SINGAPORE’S FOREIGN POLICY: BEYOND REALISM

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Abstract

This thesis argues that Singapore’s foreign policy seeks to maximise order, and not power. Hence, it proposes that the English School theory, with its focus explaining why a high degree of substantive order exists in an anarchical context is therefore a more appropriate tool to analyse Singapore’s foreign policy. To substantiate this point, this thesis examines Singapore’s foreign policy towards Malaysia, Indonesia, China, and India to show how this city–state has managed to conduct its relations with them within the framework of an international society. Japan is excluded because this thesis focuses on states that have the greatest potential to affect Singapore by virtue of three main considerations – geographical distance, future impact on regional geopolitical developments, and ethnicity. Due to their geographical proximity, Malaysia and Indonesia are arguably the states most important to Singapore. China and India, as the rising powers, constitute unknown variables since the nature and effects of their rise are still not clear, and Singapore’s foreign policy needs to be sensitive towards developments there. At the same time, Singapore is a predominantly ethnic Chinese state with a sizeable Malay minority that constitutes the majority in the region as well as a significant Indian minority, a demographic reality that has influenced its foreign policy as well. Japan is an important actor. However, compared with these four states, Japan has comparatively less impact on Singapore in these areas, and so it is not included. Literature on Singapore’s foreign policy is almost entirely based on Realism. Consequently, the resultant focus is on the conflictual, adversarial, and anarchical aspects, and associational aspects are overlooked. According to Realist theory, Singapore would be dominated by these larger states. This thesis draws attention to the fact that inter–state relations are not moderated solely by material considerations such as geographical and population sizes as depicted by Realism. Associational aspects are present as rules, values and norms also matter, which allows small states such as Singapore to interact with these larger states, both bilaterally and multilaterally, on the basis of formal equality. This shows that Singapore is able to influence the terrain in which its foreign policy is being conducted, which is apparent in its pursuit of a stable balance of power that involves all legitimate actors. As a result, a high level of order characterises its foreign policy, and this congruence justifies the use of the English School theory in this context.
Thesis Declaration

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To other International Relations theorists who are tempted to speak before reading and to judge before knowing, it is worth revisiting Montesquieu’s plea Morgenthau made in the preface to the second edition of *Politics Among Nations*: “I beg one favour of my readers, which I fear will not be granted me; that is, they will not judge by a few [hours’] reading of the labour of [the past three years]; that they will approve or condemn the [thesis] entire and not a few particular phrases.”

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**List of Abbreviations**

APT  | ASEAN plus Three
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ASEAN  | Association of Southeast Asian Nations
ASW  | Anti–Submarine Marine
BIMP–EAGA  | Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area
BIMSTEC  | Bay of Bengal Initiative for Multi–Sectoral Technical and Economic Cooperation
BJP  | Bharatiya Janata Party
CECA  | Closer Economic Cooperation Agreement
CM  | Chief Minister
DCA  | Defence Cooperation Agreement
EAS  | East Asia Summit
EEZ  | Exclusive Economic Zone
EIC  | East India Company
ET  | Extradition Treaty
FSO  | Foreign Service Officers
HINDRAF  | Hindu Rights Action Force
ICJ  | International Court of Justice
IMF  | International Monetary Fund
IN  | Indian Navy
MCP  | Malayan Communist Party
MFA  | Ministry of Foreign Affairs
NAM  | Non–Aligned Movement
NEFOS  | New Emerging Forces
OLDEFO  | Old Emerging Forces
PAP  | People’s Action Party
PAS  | Partai Islam SeMalaysia
PRM  | Parti Rakyat Malaysia
PSA  | Ports of Singapore Authority
RSN  | Republic of Singapore Navy
SARS  | Severe Acute Respiratory Syndrome
SEATO  | Southeast Asian Treaty Organisation
SIIA  | Singapore Institute of International Affairs
SIMBEX  | Singapore–India Maritime Bilateral Exercise
SIP  | Suzhou Industrial Park
TAC  | Treaty of Amity and Cooperation
WTO  | World Trade Organisation
1. **INTRODUCTION: WHY STUDY SINGAPORE’S FOREIGN POLICY?**

