



## Domination of India: Challenges and Opportunities for Regional Integration in South Asia

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### Abstract

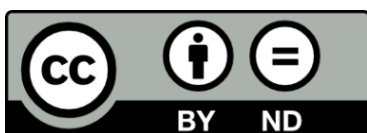
The absence of regional integration in South Asia has resulted in political, economic, and societal issues due to the interference of other powerful countries in international politics. As the regional power in South Asia, India has tremendous potential to promote regional integration. However, India's hegemonic power has caused controversial issues among South Asian neighbours, and regional integration has been further challenged. This research paper examines the challenges and opportunities for regional integration in South Asia, focusing on India's role in promoting regionalism. The study also conceptualizes the potential for regional integration in South Asia, identifying the key challenges and obstacles hindering its progress, such as political rivalries, security concerns, and economic disparities. This study is primarily based on secondary qualitative data derived from research papers, books, Journal articles, websites, meeting minutes and other web-based publications. The collected data was analyzed by descriptive content analysis to address the central question of the study. The findings have emphasized that India plays a critical role in the success of regional integration in South Asia, given its size, economic potential, and geopolitical significance. However, India's domestic political and bilateral tensions, asymmetric economy, and constitutional challenges have been identified as the major drawbacks to regional integration under India's supremacy. Furthermore, economic cooperation, connectivity initiatives, and leadership at the SAARC have been identified as India's pervasive potential to promote and establish regional cooperation. The paper concludes by offering policy recommendations for promoting regional integration in South Asia, focusing on India's leadership role.

**Keywords:** Regional Integration, South Asia, India, Regional Power, Economic and Political Cooperation

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### INTRODUCTION

The South Asian region has been a focus of academic research and policy analysis for decades due to its strategic importance (as shown in map 1) and economic potential. Regional integration has been identified as a critical strategy for promoting the region's economic growth and political stability. However, South Asia has faced numerous challenges in achieving meaningful regional integration, including political conflicts, trade imbalances, infrastructure deficiencies and divergent economic policies (P.V. Rao, 2012). Studies have revealed that numerous issues have plagued the South Asian region due to the absence of proper regional integration. The lack of economic and political cooperation between the countries in the region has resulted in several challenges that have hindered the growth and development of the region.



Map 01: The strategic importance of South Asia

Source: Political Map of South Asia, 2020

One of the main issues arising from the absence of proper regional integration is the prevalence of political conflicts and tensions (Jain, 2012). Territorial disputes, border conflicts, and geopolitical rivalries have characterized the region. The lack of a cohesive regional framework has made it challenging to address these conflicts and has hindered diplomatic efforts to resolve them. Another issue is the lack of economic cooperation and integration, which has resulted in trade imbalances and unequal distribution of resources. The region's countries have varying economic development levels, with some being more advanced than others. This has resulted in some countries becoming dominant players in the region while others lag. The absence of a common economic framework has made it challenging to address these disparities, resulting in economic tensions and disputes.

The absence of regional integration has also hampered infrastructure development. The lack of coordination between the countries in the region has resulted in a fragmented infrastructure network, with little connectivity between different countries. This has hindered the development of transport and communication networks, making it challenging to promote regional trade and investment. Further, the absence of proper regional integration has also hindered efforts to address issues related to social development, such as poverty, health, and education. The



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lack of a cohesive regional framework has made it challenging to address these issues on a regional basis, resulting in a fragmented approach with limited success in addressing these challenges. Addressing these issues requires a concerted effort towards promoting regional integration and cooperation, which can help unlock the region's economic potential and promote stability and development.

