Essay

BIMSTEC as a regional organization: Déjà vu or new beginning?

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The Bay of Bengal Initiative for Multi Sectoral Technical and Economic Cooperation (BIMSTEC) is described as a bridge between South Asia and South East Asia under the Association of South East Asian Nations (ASEAN). Why did the need for yet another regional organization (RO) to foster economic, social, technical and security cooperation between states already members of the two regional organizations arise? More importantly, how can BIMSTEC, as a RO, fulfill the responsibility entrusted to it by its member states better, more effectively and efficiently than what has been the experiences of other ROs? This article will look at the vital but often overlooked institutional aspect of International Relations (IR) study and international organizations (IOs) in general and ROs in particular.

Evolution

BIMSTEC is an intergovernmental regional organization comprising seven Member States situated in the littoral and adjacent areas of the Bay of Bengal. This organization brings together seven countries from South and South East Asia, five from South Asia, Bangladesh, Bhutan, India, Nepal and Sri Lanka and two from Southeast Asia, Myanmar and Thailand. Their total population of 1.5 billion makes up 22 percent of the world population with a combined GDP of over 3.5 trillion dollars.

The organization initially came into being on 6 June 1997 in Bangkok, Thailand, with the name BIST-EC (Bangladesh, India, Sri Lanka, Thailand - Economic Cooperation). Myanmar was admitted in Dec 1997 and the organization was renamed as BIMST-EC. The grouping expanded when Nepal and Bhutan were admitted in Feb 2004 and the name

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changed to its current nomenclature BIMSTEC (Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation) at the organization's 1st Summit meeting held in Bangkok in Jul 2004.

Deepening economic cooperation was identified as the core objective of the organization from its initial days as BIST-EC (Bangladesh, India, Thailand and Sri Lanka), BIMST-EC with the addition of Myanmar. Technology was added (BIMSTEC) with the entry of Bhutan and Nepal. After different meetings and stages of evolution 14 areas of cooperation starting from Trade and Investment, Transport and Communication, Energy, Tourism, Technology, Fisheries, Agriculture, Public Health, Poverty Alleviation to Counter-Terrorism and Trans-national crime, Environmental and Disaster Management, People to People Contact, Cultural Cooperation to Climate Change have been identified with different member countries being given specific responsibility to lead particular sector or sectors. Since 2014 the secretariat of the organization has been set up in Dhaka, Bangladesh. Following numerous meetings at the ministerial, senior officials and technical levels, the first BIMSTEC summit was held in Bangkok in 2004 and the last (fourth) in Kathmandu, Nepal from August 30 to 31, 2018. The fifth summit is scheduled to take place in Colombo, Sri Lanka in 2022.

The Kathmandu summit issued the 18-point declaration pledging to make the organization more effective by strengthening it as a bridge between South and Southeast Asia. It further said "BIMSTEC will 'identify and hold accountable states and non-state entities that encourage, support and finance terrorism' and explore the possibility of establishing a BIMSTEC Development Fund".

With such declarations conference diplomacy around the Bay of Bengal can be expected to be even more hectic with additional resources and opportunities for officials and diplomats of the region. Nepal left no stone unturned to turn the event into a gala affair. But what about real cooperation for the welfare of the peoples of the region? Will BIMSTEC become one more *white elephants* known for grand ceremonies and lofty declarations repeating the same old statements but with little impact as far as real cooperation in the region is concerned? Couldn't ASEAN and SAARC, already in existence since long, have cooperated on the areas identified rather than creating one more organization to do so? What needs to be done to prevent BIMSTEC from turning into another dysfunctional regional institution like SAARC? To this end, how the following aspects of the Kathmandu Declaration is interpreted and implemented could be crucial.

Institutional Development

The 4th summit has decided to task the BIMSTEC Secretariat to prepare a preliminary draft of the Charter for the organization, building on the 1997 Bangkok Declaration, defining a long-term vision and priorities for cooperation, clearly delineating roles and responsibilities of different layers of institutional structure and decision-making processes, for consideration by the BIMSTEC Permanent Working Committee (BPWC) and other higher bodies with a view to adopting it by the Fifth Summit. It has also agreed to task the BPWC to develop the Rules of Procedure for the BIMSTEC Mechanisms. It also decided to establish a BIMSTEC Permanent Working Committee to deal with administrative and financial matters of the Secretariat and the BIMSTEC Centers and Entities, as well as to prepare schedule of meetings, prioritize and rationalize the organization's activities.[1]

Institutional Capacity

Before discussing the institutionalization of BIMSTEC, an understanding of the anatomy or general principles of institutional capacity would be useful to discuss a particular institution under review. In doing so, some scholars and experts of strengthening public institutions and improving governance, see institutions as "rules of the game" that emerge as a result of formal legal acts, informal norms, practices and organizational culture within a given socio-economic, political and security milieu. In other words, institutional capacity is more than a sector-specific function but a product of the overall organizational culture guided by the prevailing socio-economic, political and security environment. So, to be more effective and efficient, than some of the other institutions created to fulfill similar mandates, the organization being discussed would have to be better managed internally and also at the same time be able to influence the existing organizational culture and political-security thinking within which it functions.