As a small state, Singapore has comparatively less influence in the international system compared to larger states. Yet, its foreign policy is still worth examining. As Mark Hong, eloquently argues, “In Singapore’s case, our domestic politics and economics are stable and well organized, hence our views tend to expand to include the broader regional perspective. Bigger nations tend to have more complex domestic politics and economic problems, hence they enjoy a greater degree of introspection”.¹ Furthermore, as S. Rajaratnam pointed out, “a small country has to collect accurate data and examine many possible options” so as not to be “caught in a swirl of winds” caused by the major powers in the international system.² For Singapore to retain its viability, it must maintain a heightened sensitivity and be responsive in dealing with such changes on a continual basis.³ “Singapore”, according to Alex Josey, “does not have much of a safety margin; the place is too compact. There is no room for the waywardness which larger nations take in their stride”.⁴ As a small state, geopolitical developments naturally have a disproportionate impact on Singapore as compared to larger states. By default, Singapore has to be sensitive to any geopolitical changes and put in place various pre-emptory measures in order to maintain its viability, which justifies the study of its foreign policy.

The prognosis for an independent Singapore was not good. Singapore became independent after separating from the Federation of Malaysia in 1965. Singapore had, and continues to have no natural resources. With limited population numbers and land area, the size of its domestic market was limited as well. Yet, it has managed to overcome these handicaps to become one of the most developed and competitive Asian economies today. Due to its exceptional material and economic achievements, and despite its small

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² Chan Heng Chee and Obaid ul Haq, eds., *The Prophetic & the Political: Selected Speeches & Writings of S. Rajaratnam* (Singapore: Graham Brash, 1987), 477.
geographical size, Singapore has attained a “high status and disproportionate influence in international affairs”,\(^5\) which is usually associated with much larger states.

While the domestic policies of the People’s Action Party’s [PAP] have played a vital part in ensuring Singapore’s rapid development, its foreign policy has been very important as well. No matter how effective domestic policies are, there is a limit to what they can achieve internationally. Furthermore, Singapore is unable to achieve economic self-sufficiency. To ensure its viability, Singapore has to interact with other states, which makes foreign policy so important to the Republic. Lee Kuan Yew expressed the importance of foreign policy when he stated, “External matters...are a matter of life and death” to Singapore.\(^6\)

### 1.1 Singapore in Southeast Asia: The Vulnerability Myth

Singapore’s policymakers have frequently described Singapore’s foreign policy using Hobbesian language,\(^7\) hence the apparent congruence with Realism. However, a closer examination shows that their actions do not necessarily conform to the worst-case scenario as depicted by Realism. In order to establish a definitive picture of Singapore’s foreign policy, it is therefore important to focus on the Republic’s concrete foreign policy actions, and not rely on its political rhetoric alone.\(^8\) For instance, David Brown argues Singaporean political elites tend to use “an ideology of ‘survivalism’ which specifically stressed the lack of national identity, the absence of a viable national economy and the vulnerability of the society to international and internal threats. They sought legitimacy by inculcating a siege mentality”.\(^9\) Continuing on this Realist theme, Yao Suchao writes that the “over-imagined scenario of chaos and disorder is in many ways „the Singapore

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6 Lee Kuan Yew, “Speech of Singapore’s Prime Minister, Mr. Lee Kuan Yew, During the Debate on Cut–Motion on the Provision for External Affairs Ministry in the Dewan Ra’ayat” (1964).


Although Singapore’s foreign policy rhetoric may revolve around the anarchical and unstable nature of international relations, it may be premature to conclude that Realism is the only theory with which to analyse this issue. It has to be acknowledged that Realism continues to be relevant in understanding Singapore’s foreign policy. This is because adversarial elements are still present, and Realism lends itself well to explain them, and so it has been the dominant theory used to analyse this issue. Furthermore, the paradigm of “crisis and survival” continues to be the dominant theme of Singapore’s foreign policy and “the perception of domestic fragility due to geographic circumstances has contributed to worst–case thinking in foreign policy”. This thesis argues that this fixation is a dated hangover arising from the city–state’s unexpected separation from the Federation of Malaysia in August 1965, which exposed the innate vulnerability of a predominantly ethnic Chinese Singapore that is surrounded by two significantly larger and potentially hostile Muslim states. For instance, Lau Teik Soon believes “a significant factor which shaped these leaders’ perceptions [of foreign policy] was the vulnerability of Singapore”. Similarly, Michael Leifer also describes Singapore’s political culture as one “which is informed by a condition and consciousness of vulnerability…[and] the rhetoric of government registers a belief in the premises of the realist paradigm in International Relations, whereby states are obliged to fend for