As the largest country in South Asia, India has a crucial role in promoting or hindering regional integration efforts. India's domestic policies, political dynamics, and strategic interests significantly impact regional integration initiatives (Pande, 2018). India has played a significant role in promoting regional integration in South Asia (Naidu, 2012). As the largest country in the region, India's economic and political influence has been crucial in shaping the region's trajectory towards greater integration and cooperation. India has launched several regional connectivity initiatives, including the South Asian Sub-Regional Economic Cooperation (SASEC) program and the Bay of Bengal Initiative for Multi-Sectoral Technical and Economic Cooperation (BIMSTEC). These initiatives aim to promote more excellent connectivity and economic cooperation between countries in the region (Tripathi, 2015). Moreover, the foreign policy perspectives of "Act East" have also given significant importance to India to

strengthen regional integration. However, the role of India in regional integration has not been sufficiently provided, and it has designed the backdrop of severe issues and challenges in South Asian politics.

Narendra Modi's foreign policy for South Asia has notably impacted regional integration. Since assuming office in 2014, Modi has emphasized the "Neighbourhood First" policy, seeking to strengthen ties with India's immediate neighbours, including those in South Asia. However, his approach has been marked by a mix of both cooperation and challenges. On the positive side, Modi has actively engaged in regional forums and initiatives, such as the South Asian Association for Regional Cooperation (SAARC), to foster economic and political cooperation. His government has continued to support regional connectivity projects, including those under the SASEC program and BIMSTEC, reflecting a commitment to enhancing integration.

However, the effectiveness of Modi's foreign policy in promoting regional integration has been hindered by various challenges. Persistent historical tensions and geopolitical complexities, especially with Pakistan, have posed significant obstacles to achieving meaningful South Asian cooperation. Despite initial efforts, the SAARC process has faced setbacks due to bilateral disputes, impacting the regional integration agenda. Additionally, India's assertive stance



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on specific issues and its growing strategic partnerships with major global players have sometimes created apprehensions among its South Asian neighbours.

In light of this, this research paper explores the challenges facing regional integration in South Asia, focusing on India's role in the process. The paper will draw on a wide range of academic literature and policy documents to analyze the historical, political, and economic factors that have shaped South Asian regionalism. It will examine the impact of India's domestic policies, such as trade liberalization and infrastructure development, on regional integration efforts. Overall, this research paper aims to contribute to the ongoing debate on regionalism in South Asia and provide insights into the challenges and opportunities for promoting regional integration. By analyzing India's role in this process, the paper aims to provide policymakers and scholars with a deeper understanding of the complex dynamics at play in the region and suggest ways to overcome the obstacles to regional integration.

To address the central question of the study, this research is structured with the following research questions.

RQ1: What are the challenges of regional integration in South Asia?

RQ2: What are India's roles and opportunities for regional integration in South Asia?

## LITERATURE REVIEW

Regionalism in South Asia is a significant issue due to the region's unique history and cultural diversity. India, being the largest country in the region, plays a dominant role in shaping regionalism in South Asia. In recent years, there has been a growing interest in studying the impact of India's policies on regionalism and the region's economic integration. This literature review overviews India's key themes, debates, and regionalism in South Asia. Moreover, this literature aims to provide an overview of existing literature on regional integration in South Asia and identify critical challenges that must be addressed. Specifically, this review will focus on the literature on the historical context of regional integration in South Asia, the current state of regional cooperation, and the challenges hindering progress towards greater integration.

The historical context of India and regionalism in South Asia is essential to understanding the current state of affairs. In the early years of independence, India focused on its domestic priorities and maintained a non-aligned foreign policy (Singh, 2015). The idea of regional integration in South Asia dates back to the early 1950s when India, Pakistan, and Sri Lanka signed the South Asian Association for Regional Cooperation (SAARC) Charter in Dhaka in 1985 (European Union External Actions, 2021). SAARC was formed with the aim of promoting regional economic, social,



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and cultural cooperation (Bhatta, 2004). While some scholars have criticized SAARC for its limited achievements and inability to address regional issues effectively (Gill, 2020), others have pointed out the potential of the organization to promote cooperation and integration in the region (Briscoe & Gupta, 2016). However, progress towards regional integration has been slow due to various reasons, such as political differences, border disputes, and security concerns (Xavier, 2020).