In this exercise, however, a serious debate in social science research in general and study of IR, IOs, ROs and regional cooperation in particular, emanates out of the dilemma between the compulsion to proceed with certain set of assumptions among the multiplicity of variables that have direct and indirect bearing on the hypothesis but the impact those assumptions have on the soundness of the original premise and the validity of findings and conclusions. In such a situation, the challenge is to disaggregate the general principles of institutionalization into specific understanding of why institutions malfunction or do not function optimally in order to be able to suggest possible remedial steps.

For this, it may be appropriate to start by asking some related questions such as, why are ROs unable to function optimally, because of unclear vision and inadequate mandate, well defined mission, goal and objective or the strategies thrust upon them? Or, could it be due to structural deficit such as lack of authority given and resources made available to the managers compared to the mandate given by member states and expectations of the peoples? Equally important, could it be due to the choice of leadership, management and staffing problem? In other words, is it a problem of instruction (mandate), design and structure of the organization/institution from above (political leadership and senior officials of member states) or a problem of execution/implementation down below at the level of institution or even individual leadership of the institution, BIMSTEC secretariat in this case?

In his famous Asian Drama, Gunnar Myrdal wrote long ago, every theory contains the seeds of an *a'priori* thought. In applying the general concepts of institutionalization to the particular case of BIMSTEC, this paper will apply the analytical toolkit 3-Is better explained below: [i]

- I - Issues - what are the key issues affecting the performance of BIMSTEC as an institution? What are the mandates the head of the institution (Secretary General) and the secretariat will need to fulfill the expectations of fostering greater cooperation among member-states?

- I - Institution - what kind of institutional mechanism, resource allocation and infrastructure can better enable BIMSTEC, as regional organization, to more effectively fulfill its mandate, duties and responsibilities?

- I – Individuals - often, institutions are only as good as its leadership. So, what should be the level (stature), qualification, competence and criteria for the SG to lead BIMSTEC more effectively, based on experience of other institutions of similar nature, primarily the EU, ASEAN and SAARC?

History of Inter-State Cooperation

History of inter-state cooperation at the global and regional levels is long. In the aftermath of the tragedies, loss of human lives and properties, leaders of that generation came together to establish the United Nations (UN) to lead the world in transforming from its traditional power-centric and narrow national-interest based socio-political, economic

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i   The 3 Is a unique analytical tool this author has used in analyzing different aspects of Nepal's foreign policy including a comprehensive study on the formulation of Nepal's foreign policy and the conduct of its diplomacy as well as in other studies such as the capacity building of the Institute of Foreign Affairs (IFA).

and security order to a new vision of *national interests harmonization* for *collective security, prosperity and dignity*. Had the UN more broadly, but also other IOs such as the International Financial Institutions (IFIs), mainly the World Bank and IMF Group and the failed International Trade Organization (ITO), later the General Agreement on Tariffs and Trade (GATT), now replaced by the World Trade Organization (WTO) succeeded in fulfilling the vision of collective, peace-security, international cooperation for development and trade for prosperity and respect for human rights and human dignity, there would be no need for other arrangements of inter-state cooperation.

With the division of the world in two ideological and power blocks of the Cold War and the numerically strong non-aligned movement too powerless to influence the process, transformation to the new vision of collective global good, consistent with the dynamics of time and technology, seemed too diffused, farfetched and complex for IOs to lead. So, scholars came up with the idea of ROs for economic and security cooperation among a more manageable smaller group of nation-states in a given region, with similar socio-economic conditions and common political and security problems and needs.[2]

Transformation of Europe from its long and painful history of wars to current cooperation not only in trade, economics, monetary and fiscal policies but even in security and sovereignty is an example of successful regional cooperation. Had ASEAN and SAARC too succeeded like the EU would there be a need for BIMSTEC? Why did the EU move forward, ASEAN moving slowly ahead whereas SAARC is faltering? What kinds of mandate, institutional structure and individual leadership can make BIMSTEC better fulfill the role entrusted to it by member states?

Need for national interest harmonization

Rather than starting on the basis of a more transformative thinking of behavioral change in accordance with the demands of time and technology the initial conceptualization of ROs began with two important set of pre-requisites, common threat perception and need for some shared values. BIMSTEC will face some of the same challenges other IOs and ROs have faced. And at the heart of the challenge is the philosophical issue, what really determines the course of inter-State relations, economic/technical or politics/security considerations?