11 This thesis uses upper case to identify International Relations as an academic field. Lower case is used to identify international relations as the subject matter of this field.  
12 It has to be acknowledged that associational elements are also present. However, it is not the thesis’s intention to argue that associational aspects have displaced the importance of adversarial aspects. Instead, the objective is to demonstrate the concurrent presence of associational aspects that have thus far been overlooked. In other words, this thesis seeks to supplement prevailing Realist readings of Singapore’s foreign policy with an English School reading that emphasises the presence of associational aspects that are usually neglected, and not to replace the conventional Realist reading. After all, even Hedley Bull noted that “it is always erroneous to interpret events as if international society were the sole dominant element”. See Hedley Bull, *The Anarchical Society: A Study of World Order in World Politics*, (London: Macmillan, 1977), 55. For an overview of the Realist domination, see 22-24 of this thesis.  
themselves as best as they can in an un governed and hostile world”.

Consequently, the Singapore Government has both stridently and consistently emphasised the concept of rugged independence – defending itself in an anarchic context. Given that Singapore has developed rapidly and the various limitations it faced in 1965, though not eradicated, ought to have receded into the background by now, but there still seems to be a cognitive dissonance present today, which Albert Winsemius detected in 1965.

Winsemius, an economic advisor the United Nations sent to assist Singapore with economic development in the early 1960s, was very confident that the city–state could overcome these new changes and challenges. Although Singapore lacked natural resources, he believed Britain had left behind favourable conditions that were highly conducive to economic growth and development. To his amazement upon his return to Singapore after independence in 1965, “a discussion had started: can Singapore survive?”

This siege mentality with its continual portrayal of Singapore as a garrison city surrounded by significantly larger and potentially hostile states is still in vogue today. Even now, “during times of prosperity, the Singapore government still occasionally reminds its population of the traumatic nature of the country’s initial birth and early development.” For instance, sociologist Chua Beng Huat points out that Singapore has acquired and held on to the “political image of a country without resources, struggling against hunger, privation, and internal and external threats”. Over time, Singaporean political elites tend to articulate their foreign policy output in Realist terms and so it is understandable why academic analyses concerning this issue are also conducted almost exclusively within the Realist paradigm.

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1.2 Why Realism is in Vogue: Size as a Determinant in Singapore’s Threat Perception

An understanding of Singaporean internal political dynamics will explain why the notion of vulnerability has so much traction among political elites there. Since gaining independence in 1965, the PAP has always managed to form outright government. It is not disputed that the PAP is primarily responsible for Singapore’s rapid economic growth and development since independence. Apart from its impressive internal governance record, the PAP’s continual emphasis on Singapore’s vulnerability has also played a role in maintaining its hold on political power.\(^{22}\) Chong Cho–Oon argues that the PAP’s propensity to create a pseudo–crisis environment is due to the belief that Chinese have an innate fear of chaos.\(^{23}\) In times of instability, it is more likely for individuals to submit to central authority.\(^{24}\) This perceived propensity therefore allows the PAP to legitimise and retain its monopoly on political power. For example, Goh Chok Tong once stated Singaporeans are putting their political leadership at risk by holding elections every four to five years.\(^{25}\) This is because a remote possibility exists that the PAP government might not be returned. Goh’s warning is stark: Singapore faces many threats and if the PAP–formed government loses political power in a freak election, the Republic could suffer serious repercussions as other political parties in Singapore do not have the experience to govern the city–state. In view of this assumption, it is becoming increasingly clear why Singapore political elites generally favour a Realist approach in the public articulation of its foreign policy. By doing so, the political elites are then able to maximise their chances of electoral success. Furthermore, Amitav Acharya notes it is highly possible that Singapore’s leaders focus on Realism because such a concept paints it as “hardnosed defenders of the national interest”,\(^{26}\) which then further strengthens its legitimacy and justifies its continual monopoly of domestic political power.