The issue of regional integration is central to the debate on India and regionalism in South Asia. Several scholars have argued that India's economic policies have hindered regional integration, primarily due to its protectionist measures. Some scholars have argued that India's protectionist policies have resulted in a low level of regional trade integration (Kumar & Tripathi, 2019). On the other hand, some scholars have highlighted India's efforts to promote regional integration, such as implementing the South Asia Free Trade Agreement (SAFTA) (Din & Nasir, 2004).

One of the key themes in the literature on India and regionalism in South Asia is the idea of India as a dominant power in the region. Several scholars have explored this by analyzing India's foreign policy and its interactions with its neighbours. For example, Amitabh Mattoo (2003) argues that India's policies towards its neighbours are driven by a desire to maintain its dominant position in the region

(Mattoo, 2003) and that this has led to several conflicts with neighbouring countries such as Pakistan and China (Mattoo, 2022). The literature also highlights the impact of domestic politics on India's regional policies. Scholars have explored the role of domestic factors such as nationalism and electoral politics in shaping India's foreign policy towards its neighbours. For example, Mohan Malik (2009) argues that India's domestic politics have contributed to its inability to deal effectively with regional issues such as terrorism and separatism (Malik, 2009).

Studies have emphasized that several challenges hinder progress towards regional integration in South Asia. The lack of connectivity and the high trade cost hinder economic cooperation. The SAARC countries have failed to develop a regional transportation network, hindering the movement of goods and services (Asian Development Bank, 2017). Security concerns and political differences, particularly between India and Pakistan, have also hindered regional integration. The dispute over Kashmir and cross-border terrorism have strained relations between India and Pakistan, making it challenging to achieve regional cooperation (Mukherjee, 2014). Cultural barriers and language differences have also impeded regional cooperation (Capello, Cragliu & Fratesi, 2018).

Finally, the literature on India and regionalism in South Asia has also focused on the impact of globalization



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on the region. Globalization has led to increased economic integration between India and its neighbours, which has been seen as a positive development by many scholars. However, globalization has also increased competition between countries, contributing to tensions between India and China (Pant, 2012). In conclusion, the literature on India and regionalism in South Asia highlights the complex dynamics of India's relationship with its neighbours and the various factors that shape this relationship. While there is some disagreement among scholars about the potential of regional organizations such as SAARC, there is broad consensus that India's role in the region will continue to be an essential factor in shaping regional dynamics (Hu & Bishwakarma, 2021).

### RESEARCH METHODOLOGY

To analyze the research paper on "Domination of India: Challenges for Regional Integration in South Asia", the following research methods have been utilized. The study is primarily based on a desk review of existing literature to investigate the central question of the study. Hence, the study's primary data collection approach is qualitative data collected from an archival research methodology to identify the thematic areas of India's role in the regional integration of South Asia. The study utilizes various literature. Statistics of India's engagement with its neighbouring

countries, such as Bangladesh, Nepal, Sri Lanka, Bhutan, and Pakistan, have been taken to understand the dynamics of India's regional integration efforts. The study focuses on the economic, political, and security dimensions of India's engagement with its neighbours and how this has affected regional integration.

Data from various sources, such as official statistics, reports, and surveys, have been analyzed to assess the extent of regional integration in South Asia and the role of India in promoting it. The data analysis focused on economic indicators such as trade, investment, and connectivity and political and security indicators such as diplomatic relations and regional institutions. Content analysis of policy documents and media reports related to India's regional integration efforts have been conducted to understand the discourse and narratives around regional integration in South Asia and India's role in promoting it.

Overall, this research employed a qualitative approach to analyze the domination of India in South Asia and the challenges and opportunities for promoting regional cooperation. The research has drawn on various data sources and analytical techniques to provide a comprehensive understanding of the dynamics of regional integration in South Asia and the role of India in shaping it.



