



A Vision for South Asia in the 21st Century World Order

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1. Introduction - World Order in the 21st Century

It dates back to the birth of civilization and empire building. Since then to the mid of 2nd millennium AD, those empires that ruled had one thing in common - the military power. With a few exceptions, most of the empires used to gather economic fortune through plundering of wealth of others. However, the birth of nation-statehood and industrial revolution in Europe caused dimensional change in the method. Technology – with economic, military and civilian uses - led some powers to spread their empires by colonizing small and big kingdoms all over the world. In the process, economic fortune of the conquerors used to follow their conquests. There was no such idea of world order, as we mean today, as most parts of the world were divided among some colonial powers. However, in the twentieth century, the concept of world order got a formal institutional shape through the creation of the League of Nations in 1919 under the Treaty of Versailles “to promote international cooperation and to achieve peace and security.”

With the passage of time, we see maturing of the concept and efforts of some of the states wanted to influence and dominate the order by a combination of three powers, viz. economic power, military power and technology power in one way other. Sometimes, in the name of establishing rules of law, all these factors were used in a concerted basis. Notably, before World War II, an accumulation of all these powers happened to be in the hands of the US and few west European nations. However, former Soviet Union emerged as a decisive and powerful force in the WWII and after. With its rise, a fourth factor was added to the list of influencers of the world order - the ideological power.

A post-mortem of the world order in the 20th century shows that the decline of British Empire had happened not only because of its loss of colony based economic fortune in the mid of past century, but also as a consequence of transfer of technological and ideological weights of capitalism and democracy to the other side of the Atlantic. That is, the USA rose to become a gigantic power with the combination of all these elements of a great empire. However, former USSR emerged as a counter balancing force to the US with its excellence as a mighty fighting power as well as for the appeal of Marxist ideology based on the philosophy of power of the proletariat. However, the challenge to the US dominated world order by the USSR did not last long. This was partly because of the failure of USSR to give timely push and dynamism to its economic ideology as a leading counter-bloc to democracy and capitalism. The intervention in Afghanistan also turned out to be very costly for it. Sure enough, with the demise of USSR in the 1991, the USA has emerged as the most powerful “Empire” ever that the human civilization has seen so far.

Throughout the period of rise and consolidation of its hold on the world order, the US also tried to widen and deepen its influence by queuing of other lesser economic powers in the capitalist bloc through G-7. It exerted influences on different international institutions like IMF, World Bank, WTO (GATT), etc. Of late, the MNCs as the flag bearers of corporate capitalism have become viable manipulating tools for maintaining the influence on the order. But the sudden rise of China in the global arena and its growing economic and military prowess seems to have posed a greater challenge to the existing global order. Is the rise of China giving an indication to the coming order in the 21st century? Is China going to fill the vacuum left by the demise of Soviet

Union? Or, is something else waiting for the people of the world with surprises? Looking at the trend, it now seems that the world is passing through a crossroad in the order as some players of the game are changing.

To come to that point let us relate the great financial crisis of 2008. This crisis is very unique in the sense that it started from a single sector of a single economy to spread and affect the whole world. Indeed the crisis has dawned on the reality that it may need the spark of a single event that could open the hollow of an existing system or that can lead to the downgrading of a great power and an existing order too. The crisis has also revealed some of US economic and political weaknesses. Undoubtedly, the cost of interventions in the name of establishing the rules of law of the order it assumed to lead was high. Moreover, excessive dependency on the private corporations that have insatiable love for money and the subsequent demise of some of them put a spanner on the influence of the USA-led world order. The scope for a debate on the rise of China has widened also because of the relative decline of US due to the crisis. Hence, will the crisis of 2008 be remembered as the beginning of the end of US supremacy and the world order it established and dominated for about a century? This is indeed reflected by the following statement, “The USA is losing global influence, although it had seen itself, after the end of the Cold War, as the new hegemon in a unipolar world. Asia, especially China, is seen as a keen contender for the position of a hegemon. The European Union, despite its current crises, sees itself as a global player; the Eurasian land mass is taking on a new shape; Brazil and India have joined in the game. The hegemons seem to have had their day in global relations and been succeeded by a multipolarity” (Transform - European Network for Alternative Thinking and Dialogue, 2012).

