Policy Research Journal
ISSN (E): 3006-7030 ISSN (P) : 3006-7022 Volume 4, Issue 3, 2026

REGIONALISM FROM WITHIN: THE ENDOGENOUS CHALLENGES TO SOUTH ASIAN FUNCTIONAL INTEGRATION

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DOI: http://doi.org/10.5281/zenodo.18872790

Keywords
South Asia; Regionalism; India; Pakistan; Regionalization; Economy; Integration

Article History
Received: 05 January 2026
Accepted: 18 February 2026
Published: 05 March 2026

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Abstract

As the world continues to reap benefits of effective regionalism especially in areas of low politics corroborated from the success stories of EU, ASEAN, NAFTA, GCC etc., it is the South Asian regionalism that continues to be moribund to the extent it seems to have come to an end particularly given the recent developments in South Asian regional context signified by the complete breakdown of regionalist schemes including SAARC. Despite continued efforts to reinvigorate regional integration, SAARC continues to experience comatose. Through employing an endogenous approach of regionalism to analyze South Asian functional integration, the paper attempts to critically delineate endogenous factors contributing to fracturing South Asian regionalism. The paper finds that the endogenous factors rooted in politico-security, economic and social/societal aspects play as causative catalysts in hindering successful development of South Asian functional integration. The paper also utilizes the theoretical framework of "regionness" to draw significant insights regarding the developmental limitations of South Asian functional integration. The study is imperative as it takes a comprehensive yet diagnostic analysis of the issue identified. Although much has been documented on the issues of South Asian regionalism, this study attempts to theorize the problem from an endogenous perspective of regionalism, especially from the perspective of "regionness" which remains the most effective paradigm for studying regional integration dynamics.

INTRODUCTION

Modern South Asia accounts for one third of total global population, 1.68 billion people, situated in eight countries namely: Afghanistan, Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, and Sri Lanka. It has a GDP share of $4.51 trillion in global economy (*World Bank Open Data*, n.d.). In addition to being the hub of exuberant culture and rich heritage, South Asia, lately, has become synonymous with conflict and dispute, a region now held on the brink of cascading deadly violence as evident from the recent India-Pakistan May standoff. According to President Trump, the region would have been consumed by a nuclear conflict between the two arch-nemeses, India and Pakistan, had the US not intervened and de-escalated the crisis (*Dawn.com*, 2025). The region has become a passel of bickering nations who seldom trust their neighbors and would rather focus on strengthening ties with extra-regional countries instead of their regional counterparts.

The world continues to reap benefits of effective regionalism especially in areas of low politics as is evident from the successful cases of EU, ASEAN,

NAFTA, GCC etc. Unfortunately, South Asian regionalism continues to be moribund to the extent it seems to have come to an end particularly in the developing South Asian regional context signified by the total breakdown of regionalist schemes including SAARC. Although, the formation of South Asian Association for Regional cooperation (SAARC) in 1985 for the purpose of promoting cooperation in a number of areas, including economic, political, security and social, cultural and environmental, may be considered a constructive step but despite considerable attention on regional economic cooperation initiatives, there has been little progress in regional trade expansion: intra-regional trade continues to be minimal, not exceeding 5 percent of the total trade of the South Asian economies.

Despite continued efforts to reinvigorate regional integration, SAARC continues to experience comatose. One of the key challenges in the wake of consolidating regional integration is attributed to the huge power asymmetry between regional players especially India and Pakistan, who have been at each other's throat since their inception. The region has an overall checkered history when it comes to mutual cooperation and peaceful settlement of disputes. The role of India in the region is imperative and also the relationship it has with Pakistan (Baruah, 2019). India being a major power (Perkovich, 2003) and an aspiring contender of regional hegemony vis-a-vis China, strives to establish its regional writ. Mostly it is held that India being an emerging great power, should assume additional responsibility for ensuing regional development and cohesion (Bhasin, 2008). However, the persisting power politics and shifting regional dynamics often put regional countries in positions of reluctant compliance as far as the question of regional cooperation is concerned.

