

Evolving Political and Economic Dynamism and the New Asian Regional Order: Perspective from South Asia

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Abstract

The balance of power is having a transformation in the world. The emerging trend indicates a multipolar world with high geopolitical and economic influence of developing countries including those which are in South Asia. Emerging challenges facing today by countries in South Asia are common in nature: inflation, food security, climate issues and sustainability, trade integration, supply chain, poverty and inequality, among others. On top, countries have been facing the jolts of Russia-Ukraine war and subsequent crises. The evolving political and economic dynamism in Asia is very much centred on the regional partnership, both economic and strategic. While more and more countries are engaged in regional FTAs, countries at the same time are getting engaged into security and political contours. Countries are involved in designing the Indo-Pacific order. Asia is clearly divided into many groups. The politically fragmented region is certainly not good for economic integration. South Asia can play a strong role in reshaping Asian order. There are two dimensions of South Asian engagements. First, scaling up the intra-South Asia integration, and second, strengthening relations with rest of Asia. The renewed and shared agenda of the South Asian regional cooperation should, therefore, aim to strengthen both intra- and inter- regional trade as well as to expand the connectivity. The resource requirements for bridging these gaps are nevertheless substantial. South Asian countries require technology and capital to finance connectivity projects, technical assistance, training and capacity building, among others. Here comes the role of Japan as benevolent partner of South Asia.