In all probabilities - economic growth pole will no longer remain limited to one country or two. The other powers that shape the influence sphere - technology power and military power - are also showing diverse pockets of gravitation. In the emerging context, however, ideological power is going to be replaced by soft powers as democracy and capitalism have outclassed other comparable challenging ideologies and they are supposed to shape the future order in the 21st century. Hence there is a transitional time ahead for an order to get a stable shape and it remains to be seen how long this will take. It is plausible to think the transitional period be peaceful, but it can be turbulent as well.

In this presentation, however, I would like to juxtapose South Asia as a single entity vis-à-vis others in the 21st century to find a position for it in the emerging order. My effort will be to draw a common picture for South Asia by assessing some of its weaknesses and strengths that the region inherited and gathered for a possible positioning for the coming days. My assessment here, though, has been influenced by a believe that South Aisa could be an effective player in the world order because the economic gravity of the world is visibly shifting toward Asia.

2. South Asia -Definition

Our endeavor to look for a common future for the region should begin after we can delineate a physical space of a region that to be considered as South Asia. As Wikipedia finds, “South Asia or Southern Asia is the southern region of the Asian continent, which comprises the sub-Himalayan countries and, for some authorities, also includes the adjoining countries to the west and the east. Topographically, it is dominated by the Indian Plate, which rises above sea level as the Indian subcontinent south of the Himalayas and the Hindu Kush. South Asia is bounded on the south by the Indian Ocean and on land (clockwise, from west) by West Asia, Central Asia, East Asia, and Southeast Asia” (Wikipedia, 2014a).

However, various other sources have their own ways of drawing the boundary of the region comprising the nations around. For example, the United Nations’ definition of South Asia’s geographical region includes the countries of Afghanistan, Bangladesh, Bhutan, India, southeastern Iran, Iran, Maldives, Nepal, Pakistan, and Sri Lanka. In 1985, seven South Asian countries formed the regional bloc “South Asian Association for Regional Cooperation” (SAARC). They are - Bangladesh, Bhutan, India, the Maldives, Nepal, Pakistan and Sri Lanka - a contiguous block of countries. Afghanistan was included as the eighth member of the group in 2006. Now SAARC includes three independent countries that were not under the British rule - Nepal, Bhutan and Afghanistan. But it excludes one, Myanmar, which was also a part of the British Raj. My opinion favors to

see present 8 members of SAARC plus Myanmar in the definition of South Asia. I am aware that as an ASEAN member, Myanmar may be perceived to be a South East Asian nation instead of a South Asian one. But my desire to include Myanmar as a constituent of South Asia steams from its physical congruence, cultural affinity and historical linkages. Myanmar's inclusion adds the concept of strategic depth to the region too.

Historically, South Asia of our definition was one of the most developed and civilized regions in the world. Two of the greatest religions, Hinduism and Buddhism, originated from this part. This region also housed the great Harappa and Mahenjo Daro civilizations "which, prima facie, accorded them a maturity and experience that many other nations and peoples could not boast of" (Cabraal, 2002). Even today, the South Asians speak of their past greatness in awe, and eulogize the common past achievements. Mr. Cabraal points out that "... the lands and peoples living in the areas which are today described as the South Asian region, were linked in many ways. These links were, inter alia, cultural, religious, as well as military and language based. In fact, even the physical appearances of the people of the region and their general outlook towards life also have many similarities. Over the centuries, these links, connections and similarities have continued to exist and grow. Though some disagreements have surfaced amongst these nations at various times, these nations and their peoples have continued, and continue to remain, inexorably associated with one another."

In contrast to those common heritage, presently there are many areas where the South Asian nations are divided, their mutual distrust is high and political discourse different. Therefore, it makes sense to analyze how the region can place itself in the changing global order, based on their present and future strengths and weakness. Question is - will South Asia hold together a shared desire to influence the future order or just will remain happy with the second-fiddle role it has played since the mid of 1940s after most of the countries here got independence? More precisely, given the multiple divides and fault lines at the State and societal levels, do they have a common future as a region? Can they manage their challenges and march ahead to shape a better future for their people and influence the developments in Asia? How far will they be contributory to the development of other parts of the world in the 21st century? To paint a realistic picture on this, I will proceed with my assessment in the following way.

3. Persisting Problems

Even though I am an optimist, let me start with the gray-side of South Asia first. On their way to becoming a meaningful and contributory entity in the 21st century world order, South Asian countries have to overcome some of the problems that have been here for quite a long time. These problems are well known and nearly similar to all of them. Also, the issues I am identifying are not going to make an exclusive list of the problems South Asia is facing and in all possibility they will continue to dog the region for some time. Keeping this limitation in mind, I'm going to get to more the fundamental problems.

