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RESEARCH ARTICLE

EMBEDDED COOPERATION AND THE DURABILITY OF REGIONAL COOPERATION IN SOUTH ASIA

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Abstract

Explaining Durable Cooperation Beyond Institutional Authority Region al cooperation is widely understood to depend on institutional arrangem ents that stabilise expectations among participating states. A substantial body of scholarship, prominently Koremenos (2005), argues that cooperation becomes durable when it is embedded within frameworks that reduce uncertainty, structure interaction, and constrain opportunisti c behaviour. The underlying premise is that without credible assurances regarding the continuity of commitments, cooperation remains fragile, whereas institutional mechanisms enable it to persist over time (Abbott & Snidal, 2000). From this perspective, durability is not simply a function of shared interests, but of institutional conditions that render those interests reliable across time.

Introduction:-

This expectation is particularly salient in regional contexts, where cooperation often unfolds in the absence of centralised authority. Without delegated institutions capable of enforcing agreements or mediating disputes, coordination must rely on the continued alignment of national preferences (Börzel&Risse, 2010). Where such alignment is uncertain—as is often the case in politically fragmented regions—cooperative arrangements are expected to remain contingent rather than stable. The absence of institutional depth, in this view, constrains both the scope and durability of cooperation. This is especially evident in regions characterised by "weak regionalism," where institutional authority remains limited and coordination is uneven (Acharya, 2009).

South Asia has frequently been interpreted through this lens. Regional cooperation has developed within an environment characterised by strong sovereignty sensitivities, limited institutional delegation, and recurrent political tensions among states. Although formal regional frameworks exist, their capacity to shape behaviour remains constrained, and coordination often proceeds through intergovernmental or bilateral channels rather than through authoritative regional structures (Dash, 2008). Under these conditions, the factors typically associated with durable cooperation—credible commitment, institutional enforcement, and coordinated governance—are only weakly present. The expectation that follows is straightforward: cooperation should be difficult to sustain, particularly in domains requiring long-term coordination and sustained investment.This expectation becomes more pronounced in infrastructure-intensive sectors such as electricity. Cross-border electricity cooperation involves large-scale capital investments, extended project timelines, and continuous technical coordination across national systems. Transmission infrastructure must be developed, generation capacity aligned with external demand, and regulatory arrangements sustained over time. These features introduce long-term dependencies that, in the absence of

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stabilising institutional frameworks, would be expected to increase vulnerability rather than resilience (Victor, 2011). If cooperation depends on ongoing political alignment, sectors requiring long-term commitments should be especially sensitive to disruption. Yet this expectation sits uneasily with the empirical trajectory of cross-border electricity cooperation in South Asia. Over the past decade, electricity trade linking India with Bhutan, Bangladesh, and Nepal has expanded in both scale and continuity despite the persistence of weak regional institutional authority (CREC, 2023). Rather than remaining contingent, cooperation in this sector has stabilised and, in some respects, deepened under conditions that would ordinarily undermine long-term coordination.This divergence raises a central question: how does cross-border electricity cooperation become durable in the absence of strong institutional frameworks? More specifically, how can cooperation persist across political variability, shifting domestic priorities, and limited regional governance capacity?

Rather than treating this as an anomaly, the pattern suggests a need to reconsider how durability is understood. If institutional authority is limited but cooperation persists, then the mechanisms sustaining it may not lie primarily in institutional design. The task, therefore, is not simply to explain why cooperation emerges, but to examine how it becomes stabilised under conditions where institutional support remains weak. Existing approaches offer important insights into the dynamics of regional cooperation, yet they provide only a partial account of the pattern observed in South Asia. Institutional explanations emphasise the role of formal arrangements in stabilising expectations and enforcing commitments. Where such mechanisms are weak, cooperation is expected to depend on the continued alignment of state preferences. Durability, in this view, remains contingent, persisting only so long as political conditions remain favourable. Applied to the South Asian context, this would suggest that cross-border electricity cooperation should be sensitive to domestic political change, shifts in leadership, and fluctuations in interstate relations. The observed continuity in this sector therefore raises a question about the limits of this assumption.