National interest ultimately guides the course of inter-state relations. But, with the dynamics of time and technology many problems--climate change, trans-national crime, refugees and migration, cross-border terrorism, cyber security, just to name a few, can only be addressed through inter-state cooperation. If all member states start looking at problems

from the perspective of only their own narrow national interests inter-state cooperation for broader regional good, which is the mandate of BIMSTEC, becomes challenging at best, impossible at worst. In such a situation how can BIMSTEC foster greater cooperation among its members better than what others have been able to do?

Economics/technology or politics/security?

To be more successful, the key issue BIMSTEC must address head on the question, what ultimately determines the course of inter-state cooperation, the more practical economic/technical/technological or political/security considerations? The debate is long and intense. Interestingly, the two main intellectual/ideological foundations of contemporary politics, ideologies and governance globally, Liberal Democracy and Marxism converge on the primacy of economics. Adam Smith and other classical liberals argued "the contradiction between political organization and economic rationality had to be resolved in favour of the latter" and Frederick Engels, in his famous polemic, *Anti-Duhring* dealt explicitly with the question of whether economics or politics was primary in determining the structure of IR and concluded "political power adapts itself to changes in the balance of economic forces and yield to the dictates of economic development". [ii] The realists/nationalists, on the other hand, regard political-security considerations as the key. Hans Morgenthau, one of the main proponents of modern political realism, is well known for his book *Politics Among Nations: A struggle for Power and Peace*. Although a liberal economist himself, Jacob Viner made one of the best analyses of the relationship of economic and political factors in determining the structure of IR and concluded that political and security considerations are primary.[3]

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The truth may be somewhere in the middle. However, the assumption of better relations among nation-states only on grounds of economic and technological needs, without political, ideological and strategic considerations will, at best be insufficient. This means, BIMSTEC as an institution and its leadership (SG) will have the important responsibility of collective legitimization (harmonization) of individual national interests in order to be able to foster better cooperation among the members. To expect BIMSTEC to function effectively as a security cooperation organization, dealing with sensitive matters of security and terrorism, among some of the same member states of

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ii For an interesting and detailed discussion on this issue see Gilpin, Robert "The Politics of Transnational Economic Relations" in Transnational Corporations and world order readings in international political economy Editor. George Modelski, W. H. Freeman and Company, San Francisco, 1979   pp 66-83

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SAARC and ASEAN without giving it the political mandate and institutional empowerment in terms of the level of the leadership (Secretary General) and institutional wherewithal (the secretariat), will be too optimistic.

Dilemma that must be resolved first

Long ago both Smith and Engels saw the nation-state representing a progressive stage in human development because it enlarged the political realm of economic activity. In the views of both classical liberals and Marxists, in each successive economic epoch, the advancing technology and scale of production necessitates an enlargement of political organization[4]. The current world, except Europe, is not only experiencing the absence of such an enlargement but in fact further fragmentation, thus creating a serious disconnect between its socio-economic and political-security organization, increasing globalization of economics and society but growing localization of politics and security along ethnic, linguistic, regional and nationalist lines.[5] With the ideas deficit unable to bridge the gap, any wonder once the initiators, ardent advocates and biggest beneficiaries of globalization, are now encountering the populist-nationalist backlash and looking inwards while the country the globalists of yesterday thought was outside the system and were trying to "integrate into the global economy" has now emerged as the most ardent defender of economic globalization.[iii]

Amidst all this, the institutions established in the aftermath of the two world wars "to prevent succeeding generations" from going through the tragedies experienced by earlier generations of mankind by creating new norms of behavior (culture of collective security, prosperity and dignity) consistent with the dynamics of time and technology for the new age are themselves on the verge of financial but more significantly intellectual bankruptcy. Mankind in the 21st Century indeed exists "in a bizarre combination of stone age emotions, medieval institutions but God-like technology. That is how we (mankind) have lurched into the early 21st Century ".[6]

If scholars in societies admired as advanced, by which all are influenced or wish to emulate one way or the other, feel this way, one can only imagine the state of societies often at the *tail end of the spectrum of intellect*. If declining growth, exports and Hong Kong show the limits of the so far successful Chinese experiment of combining economic miracle with liberalization under the strict control of a highly centralized Communist Party of China (CPC), problems in the world's largest and oldest democracies also reflect the anomalies of

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iii   President Donald Trump's America First policy, UK seeking BREXIT, Europe facing the upsurge of Populism and Nationalism and Chinese President Xi Jinping's speech at the Global Economic Forum in Davos, Switzerland in January 2017 defending the open and liberal trading system and globalization are only examples

contemporary liberalism. As scholars warn of the trade wars, if not managed well, escalating into real wars, where will BIMSTEC, as a security outfit, fit in the complex matrix of the mega ideas initiated by Communist China, the Belt and Road Initiative (BRI), of which some members of BIMSTEC are major beneficiaries, and The Indo-Pacific Strategy (TIPS) initiated by the United States to prepare, partner and create a network to defend the liberal global order, of which some of the members of BIMSTEC are the key bastions? The Indian Ocean and the Bay of Bengal are at the centre of the vital sea lanes important for both sides, trade and security (Refer to maps below).

