Role of SAARC in Economic Integration of South Asia

Sarfraz Batool
Umbreen Javaid

Regional economic integration has become inevitable in current global free trade scenario. Economic integration requires joint venture of public and private sector institutions. From public sector, ministries of finance and commerce, planning and development commission and from private sector, trade and financial bodies are integral part of thisintegration process. An economically integrated region, the movement of factors of productions (especially labour and investment) from one partner country to another partner country is allowed without government's regulatory control.South Asian Association for Regional Cooperation (SAARC) is also struggling for economically integrated South Asia, though its pace is slow. This paper highlights the economic integration by flow of intraregional Trade and Investment in the purview of SAARC.

Introduction

> British politician Richard Cobden (1857) Said, "Free Trade is God's diplomacy. There is no other certain way of uniting people in the bonds of peace and prosperity".

Trade liberalizing policies are appreciated by the global think tanks due to the estimated positive effect of free trade over global economic growth. Free trade is also complemented for reducing economic disparities among nations and achieving the world peace. However, before the disintegration of Soviet Union, free trade trend was mainly confined to the Western Europe and North America, but the collapse of communist regime pumped up the capitalism all over the world. A significant number of regional and bilateral trade agreements came into being during that period. Economic integration at regional level became a hot trend. States were motivated by the success story of the integration of Europe. Primarily, South Asian countries showed reluctance to go into trade liberalization process. The main reason behind this hesitation is considered the endless rivalry between the two heavy weights (as both are nuclear powers) of South Asia –India and Pakistan. Both states show antagonistic behavior to each other since they have got independence from British Empire, in 1947.The Massacre which occurred during migration, at the time of partition, and unresolved border issues (both countries have been fought war on Kashmir issue) have become the cause of deep routed mutual grievances. In addition, due to the realization of regional power asymmetries [as regional power balance is naturally in the favour of India because India constitutes the 70% territory of the region and carries relatively big economy and large military], Pakistan and rest of the other small regional states are excessively engaged in power balancing strategies i.e. spending more of its development budge on defense sector and hedging on extra-regional powers, to neutralize the potential threat of Indian domination in the region.

Moreover, it is noticeable there are some prerequisites to enter into economic integration i.e. strong and extendable private sector and the new management system. Economic integration can only be succeeded when national governments have limited authority over its economic subjects and private sector contributes on higher level in the state activities. In addition, financial cooperation and cross border free flow of trade and investment is an integral part of regional integration process. While, South Asian economies were not ready to adopt trade liberalization policies as the authoritative governments relied on conventional style of public administration which was much regulatory and centralized and had less space for private sector. Though, under the structural adjustment planes of IMF and World Bank Pakistan had brought macroeconomic reforms in its domestic setup since 1980s and became progressive toward foreign trade yet India remained protectionist for a long period of time. However, under the rules of World Trade Organization (WTO) India also adopted the economic reform policies. The willingness of India for trade liberalization was necessary because except Pakistan and Bangladesh, most of the South Asian states were dependent on India for trade. For example, Nepal is a landlocked country its trade with Pakistan is impossible if India refused to give trade transit permit to Nepal. The same case is with Bhutan.

Evolution of Economic Integration in South Asia

The idea of regional cooperation in South Asia and formation of South Asian Association for Regional Cooperation (SAARC) was first mooted in 1980 by the president of Bangladesh. Later other countries also realized the importance of regional cooperation to make their macroeconomic indexes better, as they were inspired by the success stories of European Union (EU) and their neighbor regional organization- Association for South East Asian Nations (ASEAN) in this regard.So, after the series of ministerial level conferences and meetings of South Asian countries, SAARC was finally established in 1985 at Dhaka. The vision behind the creation of a regional intergovernmental organization was the socio-economic development of the region for the welfare of the people of South Asia (SAARC Charter, 1985).