A common response is to shift attention from institutions to incentives. From this perspective, cooperation endures because it generates tangible benefits for participating states. Electricity trade allows for more efficient utilisation of generation capacity, reduces supply constraints, and enables complementarities across national systems. These gains are substantial and help explain why cooperative arrangements emerge. However, they are less effective in accounting for their stability. If cooperation were sustained primarily through shifting cost–benefit calculations, greater variation would be expected in response to changes in domestic priorities or external conditions. The persistence of electricity trade across periods of political uncertainty suggests that its continuity cannot be reduced to fluctuating incentives alone (Fearon, 1998). A related line of argument highlights asymmetry within the regional system. India's position as the dominant actor and central node in electricity exchange provides structural advantages that may support cooperation. Smaller states rely on access to Indian markets, infrastructure, and investment, generating relationships of dependence (Pandey &Pitdaya, 2024). While this perspective captures an important feature of the regional configuration, it does not fully resolve the question of durability. Dependence does not inherently produce stability; it can generate vulnerability as much as continuity (Hirschman, 1945), particularly when political relations are strained (Kuszewska&Nitza-Makowska, 2021). Moreover, electricity exchange in South Asia does not operate as a one-directional system of dependence. Importing countries rely on continued supply, while exporting countries depend on sustained access to external markets (UNDP, 2000). Asymmetry therefore redistributes risk rather than eliminating it, leaving open the question of why these relationships remain stable over time.

Another explanation focuses on the organisational form of cooperation, suggesting that bilateral arrangements compensate for weak regional institutions. Much of the progress in electricity cooperation in South Asia has occurred through intergovernmental agreements between specific pairs of states rather than through comprehensive regional frameworks. While this may reduce coordination challenges, bilateralism does not in itself ensure durability. Agreements between two states remain subject to the same political uncertainties that affect broader regional cooperation. Without mechanisms that stabilise expectations across time, bilateral arrangements remain vulnerable to disruption. Taken together, these perspectives capture important aspects of cooperation but do not fully account for its persistence under conditions of institutional weakness and political variability. Institutional explanations emphasise authority, incentive-based accounts emphasise efficiency, and power-based perspectives emphasise structural relationships. Each contributes to understanding how cooperation emerges, yet none adequately explains how it becomes stabilised in contexts where these conditions remain incomplete or uncertain. This suggests that the issue lies not simply in the absence of cooperation, but in how its durability is conceptualised. The South Asian electricity case indicates that cooperation can persist in ways that appear structured rather than contingent. Rather than being sustained solely through ongoing political alignment, cooperative arrangements may be organised

in ways that reduce the likelihood and increase the cost of disruption (Granovetter, 1985). The analytical task, therefore, is to examine how such stability is produced.

A useful starting point is to shift attention from institutions as the primary source of durability to the organisation of cooperation itself. Cooperation does not operate in abstraction; it is enacted through systems—material, contractual, and administrative—that shape how interactions are reproduced over time. Where these systems remain thin or easily reversible, cooperation may remain fragile. Where they become integrated into the functioning of participating actors, the conditions under which cooperation operates begin to change. Building on this shift in perspective, this paper approaches durability not as an outcome secured primarily through institutional authority, but as a condition that may emerge through the organisation of cooperation itself. The central argument is that cooperation can become stabilised when it is embedded within systems that structure how it operates over time. Rather than remaining dependent on continuous political alignment, cooperative arrangements may acquire stability as they become integrated into material infrastructures, economic relationships, and administrative practices that sustain interaction on a regular basis (Granovetter, 1985).

In the case of cross-border electricity cooperation, this structuring process is closely tied to the development of interconnected systems. Electricity exchange depends on transmission networks that physically link national grids, connecting generation in one country to consumption in another (Bhatacharya, 2015). These systems require substantial investment, coordinated technical standards, and long-term planning. Once established, they are not easily dismantled without incurring significant economic and operational costs. Infrastructure therefore does not simply facilitate cooperation; it anchors it within material systems whose continued functioning depends on sustained exchange. These material linkages are complemented by contractual arrangements that extend commitments across time. Cross-border electricity projects are typically governed by agreements that define pricing structures, supply obligations, and financing arrangements over long durations (CERC, 2019). Such contracts underpin the viability of infrastructure investments and stabilise expectations regarding future exchange. Altering or terminating these arrangements entails financial and legal costs that extend beyond immediate political considerations, reinforcing continuity.