\(^{23}\) For a similar cultural perspective, see Henry Kissinger, *Does America Need a Foreign Policy: Toward a Diplomacy for the 21st Century* (New York: Simon & Schuster, 2001), 143.


\(^{26}\) Acharya, *Singapore’s Foreign Policy: The Search for Regional Order*, 9.
Singapore’s founding myth, which is predicated on the notion of increased vulnerability due to its small size, and with it the ensuing perceived diminished ability to weather prolonged external shocks, over time, becomes so familiar to individuals within society and entrenched in national culture that it has been accepted as a self-evident truth; there is neither the need to debate its veracity nor its applicability. Singapore’s small geographical size has cast a shadow over its foreign policy because this geographical limitation serves as a permanent sign of its inherent vulnerability. At the most fundamental level, small states such as Singapore are unable to defend in depth in the event of military invasions, an option that is available to larger states. As such, the potential for small states to be defeated or be subjugated is much higher than that of a larger state. Unlike a large state, the former then tends to view any challenges, real or perceived, to its sovereignty more seriously. Its threshold for risk is lower, and so its risk perception, conversely, tends to be higher. This perspective therefore explains why Singapore has an inherent bias towards priviledging adversarial aspects of its foreign relations over associational aspects.

Repeated allegorical reference to the founding myth, which focuses on conflict and tension, within society has only increased its validity. Such a development is what Anthony D. Smith terms “ethno–history”, a process in which historical events and issues are selectively used to project a particular idealised national image or identity so as to perpetuate a certain national narrative. Hence, there is a focus on emphasising national or historical myths in order to bolster that particular desired, constructed image. Given the founding myth’s currency, analysis of the Republic’s foreign policy, no doubt, has also been coloured by it and so Realism, with its focus on conflict, naturally becomes the preferred theory.

However, this thesis argues that it is precisely due to Singapore’s small size and the ensuing insecurities arising from this geographical limitation that makes it necessary for the Republic to be creative in the conduct of its foreign policy towards states that are invariably significantly bigger than it is. Singapore then has to ensure that its foreign relations are conducted within the broad framework of international society – the central

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concern of the English School theory – which gives primacy to the elements of formal equality and reciprocity in the interaction between states, a move that maximises international order, rather than having its external relations being primarily influenced by traditional determinants such as population and geographical sizes favoured by Realism.

1.3 Limitations of Realism

Realism is arguably the most dominant International Relations theory. As such, it is unsurprising that the body of scholarship on Southeast Asian international relations is also dominated by Realism. In essence, this theory argues that sovereign states are the primary actors within the anarchical international system because no overarching authority with universal control and authority over sovereign states exist. Within the Realist paradigm, states continually compete against each other to maximise their self-interests, and power is largely perceived by states as the best option to achieve this objective. From the Realist perspective, it is expected that in the case of Singapore’s relations with almost any other states, the geographically larger and more populous state with superior natural resources will be the preponderant power, and Singapore as the smaller state will be expected to be in an inferior position. However, this is not necessarily the case as it is not possible “to abstract from every attribute of states except their capabilities”, which is arguably most easily measured using material and physical indicators. This is because Waltz acknowledges that even though “we can describe and predict the pressures are subject to [, we] cannot predict how they will predict how they will react to the pressures without knowledge of their internal dispositions”. Singapore may be small and has limited resources, but it does not mean that it has to be a weak state.