Coupled with these longstanding traditional security challenges are the non-traditional security challenges posed by mass poverty, rising unemployment, climate change, depleting water resources, energy crises, natural disasters, rising extremism, forced displacements, terrorism, insurgencies, and growing intolerance. South Asia has become home to majority of the world's poor with estimates stating rise in poverty up to 16 million, each person living on less than $3.65 a day (Samal & To, 2024). In terms of climate, South Asia has emerged as the most climate-vulnerable region in the world. According to South Asia Climate Roadmap, a diagnostic report released by the World Bank, approximately 750 million people, over fifty percent of South Asians, have experienced one or more climate-related disasters in the span of twenty years, and the worrisome news is that these climate-related disasters are expected to rise in both frequency and severity. The same report reveals that floods and rising sea levels threaten over 80% of major South Asian cities, thereby risking entire urban populations. The report also discloses that these climate-related incidents pose grave risk to food security landscape of the region as average yields of wheat crop are expected to shrink by 50 percent from 2000 levels thereby making largest portion of food-insecure people by the year 2050 (World Bank Group, 2022).

Despite possessing huge potential to fight these non-traditional security threats, the region, unfortunately, remains the least integrated in the world. Given the immense potential of the region to fight these transnational challenges, it is imperative to investigate the impediments to regional functional integration in the region, particularly the root causes lying behind SAARC's dormancy. This paper is exclusively aimed at excavating the endogenous challenges that derail the functional integration in South Asia through an endogenous perspective of regionalism and the framework of "regionness".

Theoretical framework

The theoretical perspective of endogenous regionalism is essential in excavating the endogenous challenges associated with the South Asian regional integration. As the term suggests, the endogenous challenges are rooted in the indigenous dynamics of regionalism. Endogenous regionalism, focuses on the 'endogenous' (internal) factors and forces of regional integration as opposed to the exogenous (external) ones. The notion of endogenous regional integration highlights the role of internal factors in stimulating and shaping the process of regional integration through a bottom-up approach. The bottom-up approach can also be explained as a counter-thesis to the external regional development paradigm (Pike et al., 2011). Core concepts and components include the conception of development as a bottom-up process,

a crucial role for local and regional players and initiatives, including social agents and civil society, a high priority for decision-making functions, and policy competences and institutions at local and regional levels. It posits that regional integration is determined by the inter-play of a variety of intrinsic or indigenous components that not only stir the regionalization process but also determine its future course.

In order to comprehend these endogenous challenges, the study employs Hettne's framework for analysis. This framework symbolizes 'region-ness' of a given region based on an endogenous approach. Hettne calls this '*the staircase of regionness*'. According to him, there are five rungs of the ladder of regionness that include; regional space, regional complex, regional society, regional community, and regional institutionalized polity (Hettne, 2002). By *regional space*, he implies a geographic area inhabited by humans linked through trans-local relations. A *regional complex* indicates the formation of a loose 'security complex' born out of intensifying interdependence in which constituent units (states) become dependent on each other for maintaining stability. This stage signifies a low level of regionness. A *regional society* may be characterized by its degree of organization and spontaneity in the areas of culture, economy, politics, and the military. In case, it is organized, the region may be viewed as a collection of countries cooperating through the structure of regional organization and it can be referred to as a 'formal' region. However, the regionalization process, on the other hand signifies spontaneous creation of region from below through the general agreement of regional countries on the question of shared norms. A *regional community* forms when the formal and informal regionalisms encourage further social communication and convergence of values and norms at the regional level, thus giving rise to transnational civil society operating at regional level.