At the same time, the integration of electricity trade into domestic energy systems generates patterns of interdependence that reshape the incentives of participating actors. Export-oriented systems rely on revenue streams tied to cross-border exchange, while importing systems incorporate external supply into their planning frameworks (UNDP, 2000). Although these relationships are not symmetrical, they create mutual exposure to disruption, making continued cooperation preferable to its interruption (WTO, 2024). Alongside these material and economic dimensions, cooperation is sustained through the routine practices of administrative and technical coordination. Cross-border electricity exchange requires continuous interaction among grid operators, regulatory authorities, and system managers responsible for balancing supply and demand. Over time, these interactions become regularised through procedures and protocols that govern day-to-day operations (March & Olsen, 1989)). What begins as negotiated coordination is gradually incorporated into the normal functioning of interconnected systems.

These elements suggest that durability may arise through the cumulative effects of embedding. Infrastructure links systems physically, contractual arrangements extend commitments temporally, interdependence aligns incentives, and administrative practices reproduce cooperation through routine operation. These processes do not eliminate political uncertainty, but they reshape the conditions under which cooperation operates by increasing the costs of disruption and reducing reliance on continuous political alignment. The argument advanced here is therefore modest but consequential. It does not claim that institutions are irrelevant, nor that incentives and power do not matter. Rather, it suggests that under conditions where institutional authority is limited, cooperation may stabilise through the systems within which it becomes embedded. In such cases, durability is not imposed externally, but generated through the organisation of interaction itself.If this argument holds, cross-border electricity cooperation in South Asia should exhibit specific empirical patterns: the development of infrastructure that integrates national systems, the presence of long-term contractual arrangements that stabilise exchange, the emergence of interdependent trade relationships, and the routinisation of administrative coordination. The following section examines these dynamics in order to assess how cooperation has become stabilised in this context.

Embedded Cooperation and the Material Foundations of Durability:-

The durability of cross-border electricity cooperation in South Asia becomes analytically visible when electricity exchange is understood not as episodic interaction but as system-level integration. If the central claim of this paper

is that cooperation stabilises through embedding rather than institutional authority, the empirical task is not simply to document the expansion of electricity trade, but to demonstrate how it becomes structurally anchored within the material and operational organisation of national electricity systems. The evolution of cross-border electricity cooperation within the Bangladesh–Bhutan–India–Nepal (BBIN) system between 2013 and 2022 provides a clear illustration of this transformation. During this period, cross-border electricity exchange expanded in scale, regularity, and functional significance. Transmission interconnections increased, trade volumes grew, and hydropower development was aligned with export markets despite weak institutionalisation and persistent political tensions. Under conventional expectations, such conditions would constrain long-term cooperation. Yet electricity exchange has become progressively stabilised. The question, therefore, is not whether cooperation exists, but how it acquires durability under these constraints.

This section demonstrates that durability emerges through the embedding of cooperation within four interrelated structures: infrastructure systems, contractual and financial arrangements, interdependent trade relationships, and administrative routines. These mechanisms accumulate over time, transforming electricity exchange from a discretionary political arrangement into an operational requirement of system stability. The first and most immediate manifestation of this process is infrastructural integration. Electricity trade depends on physical interconnection. Once transmission links are established, national grids are integrated into a shared operational space where flows are governed by system requirements rather than discrete political decisions. The expansion of cross-border infrastructure in South Asia since 2013 illustrates this transformation.