Poverty: Fact is, South Asia has the biggest number of poor people in the world and is the 2nd poorest region after Sub-Saharan Africa. Inclusion of Myanmar in our definition will make the scenario even worse. A World Bank Study says that South Asia is home to half of the world's poor. About 29 per cent of Indians, 33 per cent of Pakistanis and 42 per cent of Nepalese live below the poverty line (also in Pattanaik, 2011: p.xix). Although Bangladesh has shown a remarkable progress in reducing poverty in recent time, still more than 31 percent of its people live under the line of poverty. According to the UN's Multidimensional Poverty Index, just over a quarter of the world's MPI poor people live in Africa, while a half lives in South Asia. The study also found there are more poor people in eight Indian states than in the 26 poorest African countries. According to the index, 55 per cent of people in South Asia are MPI-poor and in sub-Saharan Africa, 64.5 per cent of people are MPI-poor. Both figures are higher than those considered extreme income-poor - living on less than \$US1.25 per day (Alkire & Santosh, 2010). According to a 2008 World Bank estimates, Pakistan was most exposed to poverty risks among 43 countries. Its poverty rate jumped from 23.9 per cent to 37.5 per cent in three years from 2005 (Dhakan, 2014). However, Sri Lanka, the Maldives and tiny Bhutan have better position than their regional partners.

Population: South Asia has some of the most populous countries in the world. Taken individually, India is the 2nd most populated country, Pakistan and Bangladesh are 6th and 8th, respectively. With an area of 5.14 million km², the SAARC-8 countries have a population of 1650 million. This makes more than 23 percent of the estimated 7.2 billion population of the world. India alone constitutes 1.239 billion people or more than 17 percent of the world total. Inclusion of Myanmar adds more than 53 million people and 676 thousand km² area to South Asia. With little basic soft and hard infrastructural facilities, most of the time the size of population is proving to be big burden for them.

Corruption: Corruption no longer means breaking the rules of the game; seemingly it has become the game in South Asia. Atal Behari Vajpayee, former Prime Minister of India, once termed corruption as a “national disease” in India. It has actually become most significant and pressing economic and social problem in the region. Cabraal (2002) writes “Everyday, instance where a person has gained an unfair advantage over another in business, employment, education, sports, tenders, or almost anything, and instances where rules have been bent, changed or stretched, to give an undue advantage to a certain selected person, is heard of”. Corrupt tenders, fraudulent contracts, wrongful promotions, forced personal relationships, undue delays, political victimizations, etc., are also the order of the day. Whenever any such event occurs, governments and politicians, present and past, are blamed. People say they have lost faith in their leaders, systems and society.” Alarming, the system in all the countries is getting corrupted in the process. If this continues, in future the system will allow corruption as a normal ingredient. This could be dangerous.

Not surprisingly, some of the South Asian countries are increasingly making higher ranks in the Corruption Perception Index (CPI) prepared by the Transparency International, a Berlin based organization. From 2001 Bangladesh headed the list of most corrupt countries for four consecutive times. In the CPI 2013, Bhutan has been listed as the least corrupt country in South Asia and ranked at 31st place. Sri Lanka (91), India (94), Nepal (116), Pakistan (127) and Bangladesh (134) followed Bhutan. However, Afghanistan was the world’s 3rd on the most corrupt list while Myanmar showed a little less corrupt position by holding 157th rank.

Disruptive Political Discourse and Indiscipline: Pressure rises and disrupts the democracy through disagreements on various intra-state issues related to economic, political, religious, racial, and majority-minority groups in almost all the countries in this region. The civil war in Sri Lanka, recent political strife in the Maldives are also examples of indiscipline and disruption of political discourse. Countries in South Asia also face political instability because of the changes in nature of the governments, with the exception of India. In Pakistan, with its sad history of false dawns and dashed hopes, democracy is yet to get an acceptance in the public domain. The military ruled half of the life of Pakistan’s existence from 1947. Run for democracy was disrupted by the power loving generals so many times. Democratic values are yet to gain strong ground there. Bangladesh, on its part, has experienced changes of government regularly since 1991. But after every five-year, a cycle of violence and disruption of normal political life has become common. Sri Lanka is now seeing a stable government after a long time of internal turbulence. Nepal is yet to find a stable path for its transition from the Monarchy to multi-party democracy. Recently, the Maldives is becoming a restive democracy. A relatively calm Bhutan has an opposite counterpart called Afghanistan which is seeing a bloody struggle with internal and external dimension.