Finally, a *regional institutionalized polity* characterizes a more fixed organization of decision making and enhanced actor capability or 'actorship' (Hettne, 2002). It denotes a formalized political structure capable of regional intervention in the key areas of conflict management and conflict resolution, countering shared regional threats such as natural disasters and emergencies, along with the establishment of welfare-oriented regional policies. The notion of 'region-ness' can be understood as a process of regionalization involving certain convergences leading to increasing sameness (homogenization) and decreasing differences in a given regional space over a set period of time. These convergences may take place in the arenas of politics, economics, culture or society etc., and can be observed by similar policies adopted by regional members. Convergence can be aptly understood in terms of 'integration' either of formal or informal nature indicating the increase or decrease in 'region-ness' of a region. To put simply, the level of "regionness" of a particular region essentially describes at what stage the region progressed in terms of consolidating regional integration whether formal or informal.

Digging Deep: Endogenous Challenges to South Asian Functional Integration

Building our understanding of the notion of region-ness and convergence framework, let us diagnose the endogenous challenges plaguing functional integration in South Asian regional context. These challenges can be characterized as political, economic, and social.

1. Political challenges

1.1. Politico-security Challenges

a) Security Complex

The South Asian region is often referred to as a 'security complex', which implies it to be a subsystem in the international state-system which has interlinked security architecture due to historical, geostrategic, and sociocultural ties. Due to this, there is growing regional competition and accentuating regional tensions, which are reflected by constant increase in military, and defense spending as well as the overt nuclearization of the two arch rivals, Pakistan and India. South Asia is an unstable security complex in which interconnected security complications affect the entire region. Due to this, the regional relations remain mostly uncertain. Regional power rivalry, therefore, is a common feature of South Asia. The regional security hiccups partly stem from the region being 'Indo-centric' in

nature. Given the Indian geographic, economic and military preponderance, India becomes the 'core' of the region. While, the smaller states encircling it become the 'periphery' states, often fearful of Indian regional designs especially India's quest for regional hegemony.

Dash argues that South Asia's structural imbalance or power asymmetry, instead of breeding virtuous economic cycle in the region, has yielded paranoia among smaller states (Beeson & Stubbs, 2012, p. 14). Growing mistrust and regional strife leads to classic security dilemma in the region where small states are seen as mounting resistance to Indian pre-dominance in the region especially Pakistan. The state of classic security dilemma has resulted in frequent wars, protracted arms race including nuclear weapons development leading to disruption of regional integration. However, the overt nuclearization has not guaranteed conducive environment for functional integration. Conversely, it has introduced a regional 'stability-instability paradox' in South Asia (Beeson & Stubbs, 2012). Instead of fearing any extra-regional threat, most South Asian countries perceive India to be their main threat. This is evident from the fact that all SAARC countries except for Bhutan and Maldives, have sought external assistance to limit India's hegemonic tendencies.

b) Inter-State Conflicts

Persistent security dilemma breeds regional power rivalry which results in frequent inter-state conflicts. It is important to note that these inter-state conflicts not only disrupt the constructive integration exercise but also keep the regional security situation unfit for carrying out meaningful regional integration. It is evident from the history of the South Asian region that states have been entangled in bilateral disputes caring less about peaceful resolution and more about achieving their foreign policy goals through hard measures especially military means. Idrees & Naazer succinctly classify the four types of inter-state conflicts obstructing regional integration in South Asia. These include: territorial conflicts; cross-border terrorism; conflict over natural resources, and; conflicts related to immigrants and refugees (Idrees et al., 2017). These incessant inter-state struggles have paralyzed formal and informal processes of regional integration especially taking its toll on the formal one. Ten annual summits between 1985 and 2010 were postponed due to escalating political tensions between India and its neighbors, particularly between India and Pakistan. Three summits were postponed between 1985 and 1995 and seven between 1995 and 2010 (Obino, 2009). Without a doubt, the absence of these yearly summits has prevented the South Asian leaders from building reliable relations based on common interests and has generally hampered the advancement of SAARC's agenda. Similarly, the cancellation of 19th SAARC Summit scheduled to be held in Islamabad, Pakistan from 15–19 November 2016 was primarily because of India's boycott citing regional environment "not conducive" for holding summit following Uri and Pathankot attacks (BBC News, 2016). After which India pressured several SAARC countries to follow its lead culminating in another summit not taking place on schedule.