The commissioning of the Baharampur–Bheramara HVDC interconnection between India and Bangladesh in 2013 marked a critical step. Initially designed for 500 MW and later expanded to 1,000 MW, it created a dedicated corridor for sustained electricity exchange (World Bank, 2019). Its significance lies not only in capacity expansion but in the integration of imports into Bangladesh's domestic supply system, where cross-border electricity now functions as a stable component rather than a marginal supplement. This integration is reinforced by additional links such as the Tripura–Comilla interconnection (~160 MW). Together, these corridors enable Bangladesh to import over 1,100 MW of electricity from India, embedding cross-border trade within national supply structures. At this scale, disruption would affect system stability rather than simply reduce trade volumes.

Table 1. Major Cross-Border Transmission Infrastructure in the BBIN System

Project	Countries	Commissioned	Technology	Capacity
Baharampur–Bheramara	India–Bangladesh	2013	HVDC	500 MW
Baharampur–Bheramara (Expansion)	India–Bangladesh	2017	HVDC	1000 MW
Tripura–Comilla	India–Bangladesh	2016	132 kV AC	~160 MW
Dhalkebar–Muzaffarpur	India–Nepal	2016	400 kV AC	1000 MW

Source: World Bank (2019); Asian Development Bank (2020); Powerline (2022).

The analytical significance of these developments lies in the scale and functional integration of electricity flows. As cross-border exchange becomes embedded within national supply systems, the consequences of disruption extend beyond trade loss to system instability. Electricity imports are no longer discretionary; they are incorporated into the operational logic of national grids. Infrastructure thus restructures cooperation by increasing the material costs of discontinuity. A similar process is evident along the India–Nepal border. The Dhalkebar–Muzaffarpur 400 kV transmission line established the first high-capacity link between the two countries, enabling transfers of up to 1,000 MW (World Bank, 2019). Subsequent expansions have increased total transfer capacity to approximately 1,400–1,600 MW, enabling both imports and exports of electricity. Cross-border exchange is thereby integrated into system balancing, particularly given seasonal variations in hydropower generation.

The most deeply embedded form of infrastructural integration is observed in the India–Bhutan relationship. Hydropower projects such as Chukha, Tala, and Mangdechhu are directly connected to the Indian grid through dedicated transmission infrastructure (ADB, 2020). These projects are structurally organised around export, linking generation to external markets. Their viability depends on sustained electricity flows, embedding cooperation at the level of production. Across the BBIN system, these developments produce an interconnected network in which electricity flows continuously rather than intermittently. This transformation shifts cooperation from a negotiable outcome to a structural condition of system operation. High capital investment and long asset lifetimes further reinforce this dynamic, as disruption would generate significant economic losses. Infrastructure therefore stabilises cooperation not through enforcement, but through material constraint ((Flyvbjerg, 2014)).

The stabilising effects of infrastructural integration, however, do not operate in isolation. Physical interconnection anchors exchange, but its continuation depends on arrangements that stabilise expectations across time. Infrastructure alone cannot sustain cooperation unless electricity flows remain predictable and financially viable. It is at this point that contractual and financial structures assume a central role, embedding cooperation not only in space but in time. The stabilising effects of infrastructural integration, however, do not operate in isolation. While physical interconnection anchors electricity exchange within material systems, its continued operation depends on arrangements that stabilise expectations across time. Infrastructure alone cannot sustain cooperation unless electricity flows remain predictable and investment recovery remains viable. Contractual and financial structures therefore embed cooperation within long-term commitments, extending it beyond short-term political cycles.

Electricity infrastructure projects in South Asia—particularly hydropower and transmission investments—are characterised by high upfront costs and long amortisation periods. Their viability depends on sustained utilisation over decades. As a result, cross-border electricity cooperation is organised through long-term agreements that define supply commitments, pricing structures, and financing arrangements. These agreements do not simply regulate exchange; they underpin the functioning of the infrastructure itself (Williamson, 1985). The organisation of hydropower development in Bhutan provides the clearest illustration. Projects such as Chukha (336 MW), Tala (1020 MW), and Mangdechhu (720 MW) are structured through long-term export arrangements linking generation directly to the Indian market (World Bank, 2019). These agreements enable cost recovery over extended time horizons and ensure predictable revenue streams. Approximately 70 percent of Bhutan's electricity generation is exported to India, making cross-border trade central to national revenue and fiscal stability (IEEFA, 2022). The analytical significance of these arrangements lies in their temporal structure. Because infrastructure financing and national revenue depend on sustained exports, cooperation becomes embedded within long-term economic commitments. Disrupting electricity trade would therefore affect not only supply but also investment recovery and fiscal stability. Durability, in this context, is produced through the costs of termination rather than external enforcement.

