



CUTS International Global Affairs

Webinar Report

South Asia in a Perpetual Conundrum: Navigating Challenges in a Shifting Landscape
1 July 2025 | Virtual

Event Overview

Hosted by CUTS International, Global Affairs division, this webinar brought together regional and international experts to assess South Asia's enduring challenges and the shifting dynamics affecting cooperation. Secretary General Pradeep S. Mehta opened the session by highlighting the region's volatile yet vibrant nature and the pressing need for collaboration on shared concerns such as climate change, trade, and security.

Speakers addressed a range of critical issues. Lt Gen Subrata Saha (Retd) discussed India's evolving defence strategy, while Amb Prasad Kariyawasam and Amb Tariq Karim underscored Sri Lanka's strategic value and the need for historical reflection in regional diplomacy.

External actors' influence was also examined. Michael Kugelman spoke on US priorities under shifting administrations, and Shada Islam critiqued the EU's superficial engagement. Meanwhile, Apekshya Shah highlighted China's ambitions and Nepal's connectivity hurdles.

In closing, CUTS Executive Director, Bipul Chattopadhyay stressed the importance of mutual respect for sovereignty and enhancing not only physical connectivity but also people-to-people and energy linkages to advance regional cooperation.

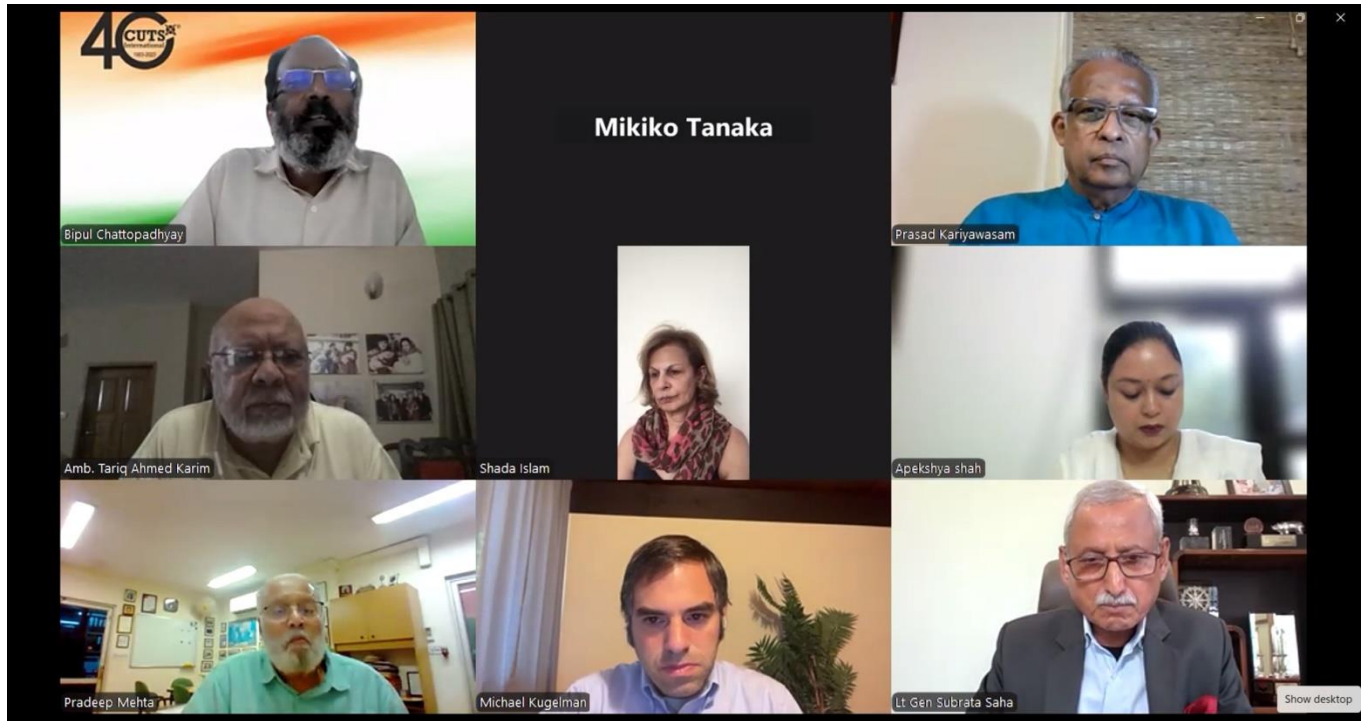
Moderator

Secretary General, CUTS International Pradeep S Mehta

Panellists

- Apekshya Shah - Senior fellow, Nepal Economic Forum
- Lt Gen Subrata Saha (R.) - Former Deputy Chief of Indian Army Staff
- Michael Kugelman, Senior Fellow - Asia Pacific Foundation of Canada
- Amb Prasad Kariyawasam - Former Foreign Secretary, Sri Lanka
- Shada Islam, Founder- New Horizons Project, Belgium

- Amb Tariq Ahmad Karim - Advisor, Centre for Bay of Bengal Studies, Independent University, Bangladesh



Key Insights

1. Regional Fragmentation and Historical Burdens: Speakers repeatedly highlighted South Asia's failure to forge meaningful regional integration, despite its shared geography and historical ties. Ambassador Tariq Ahmad Karim emphasised that the region remains trapped in its past, unable to transcend the legacy of partition and persistent mutual mistrust. Geography binds these nations together, but the lack of collective will continues to prevent effective cooperation.