c) State-Centric Paradigm

The whole essence of functional integration is to recognize the incapacity of a single player to manage multifaceted problems on its own and therefore delegate some part of its national sovereignty to regional level of authority to manage problems of regional dimension. The SAARC Charter specifically outlines the rationale behind the formation of SAARC, stating, "…in an increasingly interdependent world, the objectives of peace, freedom, social justice and economic prosperity are best achieved in the South Asian region by fostering mutual understanding, good neighborly relations and meaningful cooperation among the Member States which are bound by ties of history and culture (Sharma, 2010). Nevertheless, instead of adopting regional vision of cooperation, the South Asian states uphold high regards for national sovereignty refusing to delegate authority to regional level. The SAARC's socio-economic development agenda remains hostage to national sovereignty and national interest. Dominance of state centric paradigm is reflected by high military and defense spending of South Asian states. The following figure shows rise in military expenditures from $55.51 billion in 2014 to $89.37 billion in 2023. Increasing defense spending takes serious toll on the socio-economic

development in South Asia (Tabassum & Tahir, 2024).

d) India's Faltering Leadership

Regional integration experiments of Europe and Latin America demonstrate that the presence of a regional power increases the chances of regional integration as smaller states band together with the preponderant power to gain maximum from the integration process. Yet, this proposition does not seem to hold in case of South Asian region as India being the regional power fails to take reliable leadership role for driving progress on regional cooperation. This is mainly because of two reasons. First, as explained earlier, as an 'Indo-centric' region, South Asia yields structural imbalances due to India's strategic location, military and economic prowess. India naturally aspires to be the regional hegemon. However, India's strive for regional hegemony has not resulted in establishing India as the sole dominant power. Instead India's hegemonic tendencies are met with fierce opposition by its regional neighbors particularly Pakistan and Bangladesh.

Second, India's extra-regional focus has resulted in diverting its energies away from regional issues. India's global ambitions have yielded distrust in neighboring countries which view it as an emerging competitor rather than a reliable leader for the block. This is evident from India's major economic initiatives under the 'Look East Policy' (renamed as Act East Policy) that seek to expand India's links with the countries located in Southeast Asia and East Asia as well as her expanding influence in the regions of the Asia-Pacific and Indian Ocean. The South Asian sub-regional grouping, the Kunming Initiative, the Bay of Bengal Initiative for Multisectoral Technical and Economic Cooperation (BIMSTEC), the Mekong-Ganga Cooperation, the Bangladesh-China-India-Myanmar (BCIM) Economic Cooperation, the Indian Ocean Rim Association for Regional Cooperation (IORARC), along with the subregional group within SARRC, are mostly endeavors to forge extra-regional economic links between South Asia and Southeast Asian and East Asian nations, instead of strengthening intra-regional collaboration within South Asia.

1.2. Domestic Political Challenges

a) Lack of Democracy

There exists a strong link between democratic consolidation and robust regionalism. For regional integration to materialize there has to be considerable democratization taking place in the region as is proved through the cases of Europe and Latin America. One of the most pervasive reasons behind South Asia's decreased level of regionness is the lack of democracy in the region. Despite being the so-called aspiring democracies, South Asian countries have little track record to offer for their case. Post-colonial history shows that India and Sri Lanka have been the oldest and relatively consistent democracies. However, their experience with democracy too has been a mixed bag, often filled with violent political and ethnic conflicts. Pakistan and Bangladesh, on the other hand, have recurrently experienced military dictatorships. Nevertheless, both have been successful in electing governments through general elections, which is worth appreciating but still huge strides need to be made in strengthening democracy. The democratic experiment in Nepal has likewise been in a perilous position. Parliamentary democracy is a recent phenomenon in Nepal being formally introduced in 1991; therefore, the future of democracy depends upon consolidating democratic institutions.