The Realist concept of self-help also explains why Singapore is regarded to be in a disadvantaged position. Given Singapore’s limited material and physical resources, it is dependent on other states for its basic needs, evidenced by the importation of water, food and energy resources. However, in an arena of self-help, which is a trait of international

32 Ibid., 71.
relations, anarchy and egoism prevent states from cooperating. Since they are in constant competition with each other, they will prioritise relative gains over absolute gains to ensure another actor does not gain more than it does. Furthermore, states cannot be certain of the motives of other states due to the existence of the “security dilemma”. Any attempt a state makes to increase its own security is interpreted to *ipso facto* decrease the security of another state.\(^{33}\) Even though agreements may be in place to ensure coordination, the problems of free-riding and defection cannot be resolved, which prevents cooperation from occurring. Herbert Butterfield labels this mentality as “Hobbesian fear”, which he illustrates with this example:

> If you imagine yourself locked in a room with another person with whom you have often been on the most bitterly hostile terms in the past, and suppose that each of you has a pistol, you may find yourself in a predicament in which both of you would like to throw the pistols out of the window, yet it defeats the intelligence to find a way of doing it.\(^{34}\)

Due to the international system’s anarchical structure and the assumed preference for the pursuit of relative gains over absolute gains arising the lack of trust, states are then expected to balance against a rising power as opposed to bandwagoning with it. Bandwagoning is not a viable policy because it will increase the power of an already powerful state, an outcome that undermines the security of weaker states. Yet, for balancing to occur, it requires a high degree of cooperation and collaboration between states; it requires them, at the very least, to want to seek balancing over bandwagoning, buck-passing or any other ineffective half-measures at the same time. However, Realism has established it to be near-impossible to achieve a consensus, let alone to maintain it. Ironically, the very action that Realism posits to arise from the conditions of anarchy and egoism – balancing, can only work in the presence of cooperation between states.


\(^{34}\) Herbert Butterfield, *Christianity and History* (London: G Bell & Sons Ltd, 1949), 89–90. Thomas Schelling provides another account: “If I go downstairs to investigate a noise at night, with a gun in my hand, and find myself face to face with a burglar who has a gun in his hand, there is a danger of an outcome that neither of us desires. Even if he prefers just to leave quietly, and I wish him to, there is a danger he may think I want to shoot, and shoot first. Worse, there is a danger he may think that I think he wants to shoot. Or he may think that I think he thinks I want to shoot. And so on”. Thomas Schelling, *The Strategy of Conflict* (Cambridge: Harvard University Press, 1960), 207.
The English School takes this limitation into account and is able to resolve this apparent dichotomy. It argues that states play a direct part in either contributing to or mitigating the anarchical nature of the international system, rather than the structure of the international system being the chief determinant of their behaviour, which is a key assumption of neo–Realism. This is because the English School theory understands that a balance of power is the outcome of the conscious actions and policies of states; the balance of power is not an automatic or mechanical outcome. The contrived nature indicates “the collective commitment to the survival of such a society” by the respective states, which highlights the fact that states do have agency. This supports Hedley Bull’s belief that “the conception of a balance of power as a state of affairs brought about not merely by conscious policies of particular states that oppose preponderance throughout all reaches of the system, but as a conscious goal of the system as a whole”, which provides strong evidence indicating that “self–restraint and the restraint of others” are present. This observation also shows that states recognise that order, which is the fundamental common good, must be given priority over parochial national interests. This recognition implies that states must have already reached a prior consensus or as Northedge expresses it, “conscious co–ordination” as to what types of actions and behaviours constitute acceptable behaviour. Even though Bull makes an admission that it is possible for a fortuitous balance of power to be established, its durability is suspect since he likens the resultant development “to be simply a moment of deadlock in a

36 Bull, The Anarchical Society, 106.
37 Ibid. The element of restraint is very important in maintaining the existing status quo within the international system. For instance, “The hegemons that endured, in contrast, were the ones that knew when to stop. Most starkly, early modern China consistently resisted any temptation to invade its neighbours. The attempted Mongol invasion of Japan famously foiled by the “Divine Wind” is the exception that proves the rule: the effort was never repeated. Similarly, the greatest Mauryan emperor, Asoka, announced after a great military victory his conversion to Buddhism and his dedication to virtue rather than expanded power: as clear a statement as is possible that enough is enough. The first Roman emperor, Augustus, made the same judgement, and while his advice was not always followed, it is notable that most of the later Roman expansionist efforts (e.g., central Scotland, Dacia, Mesopotamia) were eventually quickly abandoned.” Quoted in William C. Wohlforth, Stuart J. Kaufman, and Richard Little, eds., Balance of Power in World History (London: Macmillan, 2007), 238.
struggle to the death between two contending powers”.