Bay of Bengal and BIMSTEC members

The 4th BIMSTEC summit took place against a backdrop of the global order in disarray, intellectual discourses raging on the rise of 'illiberal internationalism' and the global

economic situation marked by US-China trade tensions escalating into a trade war with many warning of the danger of a real war.[iv]

In this situation, Asia represents not just the best economic growth potential but also the most serious security challenges. In such a vital but volatile region, only a broad partnership for peace, prosperity and security, like the Organization for Security and Cooperation in Europe (OSCE), can make BIMSTEC a bridge between South and Southeast Asia and bring together all major Asian initiatives and powers.

Security and stability are essential for prosperity. From such a perspective, Indian Prime Minister Modi's proposal to hold a military exercise focused on training and sharing experiences on disaster preparedness and relief seemed non-threatening. But the response of some members reflected their broader political and security perceptions affecting participation in the exercise then and will affect cooperation in other areas in the future, security sector for sure.[7]

Conclusions

The first BIMSTEC summit took place after eight years of the establishment of the organization. A permanent secretariat was established after 18 years. The Charter is only now being drafted. The leaders of this organization, in their fourth summit in Kathmandu, have finally woken up to the need of a strong institution by "....Underscoring the importance of robust institutional arrangements to effectively steering the process of regional cooperation under BIMSTEC...." and agreeing "to enhance the institutional capacity of the BIMSTEC Secretariat, including through financial and human resources, in order to enable it to coordinate, monitor and facilitate implementation of BIMSTEC activities and programmes; and initiate project proposals as agreed by the Member States as well as fulfill any other responsibility entrusted to it in an effective and efficient manner .."

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International and regional organizations are created to harmonize national interests for the collective global and regional good. But this requires political will among

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iv   Former US Secretary of State Henry Kissinger has joined the increasing litany of scholars and policy makers warning of the danger of a major global conflict as starkly illustrated in Graham Allison's book Destined for War Can America and China Escape the Thucydides's Trap? First Mariner Books editions, Boston New York 2018. As the maps clearly show and this author has been speaking and writing for decades now, The Indian Ocean, South Asia, the Bay of Bengal and the Central Himalayas have emerged as one of the epicenters of the 21st Century Global Paradigm flux and will be seriously affected by the global conflict of the future as the centre of gravity of the global political economy and security shifts from the Trans-Atlantic to the Indo-Pacific.

national leaders and a strong and independent secretariat able to deal with issues affecting cooperation. The SAARC secretariat and secretary general remain helpless as the national leaders of member states have given the institution neither the political mandate nor the level, stature (Jt. Secretary) and wherewithal (weak secretariat) to move forward. Comparatively the ASEAN performs better as the Charter gives both the political mandate as well as the level and stature (SG of Minister rank) and secretariat with four Dy. Secretary Generals and although still insufficient, relatively better resources (annual ASEAN secretariat budget USD 13 million). The EU on the other hand elects the European Commission as its Executive Branch with its President sitting as equal with the 28 European Heads of governments and the Commissioners with the ministers. EU allocate 160 billion Euro, almost 1 percent of their annual GNI to the EC.

Experience of IOs and ROs demonstrates that political will and managerial ability to respond to political and security concerns are essential for real cooperation to happen. Although initially started with much modest objectives, the European Union presents a success story only because of the political will of the post-War European leaders to harmonize their national interests with broader European regional good. On the other hand like many ROs that appeared and disappeared in other regions of the world, SAARC is an example of an organization made moribund by problems between two of its largest members and a charter preventing even discussion of contentious and bilateral issues.

Based on the experience of the past, visionary leadership and effective institutionalization are essential for confidence building and changing perceptions so that BIMSTEC does not end up as one more regional forum displaying ceremonial fanfare but little real cooperation.

- Following the mandate of the 4th Summit, BIMSTEC should bring together an eminent persons' group to draft the Charter that can appropriately respond the real challenges facing the region and mandate the SG and the secretariat to play a role in resolving important issues affecting relations among members states through legitimization and harmonization of individual national interests for collective regional good

- Appoint an SG of head of government rank and provide the wherewithal to fulfill the mandate to make BIMSTEC a regional organization fostering real cooperation among the member states. He should be an individual with the understanding, ability and commitment to facilitate navigating BIMSTEC through the current increasingly uncertain Asia in an increasingly risky world.

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