South Asian countries continue to experience rising majoritarianism coupled with populism, marginalization and persecution of minorities, deteriorating human rights, declining rule of law and rising trends of authoritarianism in domestic politics. These negative trends illustrate that democratic tendencies are wearying off. The Freedom House Index, one of the most frequently used indexes to evaluate democratic quality worldwide, indicates that democracy is regressing in South Asia. This is consistent with worldwide trends, where democracies and civil rights have gotten worse for the 19th consecutive year in 2024. Both India and Pakistan suffered 3-point decline while Bangladesh manage to experience a 5-point improvement partly due to post-Hasina political opening (Freedom House, n.d.). Bhutan, Maldives, Sri Lanka and Nepal were issued partly free status while Afghanistan obtained the lowest score. The lack of democracy cripples effectiveness of political institutions favoring

undemocratic forces to sway the agenda of people-centered development.

b) Weak Political Institutions

Weak political institutions also yield negative effects for regional integration. South Asian states are generally referred to as weak states given their fragility of government institutions and governance structures. According to the Fragile States Index (FSI), out of the seven countries, only India stands better but it too falls short of representing an effective case for other regional countries (*Fragile States Index 2025*, n.d.). For instance, India is comparatively least fragile as compared to Afghanistan, Bangladesh, Pakistan, Bhutan, Maldives, Sri Lanka and Nepal. The reason for this fragility can be drawn from Fukuyama's analysis of weak states (in his book *The Origins of Political Order*) in which he explains why South Asian states could not develop mature bureaucracies and governance institutions (Fukuyama, 2011). First, due to fragmented nature of society, South Asia failed to produce considerable homogeneity as the society remained divided along religious, linguistic and ethnic lines. Second, the society has had been ruled by multiple rulers which made it quite difficult for the state bureaucratic apparatus to penetrate deeper into the layers of society and implement a coherent rules-based order.

Furthermore, the institutional debilities also infiltrate the SAARC and its delivery mechanism. Lack of empowerment of SAARC institutions limit the organization's overall potential to foster deeper cooperation among its members. SAARC's primary focus has been to cooperate in the non-contentious areas concerning socio-economic domains such as poverty alleviation, economic development, energy cooperation, etc. which are relatively conducive for cooperation. Poor performance of line ministries and bureaucratic inertia continues to cripple SAARC's performance. Sharma, former Secretary General of SAARC, argues that significant political interest for regional cooperation often fails to translate into momentous cooperation because the corresponding bureaucracies, under domestic pressures, deliberately end up in deprioritizing these areas as they perceive them as low-priority schemes (Sharma, 2010).

2. Economic challenges

South Asia's economic underperformance also actively contributes towards limiting levels of "regionness". A host of economic challenges incapacitate any prospects of enhanced functional regional integration in South Asia. These economic challenges basically include low intra-regional trade and structural challenges.

a) Low Intra-Regional Trade

The amount of intra-regional trade has remained low, fluctuating between 4 and 6% only, despite the adoption of trade liberalization schemes like the SAARC Preferential Trading Arrangement (SAPTA) in 1995 and the South Asia Free Trade Area (SAFTA) in 2004. However, as regional tensions increased, particularly between India and Pakistan, political difficulties essentially shut off formal international trade hence declining the proportion of intra-regional trade. South Asia is the least economically linked region in the globe, accounting for less than 5% of all trade, well behind East Asia's 35%, Southeast Asia's 25%, and Europe's 60% (Sen et al., 2020). Even after the SAARC Preferential Commerce Agreement (SAPTA) was ratified in 1993, intraregional trade only little increased between 1990 and 2000. Even more surprising is the fact that, in contrast to widespread expectations of growth following the signing of SAFTA in 2004, intra-SAARC trade decreased from 4.5% to 3.3% between 2005 and 2009.