## DISCUSSION AND ANALYSIS

Based on the data and information collected from the qualitative data collection methods, this section will address RQ 1 and 2 to identify the challenges and opportunities for India to regional integration. Furthermore, this section will discuss India's potential for regional integration as the regional power in the South Asian region. The findings will provide a conceptualized argument on how India's regional power has also been evident in its relations with its neighbours, particularly regarding trade, security, and diplomacy. It has been revealed that India, as the regional power in the South Asian region, is having separate agenda for regional integration. This can be identified as the realistic perspective of Indian foreign policy. The discussion has adopted the conceptual framework to analyze the challenges of regional integration in South Asia. However, these challenges have been identified in several areas as follows.

To begin with, the study has identified the challenges of regional integration in South Asia as pervasive as an octopus. Hence, the effects of India on regional integration as a regional power have developed a controversial discussion about reviving regional cooperation among South Asian countries. As the literature has identified the challenges for regional integration under several areas, the challenges for India to look forward to regional integration could be identified under three main pillars.

1. The constitutional challenges of India are federalism and its unavoidable interference with regional integration.
2. Political uncertainties and bilateral tension between India and other countries in the region.
3. The asymmetrical economic power of India and its implication for other countries in the region.

### The constitutional challenges of India for regional integration

India's constitutional issues have been one of the main challenges in promoting regional integration in South Asia. The Indian Constitution provides for a federal system of government with significant powers devolved to the States. As a result, India's ability to engage with its neighbours on issues related to regional integration is often constrained by constitutional provisions that require consultation with the state governments. The constitutional issues have been conceptualized under the vital thematic areas as,

1. Federalism and its agenda for Indian politics
2. Water sharing agreement
3. Cross-border trade and investment

India's constitutional issues have been a significant challenge in promoting regional integration in South Asia.



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Federalism and its political agenda of Indian politics have been identified as a significant challenge for regional integration. The federal nature of India's political system and the significant powers granted to the States have often resulted in conflicts and regulatory barriers that have hindered regional cooperation. Addressing these constitutional issues will promote regional integration and cooperation in South Asia.

As a federal system, the Indian constitution grants significant powers to the Central Government over matters related to national security. This has led to tensions between India and its neighbours, with the Central Government often citing national security concerns to restrict cross-border movement and trade. For example, after the 2008 Mumbai attacks, India imposed restrictions on cross-border movement and trade with Pakistan (Khan, 2005), citing national security concerns (Rahman, 2012). This has also been significantly identified with the example of Sri Lanka and India's bilateral relationship with the LTTE civil war in Sri Lanka. The federal state of Tamil Nadu in India has put pressure on the Central Government of India to achieve its agendas on Sri Lankan Tamils, especially in Jaffna. Tamil Nadu has pressured the Indian government to abstain on resolutions concerning Sri Lanka at UN Human Rights sessions to avoid the Palk Strait fisheries issue and to support a

separate state for the Tamil community (Ranjan & Chatteraj, 2022).

In India's federal system, state governments have significant powers over various policy areas, including trade, commerce, and investment (Tillin, 2022). This has often resulted in state-level policies that can be at odds with the central government's foreign policy goals, creating barriers to regional integration. For example, in 2019, the Indian state of West Bengal refused to participate in a regional connectivity project that would have connected Bangladesh with India's Northeastern States, citing concerns over the environmental impact of the project (The Economic Times, 2019). This move was criticized by the Central Government and was seen as a setback to regional integration efforts. Moreover, India's fiscal federalism system, which grants the States significant powers over revenue generation and expenditure, can also create barriers to regional integration. For example, differences in tax rates and other fiscal policies across different Indian states can create disincentives for cross-border trade and investment. This has been a significant challenge for neighbouring countries seeking to engage with India on economic issues (Amit & Sinha, 2019). Hence, India's federal system can also contribute to political instability, hindering regional integration efforts. Frequent changes in State Governments and political parties can lead to policy inconsistencies and delays in decision-making, making it





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difficult for neighbouring countries to engage with India on regional integration issues (Gochhayat, 2014).

