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Book review

A call for South Asian solidarity

South Asia in the WTO, edited by Saman Kelegama, New Delhi: Sage Publications, 2007

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The Doha Round of WTO trade negotiations is moving at a slow pace, as the economic and political priorities of the world are elsewhere – the rise of inflation fuelled by oil and commodity prices, the risk of further global slowdown and the recent financial crisis in the West.

Yet, the Geneva clan continues to produce negotiating drafts one after the other, with the hope of drawing trade negotiators closer. This is also the time when negotiating fatigue is at its peak, particularly for poorer countries like those in South Asia – ill equipped with human and economic resources to devote permanently to their WTO desks. Historical reviews of negotiations suggest that the risk of settling for unbalanced agreements is highest during these times.

In this context, this book is a timely intervention to provide an analysis of how South Asian countries are participating in the WTO negotiations, in the backdrop of their national development priorities. In particular, this book is useful for those who are keen to understand the political economy of international trade negotiations, not from the results of restricted economic models, but from the point of view of experts who are in a position of influence, as far as policy making in the region is concerned.

The introductory chapter by Saman Kelegama sets the agenda by summarising the converging and the diverging interests of South Asian countries in the WTO as well as in the SAARC. He argues that the poor momentum and second best outcomes of regionalism, necessitates that South Asian countries prioritise WTO negotiations over

regional SAARC negotiations. Second, he suggests that a strong economic imperative for a common South Asian position doesn't appear on the horizon, and South Asian countries could simply focus on need based coalitions instead of a region-specific coalition.

The country papers that follow provide a summary of the current developments in trade policies in South Asian countries with respect to their engagement with the multilateral trading system, their policy formulation process and their bilateral and regional agreements. They discuss the positions of South Asian countries in key issues (agriculture, industrial goods and services) of the Doha Round in the WTO. Finally, they ask whether South Asian countries can develop a common negotiating position in the WTO. Country specific priorities obviously emerge in the process of the discussions – services for India, textiles and clothing for Bangladesh and duty free quota free market access and erosion of preferences for LDCs in general.

The concluding chapter by Muchkund Dubey presents a well argued case towards developing a common South Asian position. However, given the changing priorities of South Asian countries and the differences in their growth trajectories, this call for South Asian solidarity in economic matters, may be considered as out of fashion, in corridors that matter.