"The main objectives of SAARC as stated in the charter are; a)to promote the welfare of the peoples of South Asia and to improve their quality of life; (b) to accelerate economic growth, social progress and cultural development in the region and to provide all individuals the opportunity to live in dignity and to realize their full potentials; (c) to promote and strengthen collective self-reliance among the countries of south Asia; (d) to contribute to mutual trust, understanding and appreciation of one another's problem; (e) to promote active and mutual assistance in the economic, social, cultural, technical and scientific fields; (f) to strengthen cooperation with other developing countries; (g) to strengthen cooperation among themselves in international forums on matters of common interests; and (h) to cooperate with international and regional organizationswith similar aims and purposes." (http://www.saarc-sec.org).

It is interesting to note that the Dhaka Summit in 2005 awarded observer status to People's Republic of China, Japan, South Korea and United States of America. While, in the 14th summit of association, Afghanistan became its 8th member.

Soon after its establishment, SAARC had started to work on the terms of references to get the shared socio-economic goals of its member states, but the process was slow.At its 6th Summit meeting (in Colombo, 1991), SAARC created an Intergovernmental Group(IGG). The Group was mandated to work on the SAARC Preferential Trading Agreement (SAPTA) for enhancing the intraregional trade relations.However, the process of cooperation in economic sector was accelerated after the establishment of SAARC Chamber of Commerce and Industries (a regional apex body which is representative of the private sector) in 1992.It helped to make the framework draft of SAPTAwhich was finally signed in 1993, much before its proposed time (its proposed time was 1997) and came into force in 1995. SAPTA was first step towards trade liberalization regime in South Asia. It was hoped that it would pave the way for free trade area, while the ultimate goal was the formation of Customs Union (complete economic integration in SouthAsia). But the SAPTA could not create a positive impact factor on economic growth due to its positive list approach toward trade which has limited scope for trade liberalization. In a positive list approach, countries prepare a list of specific products on which they gives tariff concessions or decrease non-tariff barriers. In case of SAPTA, intraregional free flow of trade was possible only in those merchandise which were enlisted in the positive list which was offered by the respective country. For example, initially India agreed to reduce tariffs in 106 of 226 products recommended by the SAARC, in reciprocation, Pakistan agreed to grant concessions in 35 tariff lines (Alam, 2006).

Though SAPTA had less scope for liberal trade, yet paved way for further trade liberalization and SAARC took initiative towards the first stage of economic integration- SAARC Free Trade Area (SAFTA). However, the degree of economic integration lies in different stages (see the table below).

Table: 1Stages of Economic Integration

Degree of Economic Integration	Scope of Integration
Preferential Trading Area (PTA)	A partial abolishment of custom tariffs on the inner border of the member states.
Free Trade Area (FTA)	A full abolishment of custom tariffs on the inner borders of the member states
Custom Union	A unified (common external) tariffs on the exterior borders of the Union
Common Market	Including the movement of services, capital and labour to an FTA.
Economic union	A combination of the Customs Union with the common market.
Fiscal Union	Introducing a shared fiscal and budgetary policy.
Monetary Union	Introducing a shared currency
Complete Economic Integration	Unification of economic policies [tax, social welfare benefits, etc.], reduction in the rest of the trade barriers, introduction of supranational bodies and gradual moves toward the final stage, a 'Political Union'.

Source: (SAAR Chamber of Commerce and Industry, 2013)

"SAPTA was superseded by the South Asian Free Trade Area (SAFTA) in 2006. Article 7 of the SAFTA provides for a two-stage tariff reduction program to achieve 'free' trade (a tariff structure with all rates below 5%) between the three NLDC member countries (India, Pakistan and Sri Lanka) by 2015 and all NLDC member countries by 2018.7 So far there has been little progress in the implementing of the proposed tariff reduction programs. Even if fully implemented, it is unlikely to bring about 'free trade' in the region; all countries have opted to retain a long list of "sensitive" products with a view to protecting particular economic sectors against exemption of duties under SAFTA and nearly 53% of current intra-SAARC imports are currently restricted under the sensitive list. India's sensitive list is more than three times as large as the one it offered in the last round of negotiations for an FTA with ASEAN. A variety of nontariff barriers (NTBs) also continues to frustrate trade. Pakistan has decided not to extend its obligations under the agreement to its trade with India, excluding potentially the largest segment of regional trade from the SAFTA process" (Dubey 2010).

