional NGO can be recognised as a SAARC NGO. Two important bodies, which already enjoy official recognition, are SAARC Chamber of Commerce and Industry (SCCI), and SAARCLaw. With some others like the Coalition For Action On South Asian Cooperation (CASAC) the SAARC Secretariat has valuable interaction. The SAARC Documentation Centre was established in India with a view to facilitate availability of scientific and technical information to scholars. However, at present there is no Code of Conduct with regards to access to SAARC documents for scholars and NGOs. The SAARC Secretariat has been asked by the Council of Ministers to compile recommendations made by interest groups and NGOs and these are considered by the Standing Committee of Foreign Secretaries. Positive contributions made by the SCCI and SAARCLaw have been noted by the SAARC leaders at the 1997 Summit Meeting.

Human Rights and Fundamental Freedoms

The European Union sets a great store by the observance of democratic principles and human rights. The European Union has taken a number of initiatives for its own citizens and in its external relations. The aim is to develop and strengthen democracy and rule of law and also to respect human rights and basic freedom.

Human rights issues have not found a prominent place in the deliberations of SAARC. However, there is a SAARC Regional Convention on Suppression of Terrorism and some SAARC countries have set up Human Rights Commissions. There are some groups of SAARC activists who deliberate from time to time on issues related to Human Rights. Last year at their Summit Meeting, the Leaders resolved to take all necessary steps to achieve the objective of promoting and protecting human rights.

Transnational Networks

There are transeuropean Union networks in the fields of transport, telecommunications, energy, environment etc.

While some cooperation is taking place in the framework of technical committees dealing with transport, telecommunication and environmental matters, there are no trans-southasian networks in these important areas. The important subject of energy is yet to be addressed seriously in a regional context in South Asia.

Environmental Cooperation

In the European Union there is a European Environment Agency and a special programme of cooperation. A SAARC Regional Study was finalised in 1991 on "Causes and Consequences of Natural Disasters and Preservation and Protection of Environment". However, there is no South Asian Environment Agency. There is an organisation called South Asian Cooperative Environmental Programme (SACEP) based in Colombo, though it is not very active.

Solidarity

The European Union has some significant programmes for combating poverty and social exploitation. Measures have been taken at regional level to help disabled and disaster victims and to tackle issues of public health.

SAARC has an on-going programme for alleviation of poverty based on the recommendations of the Independent Commission on Poverty Alleviation as approved by the SAARC Summit held in 1993. Under this programme,

there is an annual meeting of Planning Ministers/Finance in order to review work and to explore areas of regional cooperation. While 1993 was observed as the SAARC year of the Disabled, there is no substantial programme of regional cooperation in this area. However, in the field of public health, some useful initiatives have been taken. There is a Regional Centre on Tuberculosis which functions in Kathmandu and nodal institutions have been identified for coordinating action on treatment and eradication of communicable diseases.

Common Commercial Policy

Common Commercial Policy is at the heart of the functioning of the European Union. SAARC is yet to make serious headway in this area. Of late, there have been meetings of Working Groups in the areas of custom cooperation, investment cooperation etc.

Cooperation with Asia

The European Union has participated in the two Summit meetings ASEM I in 1996 and ASEM II in 1998.

SAARC has so far been excluded from ASEM meetings. The Economic and Social Committee of the European Union has adopted its own initiative opinion on relations with ASEAN countries. However, so far the Economic and Social Committee of the European Union has not turned its attention to the question of cooperation with South Asia.

SAARC has also been excluded from APEC although India is a member of some of its working groups. Two members of SAARC - India and Pakistan - are dialogue partners of ASEAN. The EU has an agreement and a substantial programme of cooperation with ASEAN

Bio-ethics

The European Union has been giving considerable attention to bio-ethics and the policies with regards to human cloning. In SAARC this matter has not attracted attention at regional level. However, cooperation is growing in matters relating to bio-technology, bio-diversity, gene bank etc.

Agricultural policy

The Common Agriculture Policy of the European Union has always been the subject matter of intense discussion. There is also a substantial programme of cooperation in the field of agriculture amongst European countries.

SAARC cooperation in the field of agriculture has progressed within the framework of the work of the Technical Committee on Agriculture. There is also a SAARC Agricultural Information Centre based in Dhaka.

Information and Communication

In the EU there is a vast network of information, including representations abroad, through which the official publications of the European Union are made available to the general public and scholars.

In SAARC the official publications can only be obtained through the SAARC Secretariat in Kathmandu. The SAARC Documentation Centre in New Delhi is not yet in a position to act as a repository of all SAARC documents.

Principle of subsidiarity

The subsidiarity principle has been laid down as a formula for an appropriate distribution of powers between the EU and its member states. In SAARC detailed attention has not been given to this matter. Recently the Independent Expert Group on IPA has recommended the principle of subsidiarity as one of the factors that may be taken into account while selecting activities to be undertaken under IPA.