Table 2. Long-Term Agreements Supporting Cross-Border Electricity Cooperation

Project / Agreement	Countries	Capacity	Nature of Arrangement
Chukha Hydropower Project	Bhutan–India	336 MW	Long-term export agreement
Tala Hydropower Project	Bhutan–India	1020 MW	Long-term export agreement
Mangdechhu Hydropower Project	Bhutan–India	720 MW	Export-oriented agreement
India–Bangladesh Supply Agreements	India–Bangladesh	~1160 MW	Long-term supply contracts
India–Nepal Trade Framework	India–Nepal	Variable	Structured trade arrangements

Sources: IEEFA (2022); World Bank (2019); regional electricity authority reports.

A comparable pattern is evident in electricity trade between India and Bangladesh. Long-term supply agreements between the Bangladesh Power Development Board and Indian suppliers define electricity volumes and pricing, allowing imports to be incorporated into national planning. As demand has expanded, cross-border electricity—exceeding 1,100 MW—has shifted from supplementary to structurally necessary (Powerline, 2022). These agreements stabilise expectations across political cycles. Electricity imports at this scale cannot be sustained through short-term arrangements; they require contractual predictability that embeds cooperation within long-term planning horizons.

Financial structures reinforce this temporal embedding. Hydropower and transmission projects are financed through arrangements that assume sustained electricity trade, with repayment schedules tied to export revenues. This links financial viability directly to continued cooperation. Disrupting electricity exchange would therefore affect not only energy supply but also debt servicing and capital recovery, increasing the costs of discontinuity. Regulatory frameworks extend these commitments into governance structures. India's Cross-Border Electricity Trade Guidelines (2016, revised 2018) establish procedures governing imports and exports, integrating electricity trade into domestic regulatory systems. By codifying participation rules and operational conditions, these frameworks reduce uncertainty and normalise cross-border exchange as a routine component of market operation. Taken together, contractual arrangements, financing structures, and regulatory frameworks embed cooperation within a temporal and financial architecture that stabilises expectations across time. Infrastructure requires continuous operation, contracts secure flows over extended periods, and financial arrangements tie economic performance to sustained exchange. These elements operate cumulatively to increase the costs associated with renegotiation or termination.

In contrast to institutional explanations that locate durability in formal authority, the evidence here indicates that stability can emerge from the structuring of cooperation itself. Contracts and financial arrangements do not enforce cooperation hierarchically; they embed it within systems of obligation that are difficult to unwind. Durability, therefore, is generated through temporal commitment rather than institutional control. If infrastructural integration anchors cooperation within material systems and contractual arrangements extend it across time, sustained electricity exchange generates a further layer of stability by linking the economic and operational interests of participating states. Electricity trade produces continuous flows that reshape national energy systems, creating interdependent relationships in which disruption imposes costs across multiple actors simultaneously (Koehane& Nye, 1977). Within the BBIN system, India functions as the central hub of regional electricity exchange, importing hydropower from Bhutan while exporting electricity to Bangladesh and Nepal. By 2021–2022, India imported approximately 7.6 TWh from Bhutan while exporting around 7.3 TWh to Bangladesh and 1.9 TWh to Nepal (CERC, 2023). These flows are analytically significant not only for their scale but because they indicate a level of integration at which electricity trade becomes a structural component of national energy systems rather than an external supplement.

Table 3. Structure of Cross-Border Electricity Trade in the BBIN System (Approx. 2021–2022)

Flow Direction	Volume (TWh)	Functional Role
Bhutan → India	~7.6 TWh	Hydropower export (revenue generation)
India → Bangladesh	~7.3 TWh	Supply augmentation
India → Nepal	~1.9 TWh	Seasonal balancing / supply support

Sources: CERC (2023); World Bank (2019); Powerline (2022).