Prior to the establishment of SAFTA, the countries in South Asia had trend to trade with outside the South Asia. U.S, European Union ad United Arab Emirates were the top trading partners of near about all SAARC countries. They have more discouraging position in the mobilization of labor and capital. Macroeconomic indicators of South Asia show that South Asia is in the weakest position as compared to other region i.e. European Union (EU) and Japan. The Whole region is facing extreme economic problems like inflation, unemployment, poverty, low investment, and deficit financing. So, it was hoped that the establishment of a South Asian Free Trade Area (SAFTA) in 2006 would stimulate trade in the region. But after several years of its implementation, SAFTA's contributions to enhance intraregional trade are marginal. In most of the regional economic blocs, intraregional trade, currently, accounts for the bulk of their trade. For instance, North Atlantic Free Trade Area (NAFTA) has 51.7% intraregional trade, European Union has 55.2% and MERCOSUR (Latin America trading bloc) has estimated near about 25% intraregional trade. Even ASEAN has more than 20% intraregional trade, whereas SAARC has only 5.3 percent intraregional trade (SCCI, 2013). Virtually, the non-tariff measureswhich are extensively imposed by India and Pakistan to each other's exports, poor regional connectivity, absence of transit agreements and competition policies are the basic reasons for the slow progress of SAARC free trade area (see the table. 2)

Table: 2 Comparison of Regional Blocs in the World

Regional blocs	Regional connectivity through roads and railway network	Maritime and water ways networks	One 'Customs'	Transit	Competition Policy
EU	Excellent	Excellent	Yes	Yes	Yes
ASEAN	Poor	Excellent	Yes	Yes	No
NAFTA	Poor	Excellent	Yes	No	Yes
SAARC	Poor	Excellent	No	No	No

Source:Author's Compilation from various sources

It is evident that poor regional connectivity, absence of harmonized and integrated customs regulations/structure and restrictive transit facilities affect the free flow of trade and investment within South Asian. Along with insufficient trade facilitations, the excessive use of GATT and WTO based non-tariff barriers (see table 3) limits the scope of SAFTA(Zaidi, 2005).

Table: 3Nature of Non-Tariff Barriers applied by SAARC Countries

Nature of NTBs	India	Pakistan	Bangladesh	Sri Lanka
Quantitative Restrictions (QRs)	QRs phased out since April, 2011. Under a sensitive list of products prepared, imports are regulatory monitored	QRs eliminated with exception that imports of all products from India is allowed except those products that are included in negative list	At HS 4-digit, the number of products came down to 63 in IPO2003-2006 from 1993 in 1991-1993. Protective items include agriculture products, packing material and textile products.	Abolished most of QRs since 1997 except some food crops: rice, potatoes, chilies, onion, tea and spices etc.
State Trading Enterprise (STE) Monopoly	STE controls rice, wheat, all coarse grains except maize, barley, copra, vegetable fats, edible oil and petroleum products are canalized by public sector.	Eliminated parasitical import monopolies	For petroleum and its variants, Bangladesh Petroleum Corporation is the only organization, Salt is imported by the salt crushers association	STE retains import monopoly of Wheat.
Standard	Plants, livestock,	Restrictions on	Ban/ Restriction on	Restriction on health and

Technical Regulations (SPS)	agriculture and food products require SPS certification, Bureau of Industrial Standards (BIS) Standardized 133 products and so require certification e.g. for food ingredients, steel products ,electrical products etc.	Health and safety ground, Ban on imports on second hand consumer curable e.g. air conditioner, refrigerators, vehicles etc.	health, religion and environment, cultural grounds is continued	safety grounds technical standards are applicable.
Access to Ports	Access to ports limited for some sensitive products e.g. hilsha fish through air only and clothing and tea from Sri Lanka though some specified ports	-	Access to ports for import are made limited e.g. from India cotton, yarn, sugar, fish, milk and rice	-
Licensing	For about 600 items it is required	-	Non-automatic licensing for some products.	Drugs and chemical items, motor vehicles, Photocopier, etc.