However, the inter-state rivalry and tension, due to some created causes and some historical baggage inherited from the past, are helping generate distrust between the states in the region. The partition in 1947 led to the creation of India and Pakistan as sovereign states along the religious line. “The wounds of partition are a yet to heal in South Asia and the post-colonial nation-states in the region have carefully nurtured the concept of the ‘other’ in the process of creating exclusive national identities that justify their existence as separate nations” (Pattanaik, 2011: p. xx). This resulted in the massive displacement of people and conflict between them. The Indian intervention for the Bengalese of the then East Pakistan to get independence in 1971 furthered the legacy of partition. “Therefore,” as Pattanaik suggests, “it becomes difficult for the states to

sell ‘regionalism’ as it subsumes the invented ‘other’ and makes it irrelevant.”

Indo-centric Physiology: The giant presence of India at the heart of South Asia is sometimes perceived to be a problem. Extension of the Cold War in the region had made the problem bigger. Now look at some of the statistics. India constitutes 65 percent of the total physical area of present SAARC, sharing border with all the countries in region except Afghanistan and the Maldives. It makes 75 percent of the region’s population or around three times the combined population of 7 other countries of SAARC. Its economy is 80 percent of the regional total followed by Pakistan (10 per cent) and Bangladesh (7 per cent). Thus the size of population, geographic area and economy really makes India the formidable power at the heart of region. India is also the most populous democracy in the world. Its military power is bigger than the total of others (except probably the Pakistan’s stockpile of nukes). There are some historical events of the recent past that make a section of people uncomfortable with India. The Indian active cooperation in getting freedom of Bangladesh has remained an irritant factor between India and Pakistan for long.

The physical contiguousness of India with most of the countries has made it prone to get involved in frictions of economic, social and political nature. So sometimes instead of being a solution, India becomes a part of the problem.

Rise of Ethnic and Religious Divide: Vacating or surrendering social, political and public space to people with religious agenda seems to have gained ground in South Asia as well. Present Egypt is the best example of consequences of such acceding of space to such groups. Unfortunately, the partition of Indian Subcontinent on the religious line rooted the first major victory for many of them. Since then there was always a helping hand for the religious bogey from the ruling military in Pakistan. The generals were more than willing to accommodate them to create their support base as they lacked popular support. India has also seen the rise of religious groups too. Bangladesh and Sri Lanka have experienced the rise of ethnic and religious sentiments at different stages of their existence. But in the age of free flow of information and globalization, cross-border repercussions of any such domestic incident are quite possible. The developments in Afghanistan and their spillovers in Pakistan and vice versa have the potential to affect the entire region in the coming days. “Exacerbation of conflict in some countries, inability of countries to deal with violence politically and accommodation of minority rights have created the conditions for perpetuation of violence” (Pattanaik, 2011: p. xviii). Moreover, Suba Chandran has corroborated a fear with the following words, “The social and religious divides, along with strains of violent philosophy from outside the region, is likely to be the greatest threat to South Asia’s common future. A region deeply divided over ethnic and religious differences, expressed violently, will not be able to prosper” (Chandran, 2013). Importantly, we should not miss the economic fallouts of such development. The best case example in this regard is Pakistan. Its present economic woes and administrative anarchy are attributed to the overarching influence of the military and Islamic extremism.

Education: South Asia is both the most populous and most densely populated geographical region in the world. Poverty is also rampant, so is illiteracy. There are, for example, more illiterate women in India than in the entire continent of Africa. Moreover, the women population seem to have remained at the furthest end of poverty margin in all the countries. However, the deadly combination of over-population and poverty could be the breeding ground for many of the social evils. Along with different intervention measures, education could serve as a weapon to fight poverty. Unfortunately, South Asia lacks that educational infrastructure too. A look on Malaysian approach to economic development at the initial phase reveals that it wanted to impart vocational education to its pupil first for making them productive. In South Asia, higher education seems to have grown disproportionately than mass vocational and technical education.