The structure of these flows produces differentiated but interconnected forms of dependence. Bhutan represents export-oriented dependence, with electricity revenues forming a major component of national income. Bangladesh reflects import dependence, where cross-border electricity is incorporated into baseline planning to meet rising demand. Nepal occupies an intermediate position, importing electricity during shortages while exporting surplus hydropower during peak production cycles. Despite these asymmetries, interdependence generates mutual constraint (Krasner, 1976). Export-dependent economies risk revenue loss, import-dependent systems face supply shortages, and intermediate systems depend on continued market access for balancing production and consumption. These

costs are distributed across the system, making disengagement collectively unattractive. Cooperation persists not because dependence is equal, but because it is structured in a way that raises the costs of withdrawal for all participants.

This mechanism operates independently of strong institutional authority. Stability emerges from the structure of exchange itself: sustained flows align incentives and reduce the feasibility of disruption. Durability, therefore, is generated through system-level interdependence rather than institutional enforcement. A further layer of stability is produced through administrative routinisation, which embeds cooperation within the everyday functioning of electricity governance systems. Cross-border electricity exchange requires continuous coordination among grid operators, regulatory authorities, and trading entities responsible for managing electricity flows. Over time, these interactions become institutionalised within technical and administrative procedures that operate largely independent of high-level political negotiation (Lipsky, 1980). In South Asia, cross-border electricity trade is increasingly governed through such frameworks. Transactions are integrated into domestic regulatory systems and managed through procedures governing scheduling, transmission allocation, and system balancing. India's Cross-Border Electricity Trade Guidelines formalise these processes, embedding electricity exchange within routine governance structures.

At the operational level, cooperation is reproduced through daily technical coordination rather than periodic political agreement. Electricity flows are continuously scheduled and balanced, making cross-border exchange a normal component of grid management. As a result, cooperation becomes less visible as a political decision and more embedded as an operational necessity. The cumulative effect of these mechanisms becomes most evident under conditions of political volatility. The period between 2013 and 2022 includes political transitions in Nepal, electoral contestation in Bangladesh, and stagnation of regional institutional coordination. Under conventional expectations, such conditions would undermine long-term cooperation. Yet cross-border electricity exchange continued to expand. Infrastructure projects progressed, contractual arrangements remained in force, and trade flows persisted across political cycles. Electricity imports and exports were maintained despite domestic political shifts, indicating that cooperation had become embedded within systems that function independently of short-term political change. At the regional level, this persistence contrasts with the limited effectiveness of multilateral institutional frameworks. While broader regional cooperation has remained constrained, electricity exchange within the BBIN system has continued to deepen, suggesting that durability in this sector does not depend on strong regional institutional authority.

Taken together, the evidence points to a consistent empirical pattern. Cross-border electricity cooperation in South Asia has demonstrated durability despite weak institutionalisation and political variability. Infrastructure continues to operate, contractual commitments remain in force, trade flows persist, and administrative systems sustain coordination across borders. These mechanisms operate cumulatively, embedding cooperation within material, economic, and organisational structures that raise the costs of disruption. The empirical analysis therefore supports the central argument of this paper. The persistence of cross-border electricity cooperation cannot be explained solely by institutional authority or favourable political conditions. Instead, cooperation has become durable because it is embedded within infrastructure systems, long-term contractual and financial arrangements, interdependent trade relationships, and routinised administrative practices that collectively stabilise electricity exchange over time. In this configuration, durability emerges not as an outcome imposed by institutional design, but as a property generated through the organisation of cooperation itself. Electricity exchange is sustained not because it is externally enforced, but because it is internally structured in ways that make disruption increasingly difficult and costly. The South Asian case thus demonstrates how cooperation can persist under conditions of weak regional authority when it becomes embedded within the systems that sustain it.