Source: (SAARC Chamber of Commerce, 2005)

Though some non-tariff barriers (NTBs) are permissible under the GATT/ WTO rules but their implementation is justified where the real injury is expected to domestic industry in case of open competition yet, in routine, the excessive use of NTBs alters the spirit of FTA as they discourage free flow of goods at intraregional level. SAARC countries have made the SAFTA less effective for economic growth. Hence,no significant development in the mutual trade has been observed even after the formation of (SAFTA).

Intraregional Foreign Direct Investment inflow in SAARC

To extract the real benefits of economic integration, Free trade in goods and the mobilization of the factors of production (especially labour and investment) are prerequisite. Though SAARC started free trade in goods since the implementation of SAFTA but it has not been done so for intraregional FDI yet. There are many factors involve which determined that where FDI would potentially locate. These factors include political and economic stability, the thrust of economic and investment policies, and the quality and availability of business related infrastructure (Das, 1992). In addition in case of intraregional investment, governments do not allow investment in security sensitive sectors. For example, though India have little bit liberalize its FDI policy towards Pakistan since 2012, but it does not allow Pakistani investment in defense sector.

However, the intra-regional FDI in SAARC is direct linked to the overall FDI policy of the member country. In this perspective Sri Lanka has most liberal trade and investment policy. For a long period, South Asian countries adopted to import substitution policy to encourage their domestic manufactures. But even that time, they did notprohibited FDI completely(Kelegama, 2004).

In the realm of market economy (free trade) foreign direct investment (FDI) is considered the great source of finance.Most of the SAARC countries have been adopted the path of liberal economic reforms since 1980s and opened their borders for foreign trade and investment. During last fifteen years they have received highest amount of FDI, however, the 85 percent of the total FDI is received by India (see table 3). As for as share of FDI in percentage of country's GDP is concerned, Maldives ranks high in comparison to other SAARC countries. Maldives receives FDI 13 percent of its total GDP, Bhutan got 3 percent, and whereas India got 1.5 percent (sometime it reaches to 3.5 %). In spite of this, overall performance of SAARC countries in this regard less than ASEAN countries, as Singapore alone is able to attract FDI 22 percent of its total GDP (Abdin, 2015).

Table: 3 Ranking of The SAARC countries in FDI Attraction

Country	Total FDI Inflow (2004-2013)	Each country share%	FDI Ranking
Afghanistan	1512.46	0.49	6th
Bangladesh	9492.36	3.12	3rd
Bhutan	281.65	0.09	8th
India	257890.05	84.86	1st
Maldives	1775.21	0.58	5th
Nepal	388.67	0.12	7th
Pakistan	26472	8.71	2ed
Sri Lanka	6059.99	1.99	4th
Grand Total	303872.39	100	

Source: (Abdin, 2015)

The main FDI receiving sectors are mainly agriculture and related industries, hydro-electricity, transport and logistics, storage, telecommunications and ICT, textile clothing and leather, pharmaceutical, food and beverages, gases, minerals and metal products (Raghu, 2014). The most of the FDI sources were UK, USA, UAE and China.

Though, SAARC did not do any direct effort to promote foreign direct investment in South Asia but the establishment of SAARC free trade area and SAARC agreement on trade in services, trade facilitating measures (it includes harmonized customs laws, infrastructure building to extend trade routes) and establishment of SAARC chamber of Commerce and industry (which arrange trade fairs in SAARC countries and arrange SAARC business conclaves regularly) made possible the development of positive business environment in SAARC member countries which become the main reason for the attraction of FDI(kamal,2004).