Cooperation Possibilities between EU and SAARC

In light of the growing competence of the European Union and with the SAARC moving into core areas of economic cooperation with commitment by SAARC leaders to establish the South Asian Free Trade Area (SAFTA) by 2001, there are good prospects in the immediate and long term of EU-SAARC cooperation in the fields of economic, scientific and technical

cooperation. In terms of the Regulation 443/92, SAARC can be a beneficiary of financial and technical assistance from the European Union in the following fields:

- environment;
- the development of intra-regional trade;
- the strengthening of regional institutions;
- support for regional integration and the establishment of joint policies and activities among developing countries;
- regional communications, particularly with regards to standards, networks and services, including telecommunications;
- research;
- training;
- rural development and food security;
- cooperation in the sphere of energy.

However, the new priorities of the European Union will relate to economic cooperation, the human dimensions of development, the promotion of human rights and the environment. Aid and Development policies of the European Union towards SAARC and its Member States may have following elements:

- Relationship of EC with all member countries of SAARC and with SAARC itself, based on the concept of "Partnership and Development" just as in case of Maghreb and CIS countries;
- Assurance of long term support through protection and increase of aid levels on the condition that SAARC countries will commit themselves firmly to acceptable conditionalities to use such aid effectively with market friendly policies;
- Extension of help to SAARC countries to integrate themselves into the global main stream by, (a) assisting them to implement the programmes of economic reforms they have launched; and (b) creating an appropriate trade and investment environment for them;
- Enhancing the capabilities of SAARC countries to provide safety nets for the groups adversely affected by the changes resulting from implementation of economic reforms;

- Continuance of aid for serving traditional objective of supporting long term development programs, of building infrastructure and financing projects of substantial social benefits such as investment in rural development, health, nutrition, education and poverty alleviation. Specifically, the European Union could consider (a) the possibility of measures that will assist the least developed countries in the SAARC region to avail themselves of the facilities provided by Agreement on SAARC Food Security Reserve; and (b) sourcing of experts for SAARC countries under its technical assistance programs from within SAARC countries.

The Maastricht Treaty permits the European Investment Bank (EIB) to take part in activities relating to environmental protection and cooperation in the development of third world countries. Also, with prospects of SAFTA, and likelihood of joint ventures and regional projects being set up in the SAARC Region, the European Union may consider allowing SAARC access to the sources of the EIB and the European Development Fund (EDF).

Because of the large population and burgeoning middle class in the SAARC region and liberalisation of the economies of South Asian countries, there is considerable mutuality of interest between EU and SAARC in expanding trade and investment cooperation.

There is great potential in South Asia for trade in services such as engineering services, software, banking, education and medical services. The European Union may consider liberalising rules for importing of services of skilled labour from SAARC countries. The European Union may also consider with SAARC countries joint collaborative science and technology development programmes.

With the growing competencies of the European Union and SAARC, it is now possible to identify areas of sectoral cooperation on the basis of knowledge of ongoing programmes of the European Union. The following sectors are amenable to cooperation between the EU and SAARC: agriculture, meteorology, the situation of disabled persons, natural disasters, education, energy, environment, food aid, health, science and

technology, rural development, telecommunication and postal services, tourism, transport and youthwork.

In order to operationalise cooperation, inter-governmental discussions at both Track I and Track II levels are desirable. Through them, appropriate modalities of cooperation can be worked out such as exchange of information, publication and documentation; technical and financial cooperation; familiarization visits, seminars and workshops etc.

In order to further such cooperation, non-official contacts may also be encouraged. Private sector involvement can be very useful. Just as in the case of ASEAN, the European Commission can organise business familiarisation programmes for executives from SAARC countries. The European scholars need to take increasing interest in affairs of South Asia. Upgradation of the level of studies and research in Member States of SAARC about the European Union is necessary. There is also scope for the promotion of joint research and studies of inter-disciplinary as well as sectoral nature by interested institutions in Europe and South Asia having requisite resources for undertaking such work. In some cases, the existing resources of the institutions concerned may have to be augmented. Appropriate networking is necessary for institutions of the European Union engaged in South Asian studies and those in SAARC countries engaged in European studies.

There is considerable scope for promotion of cooperation through European Non-Governmental Development Organisations (ENGDOs) and SAARC NGOs. These can take the form of:

- Encouragement by the Community, inter alia, through provision of financial assistance and establishment of cooperation between ENGDOs and SAARC NGOs, especially in the fields of environment, women's rights, campaign against drug abuse, and poverty alleviation through grassroot development projects;
- co-financing of ENGDOs developmental schemes that may be conceived and implemented by SAARC NGOs on a regional basis;
- support by ENGDOs for local initiatives by SAARC NGOs for sustainable development;

- jointly working out modalities and guidelines for;
- Implementing the UNCED Agenda 21.

To facilitate cooperation, the European Union and SAARC need to agree on objectives, modalities, procedures and means of cooperation. In particular, it is recommended that a substantial training programme may be organised by the European Commission for SAARC officials and experts in its institutions and for deputing experts from the EU to work in SAARC countries in areas where expertise of the European Union can be useful.