Weak Democratic Governance- Poor Response to Problems: Most of the problems in South Asia requires cohesive and carefully conceived responses based on sound principles and practices of good governance. But sadly, that has not happened. The scorecard of good and democratic governance is not pleasing. Adhocism and reactive approach have dominated the governance model. Obviously, many of the problems in the societies here could be explained from poor governance angle as well. According to Cabraal, “In addition to corruption, low productivity levels, almost non-existent public sector accountability, dismal governance structures in government, blatant and unconscionable family dandyism, a deplorable regional work ethic, shockingly low levels of ethnic and religious tolerance, wide-spread political interference, non-responsive education systems which are far removed from the economic needs of the respective countries, undue emphasis on caste and religious issues, are but some of the common governance problems in the region” (Cabraal, 2002).

4. Promises for a Future

The basic premise for global order in the 21st century is that Asia will drive growth and development, though some caveats should hold true but not undermine the premise. Similarly, despite all the intra-state and inter-states difficulties in the region, South Asia should form an important part of global order that is experiencing a shift in the locus of power. With a vast population, increasing economic promise and having India at the core, South Asia makes a *bona fide* contender to be in the spotlight of such a shift. Presence of some other important elements that may form the basis for building a brighter common future makes me hopeful about the promise of South Asia.

Demography, Dynamism, Diaspora and Diversity: Anyone deals with developmental issues knows the importance of four Ds - Demography, Dynamism, Diversity and Diaspora - for a country or region. South Asia is heavily blessed with all these D-elements at the moment. When Japan has aged, the Western Europe and China are aging, then South Asia promises to have a very good demographic composition for a long foreseeable future. According to the International Labour Organisation (ILO) report on “Global Employment Trends for Youth” of August 2010 is instructive in this regard. Number of youth in South Asia will increase by 12.1 million or from 27 per cent to 29 per cent by 2015 (also in Pattanaik, 2011). However, unemployment is a problem here. The report says that Youth employment to population ratio is at 8.6 per cent and youth unemployment rate is 10 per cent. Making a priority to generate employment for them could lay the first step for a future.

Again, the fittest survives because of “Dynamism”, an ability to adjust with the changing context. As Cabraal puts it, “the people’s intense thirst for knowledge and education, their ability to adopt to changing situations, their resilience in the face of great hardships, their relatively high intellectual ability, their somewhat easy going nature, their inherent respect for elders and authority, and their deep sense of patriotism, could all be considered as strengths that the people of the (South Asian) region possess. All in all, it could be said that the countries in the region have been limping along trying to find solutions to their problems --- using these strengths in an ad-hoc manner.” Adhocism is a big problem and cause for limping back in many areas. But that can’t cloud the dynamism people have in the region.

Another important D for South Asia is the Diaspora. The South Asians are now vibrant and booming in many parts of the world. An estimated 70 million people of South Asian origin are now living around the world. With 10 million more joining the diaspora each year, their pool of wealth is increasing (Asia One Business, 2013). They are becoming politically powerful in the countries they have made their new home. The people of South Asian origin are not only becoming important in the places they are living in but also sending remittances to the countries of their origin. From its diaspora, India earns most remittances in the world and Bangladesh ranks fifth. Sri Lankan, Pakistani, Nepali Diaspora are also contributing to their national exchequers. At the point of need, this diaspora can add human capital to their countries by a reverse brain drain. Suba Chandran has summarized the whole idea in the following manner, “There is a youth bulge in South

Asia. While it may not act as a “demographic dividend” at this moment given the lack of economic opportunities, the growing South Asian diaspora and its economic muscle will also prove the other side of the story. If federalism, democracy and inclusive governance get established in South Asia, the youth bulge then will become the greatest asset for the region. More importantly, the youth does not carry a historical baggage of partition and the horrors of social and political differences. With a positive approach, this generation can be easily molded to ensure South Asia aspires to become another European Union.”

For creativity and development, Diversity is considered to be vital. South Asia has a diverse religious, linguistic, ethnic and geographic kaleidoscope. Diversity in people in the region has brought diversity to their cultures too. Moreover, a diverse geography spreading from the great Himalaya to the Indian Ocean, from Afghan rugged land to the Bay of Bengal near Yangon in Myanmar brings such a big landscape for making life colorful and beautiful. On the other side, diversity has its share of problems too. However, in South Asia, the movement and interaction of people and the flow of culture from one part to another from the beginning of Indus civilization have threaded them together.