> "South Asian countries have much to gain from sharing resources and knowledge and deepening economic integration, not only in the subregion but also in the broader region. This would allow them to make the most of their strategic geographic location at the confluence of Central Asia and South-East Asia on the Eurasian continent. Through improved connectivity within the subregion and with contiguous subregions, South Asia can emerge as an important hub of trade between Europe and Central Asia, on the one hand, and South-East and East Asia, on the other,

> thereby contributing to broader regionalism in Asia and the Pacific. The geopolitical conditions are now more conducive to harnessing broader cooperation possibilities, with the lifting of sanctions on the Islamic Republic of Iran and democratic transition in Myanmar, among other developments" (Akhter, 2014)

However, the intraregional investment is negligible in South Asia. The reason is that South Asian countries have not develop the competitive factors yet. Local goods and labour markets are inefficient and financial market is not well developed. There is no proper cooperation mechanism exists for infrastructure and regional connectivity (although situation is improved under SAFTA TLP but much work is needed in this regard). Energy shortfall, and lack of technical knowledge has made the local industry less competitive. Further, Political insecurities discourage the intraregional investment. For example, India-Pakistan political relations affect the cross border bilateral investment.

Furthermore, issue of MFN has also become an apple of discord between two main member states of SAARC. Pakistan and India both are the member of World Trade organization and have started to liberalize their economies under the WTO's laws before signing the SAFTA. India has granted MFN status to Pakistan in 1996 but meanwhile it has adopted the strict non-tariff regime. So, Pakistan is not the net beneficiary of MFN status becauseIndia apply strict non-tariff barriers to Textile sector in which Pakistan has comparative advantage. On contrary, Pakistan follows the tariff led trade policy and impose benign non-tariff embargo on imports in compare to India(Hussain, 1996). India demands that Pakistan must grant MFN status to it in reciprocation. This controversy has affected the bilateral trade relations of Pakistan and India.

SAARC's Initiatives for Financial Integration.

At its 10th Summit meeting, SAARC (Colombo, 1998) established an independent permanent body 'SAARCFINANCE'. It was comprised of the governors of member country's Central Banks and their finance ministers. The vision was to make financial integration possible. In this perspective the goal was establishment of SAARC central bank with its regional branches. Actually, South Asian economies are excessively dominated by the banking sectors. While banking sector is poorly managed by national governments. Political governments regulate the monitory and fiscal policies according to their political ideology. The lack of harmonization in financial sector, inefficient financial market was the major hindrance in the slow progress of trade in goods even. Hence, there was an urgent need of alternative financial system. SAARCFINANCE

was mandated to negotiate with member countries about the necessary reforms in their macroeconomic policies for economic and financial integration. For example, harmonization in regulatory laws about banking sector, establishment of progressive payment mechanism in the region, and promotion of research on economic and fiscal matters to provide the further policy guideline in macroeconomic sector of member countries. According to the decision of Summit meeting (Colombo, 1998), chairperson of SAARCFINANCE attends the meeting sessions of the SAARC Council of Minister and gives the presentation on the overall activities of the institution.

Moreover, SAARCdrafted the agreement of the promotion and protection Investment agreement to promote intraregional FDI. But unfortunately this agreement could not signed yet. According to proposed draft, increase in intraregional investment would bring prosperity in the region. So, the agreement is drafted to make rules and laws to create favorable environment for investment by one contracting country to other contracting country. In this context, through its provision, agreement proposed shelter to individual investor in the light of international investment rules. All investments of the investors of one member country in other member country's territory is the subject matter of the SAARC investment agreement. However, each country has right to attract investment. For this purpose it can make laws to provide conducive environment for investors of non-member state and can regularize them in its national set up according to its own laws.(Devi, 2015)

As for as the treatment of the investors from contracting state is concerned, policy 'Most Favored Nation' (MFN) and National Treatment (NT) would be applied. It means, same facilities would have to give the investor from the member country which the investor from non-member state is receiving and in terms of investment return and loss compensation, investor from member state will enjoy all facilities which the local investor. The agreement ensuresthat if political unrest, in soft or hard farm, break out, in a member country then in this situation respective state will compensate the local investor and the investor from the member state at equitable basis. To resolve the investment related conflicts, a dispute settlement body is proposed in the framework draft of SAFTA. However, India showed its reservations that agreement should meet the national interest (Singh, 2016).Eventually, after a long time India gave acceptance to the draft of 'Agreement of the Promotion and protection of Investment'. SAARC has distributed the draft of the agreement to all of its eight members in 2017 for final views. It seems that, though SAARC has took different initiatives to develop financial and monitory integration in South Asian but it is still far away to reach the bench mark. The economies of South Asia need major reforms in macroeconomic sector to prepare themselves to enter into the regime of financial integration.