Likewise, Nicholas Spykman argues:

Political equilibrium is neither a gift of the gods nor an inherently stable condition. It results from the active intervention of man, from the operation of political forces. States cannot wait passively for the happy time when a miraculously achieved balance of power will bring peace and security. If they wish to survive, they must be willing to go to war to preserve a balance against the growing hegemonic power of the period.

In other words, a balance of power, far from being a spontaneous and immaculate outcome, is only realised when states consciously seek to achieve and maintain it.

This dichotomy has significant repercussions for the study of Singapore’s foreign policy because it shows that this city-state is able to determine the conduct of its international relations, and not be entirely passive and react to how other larger states conduct their relations with it. Even though adversarial and conflictual aspects are indeed present, the international lives of states do not consist of only these two aspects. Hence, Singapore departs from the Realist mechanistic model of balancing as demonstrated by “the multiplicity of avenues and methods its leaders have chosen to ensure the country’s survival, security and prosperity”. For instance, Singapore is keen to promote multilateralism in the region by actively lobbying for extra-regional powers such as China and India to be involved with the various ASEAN-centric organisations. As Leifer puts it, the Republic’s “ideal objective has been to encourage a regional pattern of multilateral power engagement capable of neutralizing potentially hostile forces, especially those geographically most proximate to the Republic, through the medium of institutional co-operation”.

In a Realist reading, might is right; there is no room for a small state to pursue such policies, which as this thesis would show, is not the case. Just as “neorealist theory can readily account for the conflictual features of international systems, then the English school comes into its own for the co-operative dimension of...

44 Leifer, *Singapore’s Foreign Policy*, 25.
interstate relations”, which is why this thesis adopts the English School as its theoretical framework.

1.4 Literature Review

1.4.1 Singapore’s Foreign Policy: Paucity of Empirical Research

Despite the centrality of foreign policy to Singapore’s continued viability, current scholarship on its foreign policy pales in comparison to the work already done on Singapore’s domestic policy both in terms of its volume and theoretical scope. This disparity could be due to the fact that “the average Singaporean’s interest in foreign affairs is minimal. Singaporeans by and large are really parochial. If you go through proceedings of Parliament, either in terms of questions asked or speeches, I think less than one percent of the speeches relate to foreign policy”.

Although research has been done on Singapore’s foreign policy, it is not as comprehensive as the literature available on its domestic policy. For instance, there are only three book–length works on this subject published in the last decade. They are

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47 Chan and Haq, eds., *The Prophetic & the Political*, 475.
48 Acharya, *Singapore’s Foreign Policy: The Search for Regional Order*. This book is not included as it is merely a collection of previously published conference papers and half the book consists of speech transcripts by various ministers on Singapore’s foreign policy. The same criticism also applies to Asad Latif, *Between Rising Powers: China, Singapore and India* (Singapore: Institute of Southeast Asian Studies, 2007). This has also been excluded due to its limited scope. Despite its title, the book’s focus is almost exclusively on China and only one chapter is devoted specifically to India.
Bilveer Singh’s (1999) *The Vulnerabilities of Small States Revisited*,\(^{49}\) Michael Leifer’s (2000) *Singapore’s Foreign Policy*,\(^ {50}\) and N. Ganesan’s (2005) *Realism and Interdependence*.\(^ {51}\) Singh’s pioneering effort provides a comprehensive overview of Singapore’s regional foreign policy in the immediate post-Cold War period, and focuses on Singapore’s relations with Malaysia and Indonesia. Leifer’s work has a wide scope, and discusses Singapore’s foreign policy towards Southeast Asian states such as Malaysia and Indonesia, East Asian states such as China and Japan as well as relations with the United States. However, India has been excluded by Leifer for it was regarded to be “diplomatically distant” from Singapore – an assessment, which is not correct in the present context. Ganesan’s study of Singapore’s foreign policy is more focused and adopts a regional approach by mainly analysing its relations with Malaysia and Indonesia. Consequently, in terms of scope and the coverage of issues, Ganesan’s work is quite similar to the earlier work by Singh. Furthermore, all three works do not focus on Singapore’s relations with India, which have become closer in recent years, a gap this thesis addresses.\(^ {52}\) In order to understand Singapore’s foreign policy, it is necessary to analyse the increasingly important role India plays as it becomes an active actor that seeks to establish its credentials as a *bona fide* power within the interstate system.