Implications and Conclusion: Rethinking Durability Beyond Institutions:-

This paper began with a central puzzle: how does cross-border electricity cooperation persist in a regional context characterised by weak institutional authority, limited delegation, and persistent political tensions? Conventional approaches to international and regional cooperation suggest that durability depends on institutional mechanisms capable of stabilising expectations, enforcing commitments, and reducing uncertainty over time. From this perspective, South Asia—marked by shallow institutionalisation and fragmented governance—would appear to offer unfavourable conditions for sustained cooperation, particularly in infrastructure-intensive sectors requiring long-term coordination. The empirical analysis presented in this paper, however, demonstrates a different pattern. Cross-border electricity cooperation within the Bangladesh–Bhutan–India–Nepal (BBIN) system has expanded and

stabilised since the early 2010s despite the absence of strong regional institutional authority. This persistence is not incidental or episodic. Rather, it reflects the embedding of cooperation within infrastructure systems, long-term contractual and financial arrangements, interdependent trade relationships, and routinised administrative practices. These mechanisms operate cumulatively to transform electricity exchange from a contingent political arrangement into an operational requirement of system stability.

The central contribution of this paper is therefore conceptual. It shows that durability in regional cooperation cannot be understood solely as a function of institutional authority. While existing scholarship has emphasised the role of formal institutions in stabilising cooperation, the South Asian electricity case demonstrates that stability can emerge through the organisation of cooperation itself. Infrastructure creates material constraints that are costly to reverse; contracts extend commitments across time; interdependence aligns incentives among participating actors; and administrative routines reproduce cooperation through everyday operational practices. Together, these processes generate a form of embedded durability that operates independently of strong institutional enforcement. This argument carries important implications for how cooperation is conceptualised in contexts of institutional constraint. First, it suggests that durability and institutionalisation should be analytically distinguished rather than treated as inherently linked outcomes. In the South Asian case, electricity cooperation has become operationally stable without producing a corresponding deepening of regional governance structures. Cooperation is embedded, but authority remains decentralised. This challenges the assumption that stable cooperation necessarily implies institutional consolidation.

Second, the findings shift analytical attention from the presence or absence of institutions to the organisational form of cooperation. Rather than asking whether institutions exist to support cooperation, the more relevant question becomes how cooperative arrangements are structured, reproduced, and integrated into the systems in which they operate. Durability, in this sense, is generated not only through formal rules, but through the material, economic, and administrative configurations that sustain interaction over time. At the same time, the argument advanced here is subject to important scope conditions. The mechanisms identified are most likely to operate in sectors characterised by large-scale infrastructure investment, long-term contractual commitments, and continuous technical coordination. Electricity systems possess these characteristics, making them particularly conducive to forms of embedded stability. In sectors more directly dependent on ongoing political negotiation—such as security cooperation, migration governance, or trade liberalisation—cooperation may remain more sensitive to shifts in political preferences and institutional capacity. The argument should therefore be understood not as a general theory of cooperation, but as identifying a specific pathway through which durability can emerge under particular sectoral conditions.

The broader relevance of these findings extends beyond South Asia. Many regions in the Global South are characterised by weak institutionalisation, political fragmentation, and asymmetrical power relations. In such contexts, cooperation may not follow the trajectory associated with highly institutionalised regions. Instead, it may develop through sector-specific arrangements that become embedded within national systems and bilateral relationships. Recognising this pattern expands the analytical vocabulary of regional cooperation by accounting for forms of stability that emerge under constraint. Finally, the trajectory of such systems remains open. While embedding stabilises cooperation by increasing the costs of disruption, it does not necessarily generate pressures for deeper institutionalisation. It therefore remains an open question whether such configurations represent transitional arrangements that may evolve toward more formalised governance structures, or whether they constitute relatively stable equilibria in which cooperation persists without institutional consolidation. In conclusion, the South Asian electricity case demonstrates that durable cooperation can emerge in the absence of strong regional authority when it becomes embedded within the systems that sustain it. By shifting attention from institutional design to the organisation of cooperation, this paper provides a more nuanced account of how stability can be generated under conditions of constraint, and contributes to a broader rethinking of the relationship between institutions, systems, and the durability of regional cooperation.

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