Parameters of a Compact between Europe and South Asia

South Asia represents an opportunity for Europe with its rapidly expanding middle class. A compact between South Asia and Europe will necessarily have a big component which relates to economic cooperation based on mutual interest, complementarity and which can be adapted to the current economic, social and political characteristics of the partners in South Asia of the European Union.

Politically, it is in the interest of Europe and South Asia to base their relationship on the five principles of peaceful co-existence and to work together for a new world order based on these principles and for promoting the process of multipolarisation in the world. The European Union may actively support the idea of India participating in ASEM related meetings and activities. EU must help in strengthening the SAARC Integrated Programme of Action. In terms of its declared policy, it should also promote regional economic cooperation. Financial cooperation between EU and SAARC needs to be strengthened and substantial contribution on bilateral and multi-lateral basis may be made by members of EU to the recently set up South Asian Development Fund.

Europe and South Asia have a long record of interaction of over 500 years. South Asia was linked to the English speaking world ever since the advent of the British colonisation. Recently a decision has been taken by ASEM to set up a Europe Asia Cultural Foundation in Thailand. In its activities,

South Asian countries should also be included. The Twenty-first Century should witness the European Union earmarking substantial grants for South Asia to finance cultural exchange programmes. A lecture series may be organised on topics related to Europe and South Asia in different member countries of European Union and South Asia. A trilateral Commission may be set up in which academics, businessmen and officials of the EU and South Asia may jointly discuss matters concerning the future of European Union-South Asia relations.

Cooperation in science and technology has great potential, particularly because South Asia has a well developed and large scientific and technological community and expenses for running S&T establishments are relatively low. Joint research projects may therefore be encouraged in fields of mutual interest. However, it will be important to set up proper organisations under the aegis of which these projects may be carried out effectively and a measure of continuity must be ensured. The first project between the EU and SAARC relating to the elimination of the cattle „Mad Cow disease“ or BSE, is currently being discussed. The possibility for locating R&D units in South Asia should also be explored by European firms.

Specific areas where there seems to be good scope are:

- Digital Information and Optical Communications;
- Software;
- Application of biotechnology to agriculture and of genetic engineering to medicine and environment control;
- Super conductivity;
- Micro-electronics including the use of sixth generation computers in inventory control;
- New sources of energy;
- Space technology.

The twenty-first century will be the century of ardent efforts to prevent environmental degradation, to preserve the environment in its pristine aspects, as well as to restore past damage wherever possible, to increase the capacity of nations and peoples in the world to cope with and manage

disasters and to build a sustainable future. The European Environment Agency may extend technical cooperation to affected South Asian governmental and non-governmental agencies preferably within South Asian Cooperative Environment Programme (SACEP). The European Union can play an important supportive role in extending technical and financial assistance to implement agreed recommendations of the two important SAARC studies on environmentally related matters, i.e. the regional study on "Causes and Consequences of Natural Disaster and Protection and Preservation of the Environment" and "The Green House Effect and its impact on the South Asian Region". It can also extend assistance to some very competent South Asian environmental NGOs in the preparation of a detailed report on "The State of Environment in South Asia for 2000 AD".

Europe and South Asia are both energy deficient. There are similarities in the energy sources at the regional level in South Asia and there are enormous hydrocarbon resources in Central Asia. Europe and South Asia can cooperate by exploiting both the resources of South Asia; i.e. coal resources of India, natural gas reserves of Bangladesh and Pakistan and hydroelectric potential of the Himalayan States. Also, Europe and South Asia can be important partners in what would perhaps be a much bigger grouping of countries involved in the production and transmission of energy from Central Asia.

The human, political and cultural network that South Asian countries have developed in the Indian Ocean Rim area is considerable. Further development of ties between Europe and South Asia could facilitate the establishment of better relationship of Europe with the Indian Ocean Rim Countries. In turn, growing relations of South Asian countries with Europe may also facilitate evolution of a coordinated response of the developed world to the emerging South Asian Order for cooperation, peace and development that takes into account their legitimate concerns and interests. It is high time that European and South Asian scholars jointly put forth the political, economic and cultural agenda for the twenty first century, for a more cohesive world through global partnership, in which the EU and

SAARC will emerge as two important entities cooperating on the basis of complementarity and common interests.

Conclusions

South Asian countries are currently engaged in transforming themselves into democratic states with market economies. They are realising that democracy and market economy can flourish only in an atmosphere of human freedom, creativity and ingenuity. These values are shared by their friends in Europe. Furthermore, Europe is succeeding eminently in deepening and expanding cooperation with well thought out institutional structures. That is why I strongly believe that South Asia has a lot to learn from the European experience and that the coming decades will witness meaningful cooperation between the two largest configurations of democratic states in the continents of Europe and Asia in order to build a better world.

ISSN 1435-3288

ISBN 3-933307-15-5



Zentrum für Europäische Integrationsforschung
Center for European Integration Studies
Rheinische Friedrich-Wilhelms-Universität Bonn

Walter-Flex-Straße 3
D-53113 Bonn
Germany

Tel.: +49-228-73-1880
Fax: +49-228-73-1788
<http://www.zei.de>