Another constitutional issue identified as a challenge for regional integration is the water-sharing issue. The sharing of river waters has been a contentious issue between India and its neighbours (Drishtias, 2019). The Indian Constitution grants the States significant powers over water resources, making it difficult for the central government to negotiate with neighbouring countries on water-sharing agreements. For example, sharing the Ganges river water has been a contentious issue between India and Bangladesh for decades. Despite several bilateral agreements, the issue remains unresolved due to the conflicting interests of the Indian states and Bangladesh (Thomas, 2017).

Cross-border trade and investment issues have also been identified as a prominent constitutional issue that has hindered regional integration in South Asia. The Indian Constitution grants the States significant powers over trade and commerce within their borders (Jenkins, 2003). This has often resulted in regulatory barriers to cross-border trade and investment, as different Indian States have different regulatory frameworks (Ablavsky, 2015). This has made it difficult for neighbouring countries to engage with India on trade and investment issues, as they often face different regulatory frameworks when dealing with different Indian states (Blachawk, 2019).

The data illustrated how India's constitutional issues hindered regional integration in South Asia. Addressing these issues will be critical in promoting greater regional cooperation and integration in the future. Further, it requires greater coordination and cooperation between the Central Government and the Indian States and efforts to address the structural constraints of India's federal system and constitutional issues.

### Political uncertainties and bilateral tension between India and other countries in the region

India is a critical South Asian player and has been working towards promoting regional integration. Political uncertainties and bilateral tensions between India and other countries in the South Asian region are critical issues for regional integration. Throughout history, political uncertainties and bilateral tension have risen in South Asia. These tensions have resulted in a lack of trust and cooperation among regional countries, hindering progress towards regional integration. However, India faces several challenges in promoting regionalism in South Asia.

Historically, India has had long-standing tensions with some of its neighbours. These tensions can create obstacles to regional integration efforts. The study has identified significant political uncertainties and bilateral tensions between India and other



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countries in the region. Tensions between India and Pakistan, India and China, Sri Lanka and China, and Bangladesh and India are the political uncertainties and bilateral tensions that are crucial obstacles to regional integration in the South Asian region.

India has long-standing tensions with some of its neighbours, particularly Pakistan and China. These tensions have created obstacles to regional integration efforts. For instance, the ongoing conflict between India and Pakistan over Kashmir has prevented progress towards regional integration in South Asia (Baruah, 2019). The Kashmir conflict has led to deep-seated distrust and mistrust between India and Pakistan. The ongoing dispute has fueled tensions and violence in the region, making it challenging for the two countries to develop a cooperative relationship. This lack of trust has been a significant obstacle to regional integration, as it has prevented India and Pakistan from working together on various issues, including trade, economic development, and security cooperation (Behera, 2016). Further, the Kashmir conflict has created a sense of insecurity and instability in the region (Norkevicius, 2014). India and Pakistan have been involved in military clashes and skirmishes over the years, and the threat of conflict remains a constant concern. This security situation has made it challenging to build trust and cooperation between the two countries and has hindered efforts towards regional integration.

According to the analysis, the tension between India and China has posed a significant threat to regional integration. India and China are two of the largest economies in the world, and their economic rivalry has been a significant challenge for regional integration in South Asia. The two countries have competing interests in the region, including trade, investment, and infrastructure development (USIP China South Asia Senior Study Group, 2020). This competition has made developing a shared vision for economic integration in South Asia difficult. The India-China tension in South Asia has impacted other countries, creating a sense of insecurity and anxiety. For instance, due to the rivalry between India and China in the South Asian region, Bhutan, Nepal, Sri Lanka, and Bangladesh have become strategic locations for both countries to increase their power in the world. The two countries have been involved in a series of border disputes and military clashes, including the recent Galwan Valley clash (Lalwani, Markey & Singh, 2022), which led to tensions and mistrust between the two countries. This security situation has made it challenging to build trust and cooperation between the two countries and has hindered efforts towards regional integration. Hence, this tension has made it challenging to develop a shared vision for economic integration in South Asia (Shahid & Ahmad, 2021).