Conclusion

Since its beginning to date, SAARC is persuading its ultimate destination – the economic integration. It strengthenthe private sector, in the guise of SAARC chamber of commerce and Industries and fill up the communication gap between business community entire regions. It brought the politically hostile states of south Asia at one forum. The powerful voice of private sector mobilized the political leadership to go into liberal trade practices. In result, SAPTA and then SAFTA and now SAARC agreement in services came into existence.It is a fact that south Asian countries could not get the expected benefits from these liberal trade agreements but not it means that SAARC shouldgive up its struggle to achieve its proposed objectives of socio-economic development. There are manyfactors involved in the slow progress of SAARC.

Indeed, trade relations cannot be flourished in the vacuum. Primarily, the social and political environment set the directions of trade but once trade relations start growing, they change the social norms even. The popularity of KFC and McDonald food is the best example. Primarily, these two food chains had to face resistance in conventional south Asian Society. However, they changed their ingredient properties according to south Asian societies to get cultural acceptance over here (they enhanced spices, use halal meat to attract Muslim community and introduce vegetables' zinger burgers to attract the large part of Indian vegetarians). But once they got acceptance in Asian society, these food chains have brought enormous change in south Asian societies. Not only they have changed the food habits of native society but in border term, this successful experience develop the acceptancy of foreign brands in all sectors of consumer's needs.

Intraregional investmentcould pave the way for people to people contact in even non- economic fields. This societal contact has potential to build a civil society which become a powerful non-state actor in around the South Asia who can make the public opinion in the favor of regional peace and put the pressure on their respective governments for the peaceful resolution of political conflicts. Thus, this assumed probability is strongly linked with the successful Implementation of SAARC's trade and investment agreements. However in the preview of SAARC, SAFTA is the base agreement for trade liberalization, Agreement in Services works through the positive list approach which make its growth slow, While SAARC has created the Regional Standard Organization and working group to accelerate the process of financial cooperation in the region.

Recommendations

1. Consumer must be aware about their rights under and could pursue them in proper way. Because, only watchful consumers can mold the governments trade policy towards liberalization.
2. South Asian countries should ensure the most of foreign investment trough automotive route instead of government route
3. Visa procedure and rules should be flexible which can attract the foreign direct investment on intraregional and international level.
4. Investment policy should be gender sensitized. Business women either investor or trader should treated on privileged basis. It will help to empower women around the region.

3. Without allowing the free movement of labour, under article IV- of GATT, the dream of poverty alleviation in south Asian society cannot be fulfilled ad the benefits of free trade would remained untapped for poor of the region.

4. Better regional connectivity would reduce business' cost and eventually lead to increase in the volume of intra-regional trade

5. Access to financial facility i.e. local subsidies and working capital facility

6. Legal cover in the event of political upheaval/ sovereign Guarantee

7. Avoidance of Double taxation Treaty at regional level

8. Currency Swap- trade and investment provision in local currency

9. Investment-specific Dispute resolution mechanism

10. Opening of Bank branches in all member countries on reciprocal basis

11. Establishment of SAARC Central bank with its regional branches in all capitals and major commercial cities across the region, is the need of the time to accelerate the process of regional integration in South Asia.

12. All south Asian countries should provide sovereign guarantee to the investors from the member countries to pro

Notes and References

Abdin, M.J (2015).Foreign Direct Investment in SAARC Countries. Global Journal of Management and Business research: C Finance. Global Journals Ince.

Ahmar, M. (1982). The Politics of Conflict and Cooperation in South Asia. *Pakistan Institute of Internation Affairs, 35*(3), 44-59.

Alam, I. (2006). *Evolving a South Asian Fraternity.* Lahore: South Asian Policy Analysis Network (SAFMA).