Dash argues that the SAARC members' low levels of intraregional imports and exports indicate two underlying trade patterns in South Asia (Beeson & Stubbs, n.d.). First, the SAARC nations do not prefer one another as trading partners. In contrast, the SAARC nations' top trading partners continue to be the industrialized nations, particularly the US and the EU. Second, the low amount of intraregional imports and exports from the SAARC region shows how little the markets in the region are used by India and Pakistan, two more advanced economies. While Ratna has pointed out other factors behind the low-level of intra-SAARC imports, which include the presence of high trade items in sensitive lists and the lack of any tariff concessions, shallow tariff concessions (keeping duties at 5% instead of zero), supply-side restrictions of exporting nations (mostly

for LDCs), infrastructure bottlenecks, particularly at borders, non- or para-tariff measures that make trade within the region expensive (compared to trade with the rest of the world), and more (Ratna, 2020). The figure represents intra-SAARC imports which have been in the range of 2–3% of its global imports. Only the LDCs (Bhutan and Nepal) display a high rate of imports from other SAARC members, while the other members display a moderate or low share, with India displaying the least intra-SAARC imports.

It is therefore amply clear that the SAFTA has not been beneficial in enhancing regional integration in SAARC and is way behind in comparison to many other RTAs in the region. In addition, issues relating to NTMs, para-tariffs, infrastructural bottlenecks and other impediments to trade have not been given much attention and the progress is very slow. Furthermore, SAARC's intra-regional investment flows are also very low which limit intra-SAARC investment potential. Three factors contribute the dismal state of intra-regional trade: lack of complementarity; adverse trading preferences; and high-level of protectionism.

Lack of complementarity among SAARC economies means that regional economies, except India, Pakistan, and Sri Lanka, do not have unique comparative advantages due to uncompetitive production structures which make their product base is nearly similar. South Asian nations' industrial patterns are competition rather than complimentary (Karim, 2014). Basically they are primary producers and their exports are identical and thus compete with one another for market share. In the process, they end up intentionally evading regional trade facilitating schemes and give more preference to extra-regional markets where they have more chances to make relative profits. Political differences too divert attention from forging trade complementarities which further reduce prospects for enhancing intraregional trade.

Adverse trading preferences particularly of India results from differing perspectives of Indian political elite which realizes that the success of India's economic liberalization is heavily dependent on the country's capacity to expand exports to new markets in both developed and developing nations. With the disintegration the Soviet Union, India has lost two of its privileged markets. India has recently undertaken numerous initiatives in an effort to deepen its market connections. Some of these initiatives include its active diplomatic role in the formation of the Indian Ocean Rim Association for Regional Cooperation (IORARC) in March 1997; its consistent efforts to boost trade and sign a free trade agreement with ASEAN since the mid-1990s, which finally culminated in the signing of the India-ASEAN Free Trade Agreement in August 2009; and its active interest in joining the Asia-Pacific Economic Cooperation. The growth of subregional and 'spoke-spoke' integration initiatives such as the Indian Ocean Rim Association for Regional Cooperation (IORARC), Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC), and the East Asian Summit (EAS) tend to run counter to regional trade preferences.

Protectionist orientation also contributes to low intra-regional trade. Restrictive policies have nullified the rewarding effects of common culture, geography, socio-economic complementarity as South Asia remains the least integrated region in the world (Ahmed & Ghani, 2005). The presence of high tariff and non-tariff barriers in South Asian countries (with the exception of Sri Lanka), which has become a significant impediment to the growth of intraregional trade. The gradual development of SAPTA over the four rounds of trade negotiations, which did not result in a rise in the volume of intra-regional trade and investment flows, caused this optimism to fade. This was mostly caused by the limited level of tariff reductions, the presence of non-tariff obstacles, and the insignificance of tariff preferences extended to a country's trading interests (NTBs). Kher argues that the aim of self-sufficiency through import substitution has been the guiding economic policy for South Asian nations. Instead of providing access to the sizable markets of India and Pakistan, increased commerce inside the region has been seen as a sign of the region's growing dependence and influence over that country (Kher, 2012).