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### The asymmetrical economic power of India and its implication for other countries in the region

The study has identified the asymmetrical economic power of India and its dominance over economic relations in the region as another challenge for regional integration in South Asia. The asymmetrical economic power of India refers to the significant gap between India's economic capabilities and those of its neighbours in South Asia (Rahman et al., 2012). This gap has significant implications for regional integration, as it creates several challenges for smaller countries seeking to compete with India.

One of the significant challenges of regional integration in South Asia is the dominance of India's economy, which is much larger than its neighbours. For example, India's GDP in 2020 was approximately \$2.9 trillion, while the GDPs of all other South Asian countries combined totalled approximately \$1.4 trillion (Trading Economics, 2022). This imbalance in economic power can create a situation where India's smaller neighbours struggle to compete, hindering their ability to participate fully in regional integration efforts.

Another challenge of India's economic dominance is that it can lead to a situation where other countries in the region become overly dependent on India for trade and investment (Kumar, 2019). This can create a power imbalance, as India may use its

economic clout to exert influence over its neighbours. For instance, India has been accused of using trade policies to maintain its dominance over its smaller neighbours (Kumar & Singh, 2009), such as by imposing high tariffs on imports from countries like Bangladesh and Nepal. As a landlocked country, most of Nepal's trade flows through India. Nepal's dependence on India for trade has led to a situation where India has a significant influence over Nepal's economy. For example, India was accused of imposing an unofficial blockade on Nepal in 2015, which severely affected the country's economy and led to shortages of essential goods. Also, The Maldives is a small island nation heavily dependent on tourism for its economy. India is one of the largest sources of tourists for the Maldives, and Indian companies have invested heavily in the country's tourism sector. Moreover, Bangladesh is also one of India's largest trading partners in South Asia. However, Bangladesh heavily depends on India and other small regional countries to access its landlocked northeastern states. A significant amount of Bangladesh's trade with these states flows through India, which gives India significant leverage over Bangladesh's economy.

India's economic power also affects regional infrastructure development, such as in the area of transportation (Sinha & Sareen, 2020). For instance, India's large market and proximity to other South Asian countries make it a



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natural hub for transportation and trade. However, this can create a situation where other countries rely on India's transportation infrastructure, hindering their ability to develop their own. Hence, India's asymmetrical economic power creates several challenges for regional integration in South Asia. These challenges include dominance in economic and trade policies, power imbalances, and reliance on India's infrastructure.

India's efforts to promote regional integration in South Asia face several challenges, including bilateral tensions, economic disparities, non-tariff barriers, domestic politics, and security concerns. Addressing these challenges will be critical to promoting regionalism and regional economic integration. While India's economic, political, and territorial dominance can be seen as a challenge, it also presents an opportunity for India to play a leadership role in promoting regional integration. Focusing on RQ 2, the study has also identified the opportunities for regional integration of India as the significant power in South Asia. India has played a significant role in promoting regional integration in South Asia. As the largest country in the region, India's economic and political influence has been crucial in shaping the region's trajectory towards greater integration and cooperation. Hence, India's role in promoting regional integration could be emphasized below as the regional power in South Asia.

SAARC: India has been a critical player in the South Asian Association for Regional Cooperation (SAARC), which was established in 1985 to promote regional cooperation in South Asia. India has great potential to establish regional integration through SAARC. As one of the region's largest and most populous countries, India has a pivotal role in promoting economic cooperation, regional connectivity, and cultural exchanges among SAARC member countries. India has significantly contributed to SAARC's budget and has actively promoted cooperation in areas such as trade, energy, and connectivity (Pant & Yhome, 2018). As the region's largest economy with a growing consumer market, India can help promote economic growth and job creation by increasing trade and investment flows among SAARC member countries. India can also provide technical assistance and capacity building to help other member countries develop their economies. Further, the organization has launched several initiatives, such as the South Asian Free Trade Area (SAFTA) and the SAARC Visa Exemption Scheme, to promote economic integration and people-to-people contacts.