2. India's Shifting Defence Posture: Lt Gen Subrata Saha (Retd) reflected on India's evolving security strategy, especially in response to cross-border terrorism. He described India's transition from reactive defence to proactive deterrence, citing post-Uri surgical strikes and the Balakot airstrikes following Pulwama. These moves, including suppression of Pakistani air defences, reflect a new threshold in India's strategic assertiveness.

3. The Role of External Powers: Michael Kugelman addressed the growing influence of external actors in South Asia. He also highlighted how U.S has not had a 'South Asia strategy' since Trump term one. He cautioned that under a potential second Trump administration, U.S. policy in the region would centre on trade and competition with China, with less emphasis on long-term regional stability. Shada Islam echoed similar concerns about the European Union's

engagement, labelling it “ritualistic” and overly shaped by transatlantic interests. She stressed the need for the EU to move beyond symbolism and adopt a more robust and region-specific strategy.

4. China’s Growing Footprint: Apekshya Shah discussed the “China factor” in South Asia, observing that China’s Belt and Road Initiative (BRI) faces resistance due to India’s objections. Nepal’s aspirations for trilateral connectivity with China and India remain largely aspirational without Indian buy-in. Governance challenges and political instability further complicate Nepal’s position in regional linkages.

5. Domestic Transitions with Regional Implications: Amb Tariq provided insight into Bangladesh’s ongoing political and economic transformation. While progress has been made, governance bottlenecks, rising inflation, and limited institutional coordination hinder its potential to act as a bridge in South Asian cooperation. Ambassador Prasad Kariyawasam underscored Sri Lanka’s maritime importance, arguing that its geostrategic location in the Indian Ocean requires sustained regional and global partnerships for economic recovery. He suggested that we require political will to expand pan Asian connections.

6. The Connectivity and Cooperation Deficit: The dialogue pointed to an urgent need for broader, deeper connectivity—not just in infrastructure, but in people-to-people ties, energy integration, and digital cooperation. Closing remarks by Bipul Chattopadhyay stressed that mutual respect for sovereignty and security concerns is foundational to fostering trust and progress.

Recommendations

The webinar generated a rich set of recommendations, both at the policy and strategic level, to address South Asia’s persistent challenges. The overarching message was clear: the region requires a renewed commitment to cooperation, guided by mutual respect, pragmatic diplomacy, and inclusive engagement.

1. Prioritise Track 1.5 and Track 2.0 Dialogues

Several participants underscored the importance of semi-official and non-official diplomatic spaces to rebuild trust and develop a shared narrative. These platforms offer flexibility and continuity, especially when formal government-to-government processes remain stalled. Speakers advocated for more institutionalised civil society, academic, and expert dialogues to supplement formal channels.

2. Foster Political Will for Regionalism

Ambassador Tariq Karim and others called for a bold shift in mindset among South Asian leaders to see cooperation not as a compromise but as a strategic necessity. This includes reframing regional integration as a collective gain rather than a zero-sum calculation. Learning from ASEAN and African regional bodies was suggested as a way forward.

3. Enhance Strategic Communication and Mutual Trust

Given the history of mistrust in South Asia, there was a strong recommendation to

institutionalise mechanisms that promote transparency in military and diplomatic postures. Lt Gen Subrata Saha (Retd) called for confidence-building measures and the resumption of regular bilateral dialogues to manage cross-border tensions, especially between India and Pakistan.

4. Move Beyond Symbolism in External Engagements

Shada Islam strongly advocated for the European Union to abandon its “tokenistic” regional posture. She suggested that the EU develop a South Asia-specific engagement framework, with dedicated mechanisms for trade, climate resilience, and strategic partnerships distinct from its broader Indo-Pacific or transatlantic strategies.

5. Promote Functional Connectivity and Economic Corridors

Apekshya Shah stressed the need for infrastructure-led integration, but also noted that physical connectivity must be complemented with energy corridors, digital networks, and financial integration. The Bay of Bengal Initiative and BBIN frameworks were highlighted as existing mechanisms that should be revived and expanded.

6. Respect Sovereignty While Advancing Integration

Participants agreed that no regional framework would succeed without a fundamental respect for each country’s sovereignty and security sensitivities. Bipul Chattopadhyay, in his concluding remarks, noted that mutual respect must underpin all cooperative efforts, particularly in an increasingly securitised environment.

7. Leverage Maritime and Energy Cooperation

Ambassador Kariyawasam recommended turning the Indian Ocean into a platform for cooperation rather than rivalry. Enhancing maritime domain awareness, establishing joint disaster relief operations, and promoting sustainable blue economy initiatives were proposed.

8. Diversify Partnerships and Voices

Several speakers called for the inclusion of non-traditional actors such as private sector players, youth leaders, women’s groups, and think tanks in shaping regional policies. This would ensure broader ownership of regional goals and help break entrenched diplomatic deadlocks.

Conclusion

Overall, it was a rich and insightful discussion which touched upon various aspects of why and how South Asia is in perpetual conundrum. In essence, the discussions yielded a consensus: while deep political divergences persist, pragmatic and incremental steps anchored in dialogue, trust, and people-centred cooperation remain the most viable path to a more integrated and peaceful South Asia.