Economic Prospect and Geo-economic Importance: There is no way to miss the point. South Asia now houses some of the fastest growing economies in the world. Individually most of the countries in the region are rising, though not equally. While India is showing all signs of going ahead faster, Bangladesh, Sri Lanka are displaying that they can march ahead too. Presently, South Asia region has an economy of more than US\$ 2.5 trillion. The aftermath of the 2008 financial crisis has dampened Indian growth a bit, but Bangladesh, Sri Lanka, Bhutan are growing over 6 percent annually. However, Forbes says that “India is developing into an open-market economy...the outlook for India’s medium-term growth is positive due to a young population and corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy”. Brining Myanmar in, the bullishness on the future of South Asia grows further. Truly, there is a strong basis for the bullishness. With their growing economy and rising purchasing power of an expanding middle class, South Asia becomes a big market for trade and hence investment destination. Its physical closeness to South East Asia, China and Middle East makes it geo-economically important. The military power of India and Pakistan and peace-keeping experience of Bangladesh gives the region added weight in any future context.

Strengthening Democracy and Reduction of Intra-State Conflict: With some limitations, a process is on for establishing and strengthening democracy in South Asia. Suba Chandran writes, “Compared with the 1980s and 1990s, South Asia is more democratic today. Authoritarian and monarchical regimes in the region have paved way for democratic regimes, howsoever limited they are.” Indeed, the people of South Asia have strongly demonstrated their preference for democracy, especially in countries either plagued by political instability or under military rule. Moreover, the peaceful transition of power through elections in 2013 in Pakistan and the Myanmar’s effort to form multiparty democracy are some of the heartening examples. The strengthening of democracy too has been happening from reduction in the intra-state conflicts in Nepal and Sri Lanka.

Fact is, popular democratic elections create festive environment in all the countries in the region. Exercising right of vote through elections is “not merely about establishing procedural democracy. They mean that the government is accountable to the people. While a civil-military imbalance still exists in some states, the hold of the latter over the former is slowly breaking up. Governments are becoming accountable and this is great news for the future of South Asia” (Chandran, 2013).

Gurcharan Das in his book *India Grows at Night* discusses the notion of a strong state for India. His view effectively offers an option for all the states in South Asia as well. In contrast to the authoritarian regimes of Stalin, Mao and Hitler, he opted for the views of the 18th century thinkers of the US who gave the idea of strong, yet liberal democratic state. Such a state needed to have three key qualities: decisive and determined in its action, governed by the rule of law and accountable to the people (Das, 2012). I understand this

view of government and governance should be applicable to all of the nations in South Asia for their progress and prosperity.

Soft Power and IT Power: South Asia's great power is inclusiveness. Though it could be a tall claim that South Asia stands high with many soft powers, claiming them not at all, however, is not a good option either. As we know, Joseph Nye of Harvard University has developed the concept of Soft power to describe the ability to attract and co-opt rather than coerce, use force or give money as a means of persuasion. "Nye coined the term in a 1990 book, *Bound to Lead: The Changing Nature of American Power*. A country's soft power, according to Nye, rests on three resources: "its culture (in places where it is attractive to others), its political values (when it lives up to them at home and abroad), and its foreign policies (when others see them as legitimate and having moral authority" (Wikipedia, 2014b).

On these, India stands much ahead of others individually in South Asia. The common axiom is - a rising tide lifts all boats in the river. I believe that Indian rise should benefit them all in the region, not just through the trickle down effects but through willful cooperation. So they should partner together. However, India should be prepared to play a constructive role so that it can really become a relying force for all to go forward to a common future.

Can IT be treated as a soft power of South Asian dominance? To me, yes. Information technology seems to have become a cultural element through which the South Asian brains have brought "VOW" from others - their attention and admiration. IT knowledge is such a power that has changed the perception of world on India in particular. The people of the region should be happy to take pride on that the IT engineers of Bangladesh, Sri Lanka and Pakistan are also promising to come better off. Let me try to reinforce - it is a power, a weapon to win and not to kill. This can prove to be the greatest soft power for the future promise of South Asia.

5. Positioning South Asia into the 21st Century World Order

In the 21st century, the position of South Asia in the global order will be determined by the fact that how quickly the region can bring a change in economic fortune of the people. Indeed, this change may not be that far. Going by the economic trend, South Asia will be much richer a economy by 2030. This may also coincide with the surpassing of Japan's GDP by India. That looks to a bit earlier than the timeframe projected by Bill Gates when he says that there will be "almost no poor countries by 2035", and that child mortality rates in the poorest nations will plummet to the same levels as in the US and UK in 1980. By then, Bangladesh is projected to be in top twenty economies in the world. Although Pakistan has sad history of false dawns and dashed hopes, it still holds the hope for another dawn. The potentials for Sri Lanka to emerge as the Singapore of South Asia can't be ruled out.