Connectivity initiatives: India has launched several connectivity initiatives in the region, including the South Asian Subregional Economic Cooperation (SASEC) program (SASEC, 2022), the Bay of Bengal Initiative for Multi-Sectoral Technical



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and Economic Cooperation (BIMSTEC), the BBIN (Bangladesh, Bhutan, India, and Nepal) Initiative to improve road, rail, and water connectivity (Pal & Kolkata, 2016), and facilitate trade and people-to-people contacts, Kaladan Multi-Modal Transit Transport Project and many more. Notably, The Kaladan Multi-Modal Transit Transport Project is a joint project between India and Myanmar that aims to connect Kolkata in India with Sittwe port in Myanmar via a sea route and then to Mizoram in India via river and road transport (Datta, 2020). The project is expected to boost trade and connectivity between the two countries.

Economic cooperation: India has also offered trade concessions to the least developed countries in the region, aimed at promoting regional trade and investment. India, the largest country in South Asia in terms of population and economy, is crucial in promoting regional integration. India's economic cooperation with its neighbours in South Asia can help to break down barriers and promote greater economic integration in the region. India and Nepal have implemented the South Asian Free Trade Agreement (SAFTA), which has helped to increase trade between the two countries. Hence, India can work further with other South Asian countries to expand SAFTA and create a more comprehensive regional trade agreement. The infrastructure development program, energy

cooperation and enhancing people-to-people projects in South Asia under the hegemony of India could be followed for regional integration. Hence, projects such as "Mausam" (Press Information Bureau, 2021), which aims to promote greater cultural and academic exchanges between South Asian countries, are prominent.

According to the analysis, India's role in promoting regional integration in South Asia has been crucial in shaping the region's trajectory towards greater cooperation and development. However, several challenges remain to be addressed in promoting greater regional integration, including political conflicts and economic disparities.

China's increased involvement in South Asia has posed opportunities and challenges to regionalism in the area. On the positive side, China's economic investments and infrastructure projects, such as the Belt and Road Initiative (BRI), have contributed to the region's development, fostering economic growth and connectivity. China's engagement has opened up new avenues for trade and investment, providing an alternative funding source for infrastructure development in South Asian countries. However, this economic involvement has also introduced complexities and challenges to the existing dynamics of regionalism.

One major challenge lies in the geopolitical implications of China's presence. The strategic rivalry between



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India and China and territorial disputes has created a delicate balance in South Asian politics. China has sometimes strained regional relations as it strengthens its ties with countries like Pakistan, Sri Lanka, and Nepal through economic and military partnerships. This has led to concerns among South Asian nations about potential security and sovereignty issues, complicating pursuing a unified regional approach. Furthermore, the varying degrees of engagement with China among South Asian countries have created regional disparities, with some nations leaning more towards China's influence while others remain cautious. Balancing these diverse interests and managing the geopolitical implications of China's involvement is an ongoing challenge for South Asian regionalism.

## CONCLUSIONS & RECOMMENDATIONS

Regionalism has been a crucial factor in shaping South Asia's economic, political, and social dynamics, and India plays a central role in this process. The research paper has explored the challenges and opportunities for regional integration in South Asia, focusing on India's engagement with its neighbours. The paper has highlighted the significance of regionalism in promoting economic development, social welfare, and political stability and the impact of India's domestic policies, such as trade liberalization and infrastructure development, on regional integration efforts in South

Asia. However, the existing regional frameworks have been plagued by various challenges, such as political rivalries, security concerns, and economic asymmetries. India's attempts to lead the region have been met with scepticism and resistance from its smaller neighbours.