According to SAFTA regulations, member countries, for instance, are required to review the list for reduction every four years or earlier, as established by the SAFTA Ministerial Council (SMC) but there is no formal or binding commitment. It has been observed that often, during the process of

stakeholder consultation, sectors with strong domestic lobbies seeking protection get included in the list. Sensitive lists, particularly in the case of India, have come to be dominated largely by such sectors. Although, The South Asian Regional Standards Organization (SARSO) and the SAARC Customs Group has been lauded as a commendable step to address the problem of high levels of non-tariff and para-tariff barriers, yet, there remains implementation gaps.

b) Structural challenges

Another reason impacting regional integration has been attributed to the failure of enhancing regional economic connectivity. The regional economic connectivity provides a backbone for materializing deeper economic integration. Free trade Area under SAFTA serves as a foundation for the creation of horizontal and vertical connections in other areas of regional cooperation. Unfortunately, this regional view of trade linkages remain in doldrums due to structural problems of inadequate industrial development and lack of infrastructure. Connectivity through infrastructure development and energy production ensures free flow of trade and people, facilitating deeper economic integration. The SAARC Regional Multimodal Transport Study, endorsed during the 14th SAARC Summit in 2007, gave a comprehensive assessment of the inadequate state of regional infrastructure. According to estimates, increased demand for infrastructure services would necessitate higher investment in order to sustain the GDP growth of the region (Sen et al., 2020).

The potential of regional trade is greatly hampered by infrastructure issues including power shortages, inadequate road and rail systems, port congestion, etc. The fact that only 7% of international calls in South Asia are regional, compared to 71% in East Asia proves lack of regional soft connectivity. Regional infrastructure has to be supplemented by national infrastructure-building initiatives. Unless the member countries are truly connected with each other, they might not be able to reap the fruits of regional economic integration.

3. Societal (Social) Challenges

While exploring challenges to functional regional integration, political and economic dimensions have often pre-occupied scholarly arguments, yet scarce attention has been dedicated to understanding societal or social factors. These factors deserve equal importance due to their crucial role in shaping *regional society* and *regional community*, thereby permitting South Asia to unlock higher levels of "regionness". Through the framework of 'regionness', it can be inferred that social dimension of regionalism often encompassed in regionalization (informal) and regionalism (formal) holds equal weightage in the equation of achieving regionness. In case of South Asia, this argument does provide an additional layer of analysis. Literature review along this theme reveals that it has not been completely absent from the discussion yet the hard fact remains that a report published by the Asian development bank in 2012, *'Regional Integration and Economic Development in South Asia'*, provides a chapter on the role of civil society in South Asian integration, and we find this thematic analysis missing from mainstream academic discussions.

Behera in 'SAARC and beyond: civil society and regional integration in South', while elaborating on the three distinct phases of South Asian integration analyses the role civil society in South Asia during the second phase (1990s), which saw the expansion of socio-political space by a range of non-official (informal) dialogues involving intellectuals, journalists, parliamentarians, environmental activists, artists, writers, women and human rights groups (Behera, 2012). In a similar attempt, a publication by the Institute of Peace and Conflict Studies revealed how the interests of governments and larger public may be converged by promoting greater people-to-people contacts between the South Asian nations. This would also encourage in developing a 'conducive' environment for conflict resolution in the region. Behera's contribution also explores the potential of a people-centered rather than state-centered South Asian polity that lays less emphasis on interstate conflicts and works towards a cooperative developmental approach (*IPCS*, n.d.).