However, the biggest challenge for South Asia will be to attain that level with relative competitiveness in the economies in the region. As we know, the Global Competitiveness Report (GCR) of the World economic Forum identifies three broad areas from where the competitiveness of an economy is generated. These are:

- Factor-driven: Based on the factor endowments, for examples unskilled labor and natural resources. The developing countries try to build their capacity and competitiveness on their factors in abundance.
- Efficiency-driven: Based on developing more efficient production processes and increasing the quality of products to account for rising wages. This seems to be the logical push from the first stage of competitiveness development.
- Innovative-driven: Based on the capacity to invent, innovate and develop new and unique products. This blunts the impact of high wages of labor for the businesses.

Industrial competitiveness of most of the South Asian economies is still arising from factor-driven

manufacturing base. Few industries have graduated to efficiency driven level. The innovation-driven competitiveness is far for them as it shows the maturity of a particular economy. However, there are some pockets of developments that promise that South Asia will climb the ladder of competitiveness as qualitative and quantitative developments continue to take place side by side. The strategic depth of the South Asian emerges from the size of economy, market and huge diverse geographic area. A promise of growth on the base of \$2.5 trillion economy, 1650 million population on a space of 5.14 million square kilometers can't be ignored when they become united for their common betterment.

Nevertheless, we must not be blind to the domestic obstacles they have in doing business in their respective economies. The three largest South Asian countries, Pakistan, Bangladesh and India place 110th, 130th and 134th respectively in the World Bank's "ease of doing business rankings". Sri Lanka tops the list among them holding 85th position. "In order to sustain the growth, physical infrastructure will need to be prioritized. In South Asia education and employment will need to be found to stave off possible socio-political unrest among the booming youth population" (Lehmann, 2012).

Leaving the economic promise behind, an all round development of a country depends also on 4Ds - Democracy, Demography, Diversity and Discipline. We have discussed that South Asia has an ample of the demography and diversity. Their overall record on democracy is improving but all countries here suffer from a common cultural lacuna - their people lack discipline. Let us have a look at China and assess its position with respect to these qualitative variables. China has diversity and its people to a large extent obey the dictates of the government and employers. However, its demography is deteriorating and democracy as a method of governance and change of power is not practiced at all. So if China can do an economic miracle without democracy, can South Asia do that without discipline? Possibly, not. That's because of the fact that at the initial stages of development, or at pre take-off and take-off stages of Rostow Model, a country seems to require more of discipline than democracy. But when it matures and age of mass consumption begins, democracy becomes a paramount requirement. South Asia's present minor edge with democracy and institutions should be supported and complemented by a disciplined work force and more democratic governance. These can quickly address many of the existing problems in South Asia.

In the end, in contrast to the present South Asia which is often associated with poverty and backwardness, there are promises that pendulum will be swinging to the opposite with its image of improving prosperity and success. Moreover, "global developments such as China's rise, and the American rebalancing in the Asia Pacific and its implications for Southeast Asia may provide an opportunity for South Asia to link up with its prosperous neighboring regions"(Chandran, 2013).

6. Conclusion

The vision of a South Asian to send poverty in museum through economic progress has raised hope of empowerment of marginalized people in the region and beyond. A process of gradual democratization and people's yearn for more democratic governance side by side the growth of a middle class signaling the change South Asia. With the changing political scenario, some people are willing to break free of the barriers set by the states and transform the economic landscape of South Asia. These developments could be directed to further the betterment of people if the counties of the region can offer application oriented vocational education to a broad segment of people to help them join the production process and become more productive. The important question in this regard is: will the governments choose a path for economic and social progress at domestic fronts and can they check any negative strains within that have the potentials to spillover and affect the positive growth in the region?

Crucially, in the search for a collective and common future, not much focus should be on "shared past" of culture and history. "Emphasis on the latter, despite its importance, has not yielded the desired result so far. Besides, our "shared past" is disputed and full of violence, partition and horror stories, which can be easily manipulated. True, we should understand the past, but we should also ensure that it does not affect our future, because some of have misread it" (Chandran, 2013).