The paper has focused on the challenges and issues of regional integration in the South Asian region under the hegemonic power of India. It has been emphasized that particular challenges have been practised in South Asia for regional integration. However, due to the Indian supremacy in the South Asian region, three main pillars have been identified. According to the analysis, constitutional challenges of India are federalism and its unavoidable interference with regional integration, political uncertainties and bilateral tension between India and other countries in the region and asymmetrical economic power of India and its implication for other countries in the region have been identified as the main challenges for regional integration due to the hegemony power of India as the regional power. The analysis has emphasized that regional integration has been dramatically challenged by Indian involvement in regional matters.

Despite these challenges, the paper has identified several opportunities for regional integration in South Asia to India as the prominent player in power politics. The opportunities were



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identified as India's economic and political influence has been crucial in shaping the region's trajectory towards greater integration and cooperation. As the founding member of SAARC, it has been identified that India would be able to reform and redesign the SAARC to focus on regional integration. Connectivity initiatives, including SASEC BBIN, BIMSTEC, The Kaladan Multi-Modal Transit Transport Project and other regional connectivity mechanisms initiated by India, have been identified as opportunities for establishing proper regional integration to benefit comparatively smaller and significant countries in the South Asian region.

In conclusion, the research paper has emphasized the need for a more inclusive and participatory approach to regionalism in South Asia. As the region's largest economy and most influential actor, India must take a leadership role in promoting regional integration while respecting the interests and concerns of its smaller neighbours. By overcoming the challenges and leveraging the opportunities, South Asia can achieve tremendous economic growth, social development, and political stability through regional cooperation. At the same time, the paper has identified that the idealistic perspective of regional integration, which would be promoted and facilitated by India, would be a utopian concept without strategic policy formulation. To achieve regional prosperity through regional

cooperation in South Asia, India has to amend the constitutional barriers, political and economic uncertainties and hidden agendas on regional integration.

India is widely regarded as the dominant regional power in South Asia due to its large population, strong economy, and military might. India has historically promoted regional cooperation and integration through the South Asian Association for Regional Cooperation (SAARC) framework. India's regional power has also been evident in its relations with its neighbours, particularly regarding trade, security, and diplomacy. It has been further justified that India, as the largest economy and most influential actor in the region, and revealed the challenges for take must take a leadership role in promoting regional integration while respecting the interests and concerns of its smaller neighbours. By overcoming the challenges and leveraging the opportunities, South Asia can achieve incredible economic growth, social development, and political stability through regional cooperation—the recommendations for regional integration headed by India as the regional power could be further emphasized below.

1. Promote economic cooperation: India should take steps to promote greater economic cooperation among the countries of South Asia. This could include reducing trade barriers, facilitating cross-border



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- investment, and promoting regional infrastructure development.
2. Encourage people-to-people contact: Greater people-to-people contact can help build trust and reduce tensions among South Asian countries. India could promote greater cultural exchange, facilitate tourism, and encourage academic exchanges among the region's countries.
  3. Address security concerns: India should address the security concerns of its neighbours and work to reduce tensions in the region. This could include promoting dialogue, sharing intelligence, and cooperating on counter-terrorism efforts.
  4. Strengthen regional institutions: India should work to strengthen regional institutions such as the South Asian Association for Regional Cooperation (SAARC) to promote greater regional integration. This could include increasing funding for SAARC and promoting greater cooperation among its member countries.
  5. Promote environmental sustainability: India should work with its neighbours to promote greater regional environmental sustainability. This could include promoting renewable energy, reducing carbon emissions, and addressing issues such as air pollution and water scarcity.
  6. Facilitate regional connectivity: India should facilitate more

excellent regional connectivity, including promoting cross-border transportation links, developing regional energy grids, and promoting greater cooperation on digital infrastructure.

It is important to note that any policy recommendations for regional integration in South Asia should be developed through a consultative and collaborative process that considers the interests and concerns of all countries in the region.

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