South Asian states underwent fundamental shifts the 1990s and 2000s. The rise of non-state actors and sub-state actors (civil society, NGOs, unions,

activists) has completely transformed the nature of state in South Asia. The neoliberal reforms, although carried out partially, have altered the face of south Asian states. Despite ushering into era of neoliberal globalization, the level of regionalization still remains inadequate. There has been a mushroom outgrowth of this informal sector but the nature of informal relations is as such that they fall short of catalyzing meaningful change. For South Asia, following social dynamics have been influencing the process of regionalization and thus impeding way towards deeper integration. These factors also shape the evolution of regional community and regional society through their region-building impacts such as the creation of regional identity, formation and convergence of regional norms and interests.

a) Inadequate Regionalization

South Asia also fails to cater comprehensive regionalization process originating from the bottom-up. The inability of civil society to spread and take deeper roots in the region contributes unsustainable regionalization. Civil society based development and progress is recognized as more people-friendly and sustainable. So far, initiatives by the civil society have neither resulted in any significant progress on critical regional issues, nor have they altered the regional cooperation equation in a meaningful way. On governmental thought and interactions, they have not made any type of systematic or cumulative impact. Track one and Track two's methods of communication are still informal, ad hoc, and customized. However, in case of South Asia, civil society dynamism remains under stress from political elite, erosion of law and order situation, trends of authoritarianism, and rising extremism in national politics. According to a report by the *South Asia Collective*, the civil society across South Asia is "increasingly constrained". It further notes, "Anti-democratic authoritarian tendencies and greater securitization of laws and practices appear to be the main drivers of this narrowing trend". The report echoes the reasons behind the inability of civil society sector to take deeper roots and create a vibrant political culture as these forces continue to remain in the crosshairs of authorities for challenging state actions and speaking up. As a result, 'civic space' is becoming more highly restrictive over the period of time, creating a hostile environment for civil society sector.

b) Limited Cross-Border Exchanges

Limited cross-border exchange also plays a part of determining regionalization equation. Due to fortified borders, stringent visa processes, and non-existent no of cultural exchange programs offered, South Asia has been evading the path of cross-border cultural exchange. Due to political and security reasons, the state of cross-country travels and admissions still face unexpected trials. The initiatives introduced under the rubric of SAARC in the second SAARC summit (1986), which included three programs: SAARC audio visual exchange, SAARC chairs, fellowships, scholarships schemes, and SAARC youth volunteers exchange program proved unable to generate success stories (Rahman, 2012). The publication the difficulties faced by the tourists and travellers in their respective countries in trying to secure visas to other South Asian countries. The vitality of smooth cross-border movement has been established but in order to achieve this, opportunities from all sides have to be deliberately taken. Despite the fact that the peace process has been taking place on and off between Pakistan and India, there have been frequent deathblows which have reversed any significant gains made. Some analysts believe that people-to-people contacts will only take off if the core contentious issues are included in the SAARC agenda (Khan, 2014). However, the fact remains it's a two way mechanism, implying that people-to-people contacts work both ways, narrowing trust deficit and enhancing chances of altering SAARC agenda. The groundbreaking idea of South Asian University (SAU), inaugurated in 2010 has been acknowledged as the right step in the right direction, yet, that also has a long way to go in terms shaping a sense of regional identity that gives way to building regional community thus enabling South Asia to access higher levels of regionness.

Conclusion

To conclude, the prevailing endogenous challenges explain the dismal state of South Asian functional integration. The challenges are deeply rooted in political, economic and social (societal) architecture of the region. While politico-security and economic

challenges have contributed towards decaying functional integration dynamics, it is the social or societal elements that produce compounding impact. The inability of civil society to take deeper roots in the region coupled with inadequate bottom-up regionalization and limited cross-cultural linkages has culminated into delaying the formation of 'regional community' and 'regional society'. These have in turn led to low levels of regionness in South Asia. Hence the root causes behind underdeveloped functional integration are attributed to un-achieved stages of "regionness" in South Asia.

Acknowledgments:
The authors would like to extend sincere gratitude to their supervisor, Dr. Ahmed Ijaz Malik, for his invaluable guidance and feedback. The author is also grateful to the anonymous reviewers whose insightful comments helped improve the clarity and analytical depth of the article.

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