However, while the opportunities are immense for South Asia's common future in the 21st century, "so are the challenges to convert the potential into a promise. Poor bilateral relationships - especially between India, Pakistan and Afghanistan - are perhaps the biggest challenge that the region is facing today. Will the establishment of democratic, accountable and inclusive governments change that? As the biggest country in the region, India will have to play a greater role, perhaps even disproportionately, to ensure that it forms the link within the region, and ensure South Asia becomes a bridge between Southeast Asia, China, Central Asia and the Middle East" (Chandran, 2013).

Moreover, Professor Lehmann utters a threat for all, particularly for Asia, "The greatest threat to the world economy is that precisely at a time when most of Asia is engaging in globalization – having been mainly victims of globalization in the past – that the West should seek to "de-globalize" through protectionism and the abandonment of the principles of a rules-based global market economic system that for over half-a-century has served the world so well. A globalized Asia with strong underlying global institutions could usher in a 21st century of great global peace and prosperity!" (Lehmann, 2012). As Kishore Mahbubani, the prominent thought leader on Asia's rise, has commented: *in embracing globalization, Asians do **not** aspire to change the rules; what they desire is that all, including the West (!), should **adhere** to the rules* (also in Lehmann, 2012).

In the meanwhile, South Asia needs to develop as a single zone of peace featuring rich history, ethnic and cultural diversity. In a common voice they have to advocate peaceful and common development, safeguard international justice, and make contributions to humanity. Nonetheless, they should not follow the West in toto in their quest for development, forgetting their core cultural and social values which have been developed for thousands of years as parts of civilization. These values are based on beliefs, faiths, cooperation, tolerance to others opinion, spirit of coexistence, helping the needy, and so on. In the development process, some nations have shown that economic elevation is a matter of generation. But if development is attained at the cost of basic values of the civilization, then that could be a recipe for disaster. If the countries really unit for a common and collective betterment, the chance is there that South Asia will make a strong place in the 21st century. That will ensure the region a better position in the emerging global order. But it's not automatic. To realize this potential, they have to step out together without much delay. Moreover, the effort to build that common future through SAARC does not seem to be enough. They need to do something more.

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Appendix

Table A1: Some Basic Statistics of South Asia

Country	Area	Density Per Km ²	GDP (Billion US\$)	Population	Population as on
Afghanistan	652,230	52	34.55	25,500,100	01-Jan-13
Bangladesh	147,570	1099	153.72	152,518,015	16-Jul-12
Bhutan	38,394	18	1.49	743,180	20-Jan-14
India	3,287,240	382	1947	1,239,240,000	20-Jan-14
Maldives	298	1330	1.94	317,280	01-Jul-10
Nepal	147,181	200	19.92	26,494,504	22-Jun-11
Pakistan	796,095	225	230.53	185,402,000	20-Jan-14
Sri Lanka	65,610	319	64.91	20,277,597	21-Mar-12
Sub-Total	5,134,618	3625	2454.06	1,650,492,676	-
Myanmar	676,578	71	53.14	53,259,000	01-Jul-13

Source: Author Constructed

Table A2: Economy Rankings for Doing Business in Overall Regulatory Framework , 2013

Economy	Ease of Doing Business Rank	Starting a Business	Dealing with Construction Permits	Getting Electricity	Registering Property	Getting Credit	Protecting Investors	Paying Taxes	Trading Across Borders	Enforcing Contracts	Resolving Insolvency
Singapore	1	3	3	6	28	3	2	5	1	12	4
Hong Kong, China	2	5	1	5	89	3	3	4	2	9	19
United States	4	20	34	13	25	3	6	64	22	11	17
Malaysia	6	16	43	21	35	1	4	36	5	30	42
Korea, Rep.	7	34	18	2	75	13	52	25	3	2	15
Thailand	18	91	14	12	29	73	12	70	24	22	58
Japan	27	120	91	26	66	28	16	140	23	36	1
China	96	158	185	119	48	73	98	120	74	19	78
Sri Lanka	85	54	108	91	145	73	52	171	51	135	59
Maldives	95	71	18	131	161	109	80	115	138	90	40
Nepal	105	97	105	98	24	55	80	126	177	139	125
Pakistan	110	105	109	175	125	73	34	166	91	158	71
Bangladesh	130	74	93	189	177	86	22	100	130	185	119
India	134	179	182	111	92	28	34	158	132	186	121
Bhutan	141	86	132	91	86	109	147	104	172	37	189
Afghanistan	164	24	167	104	175	130	189	98	184	168	115

Source: The World Bank (2013), Doing Business, Economy Ranking