Asaf, K. (1995). Pakistan & Regional Economic Cooperation in SAARC-ECO. *Institute of Regional Studies,*, 1-145.

Bhajwati, J., & J.N. (1985). Dependenceand Inter-dependence. *2*(Delhi), 11-49.

Das, D. K. (1992). *SAARC: Regional Cooperation and development.* New Delhi: Deep & Deep Publication.

Dash, K. (2008). *Regionalism in South Asia: Negotating Cooperation Institutation Structures.* London: Routledge Publicaton.

Devi, B. (2015). Regionalim in South Asia: The emergence and grwoth of SAARC as a forum of economic integration. *International Journal of Advanced Reseach Management and Social Science, 4*(4), 45-50.

Grovet, V. (1997). *Encyclopedia of SAARC Nations.* New Delhi: Deep & Deep Publishers.

Hariharan, S. (1993). *India's Foreign Exchange Crisis: The Need for Colser.* New Delhi: Deep & Deep Publishers.

Hariharan, S., & Jebaraj, J. (2003). *Trade Between and SAARC and other Asian Developing Countries.* New Delhi: Serials Publications.

Hassan, M. (2001). SAARC a viable economic block? Evidence From gravity model. *Journal of Asian Economic*, 263-290.

Hussain, R. (1996). SAARC 1985-1995: Review and Anslysis of Pregress. *South Asian Survey*.

Iqbal, M. (2006). SAARC: Origin grwoth, potential and achievements. *Pakistan Journal of History and Culture*, 7-23.

Javaid, U. (2013). *South Asian in Perspective.* Lahore: Punjab University Press.

Kelegama, S. (2004). SAFTA: A Critique. *South Asian Journal*, 1-8.

Kemal, A. (2004). SAFTA and Economic Cooperation. *South Asian Journal*, 1-21.

Khan, M.A. (2011). Foreign Direct investment in Nepal: A case study of FDI in Telecommunication sector. PIDE working papers, 67.

Mukherji, I. (2004). Towards a free Trade Area in SOuth Asia: Charting a Fesible Course for Trade Liberalization with Reference to India's Role. *RIS Discussion Papers*, 86/04.

Obion, F. (2009). SAARC: The Political Challene for SOuth Asia and Beyond. *Economic and Political Weekly*, 118-125.

Panagariya, A. (1999). Trade Policy in South Asia Recent Liberalization and Future Agenda. *The world Economy*, 353-377.

Pattanaik, S. (2011). *South Asia: Envisioning a Regional Future.* New Delhi: Pantagon Security Interantion Press.

Pigato, M. F., Itakura, K., Jun, K., Martin, W., Murrell, K., & Srinivasan, T. (1997). *South Asia's Integration into the World Economy.* Washington DC: World Bank.

Qadri, H. M. (2008). *SAARC and globalization: Issues, prospects & Policy Prescription.* Lahore: Minhaj-ul-Quran Publucation.

Raghu. R. (2014). Foreign Direct Inflow in SAARC Countries. Asian Journal of Multidisciplinary Studies.

Raipuria, K. (2001). *SAARC in the New Millennium: Need for Financial Vision South Asian Survey.* Lahore: Minhaj-ul-Quran Publication.

Retrieved from: www.ajm.co.in

Rizal, D. (2012). *South Asia and Beyond: Discoursed on Emerging Security Challenges and Concerns.* Ned Delhi: Adroit Publishers.

Rizvi, A. (2006). Problems of Regional Cooperation. *South Asian Policy Analysis Network (SAFTMA)*, 131.

Rynning, S. (2017). *South Asia and the Great Powers: International Relation and Regional Security.* London: I.B Tauris.

Schiff, M., & Winters, L. (2003). *Regional Integration and Development.* Washington DC: World Bank.

Sha, S. (2005). South Asian Association for Regional Coopeartion (SAARC) and Social Developemnt in South Asia: A Study of Some successful Experiences. *Indian Journal of Assia*

Zaidi, S. (2005). *Issues in Pakistan Economy*. Karachi: Oxford University Press.