### 1.3.2 Paucity of Alternative Theoretical Research

Apart from the limited number of book–length studies and their limited geographical investigative scope highlighted in the section above, a more worrying trend is the over–reliance on one theory – Realism, in the analysis of Singapore’s foreign policy.\(^ {53}\)

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\(^{50}\) Leifer, *Singapore’s Foreign Policy*.


\(^{52}\) Asad Latif, *India in the Making of Singapore* (Singapore: Singapore Indian Association, 2008). This book has been excluded for it is a journalistic account of the relations between Singapore and India.

Similarly, although there have been occasional publications of journal articles on Singapore’s foreign policy, these are also usually based on Realism. Simon Tay, president of Singapore Institute of International Affairs [SIIA] provides an explanation for the Realist monopoly in the analysis of Singapore’s foreign policy:

Singapore’s foreign policy is decidedly „realist”, with a preoccupation on survival in a highly competitive and indeed dangerous world, and a reliance of power in terms of security and economics. Liberal and institutionalist theories that emphasise the role of norms and rules, and propound the utility and possibilities of deepening inter–state cooperation are not wholly absent, but clearly pushed into the background. Indeed, I would even label Singapore’s foreign engagements as being „hyper–realist”, with an overemphasis on narrow and immediate self–interests, and overwhelmingly on economic advancement and survival.

Consequently, the theoretical scope of the existing literature is very limited as well and does not necessarily introduce new insights into the analysis of Singapore’s foreign policy. Thus, assuming in the first place that a large body of work on the issue did exist, the Realist theoretical monopoly ensures the ensuing analysis would still focus on the adversarial aspects and neglect the associational aspects that are also present in Singapore’s foreign policy.

This limitation is also evident in the study of international relations, and is recognised by Adam Watson. He believes that any coherent study on international relations needs to take into account both adversarial and associational aspects, and this approach is “not because it causes the complex reality of international relations to be

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Singh, “Challenges Confronting the Foreign Policy of a „Developed Singapore”,” in Singapore: Towards a Developed Status, ed. Linda Low (Singapore: Oxford University Press, 1999), 271–89.


simplified into this category or that, but because it allows that reality to be illuminated by considering it from a particular point of view”. Alan Chong, a Singaporean academic, also recognises the limitations of confining analysis of Singapore’s foreign policy to the use of Realism alone. To address this problem, he introduces an abridged form of Realism to address problems with existing Realism–based publications. However, this move is rather inadequate because he is still working within the same paradigm, one that he recognises as problematic; hence, the need for an abridged version. His discussion generates more heat than light as he is merely putting forward another version of Realism in addition to the multiple versions that are already around. Some of the major versions of Realism include classical, structural, defensive, offensive, and esoteric ones, such as ethical and Bayesian Realism. Even though there are various versions of Realism, they nevertheless, retain “a quite distinctive and recognizable flavour.” Consequently, putting forward another new version of Realism in itself does not necessarily provide fresh insights into the analysis of Singapore’s foreign policy. To garner new insights, a new conceptual tool for analysing the issue is needed.

To this end, this thesis proposes the use of the English School theory to analyse Singapore’s foreign policy. Even though Singapore is a very small and vulnerable trading state, the fact that it has managed to maintain its viability indicates that there is a very high level of observable international order present even though its foreign relations are conducted within an anarchical context. Singapore’s continued existence therefore contradicts the bleak and pessimistic Realist assumptions of unbridled conflict and tension among states.

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57 Chong, “Singapore’s Foreign Policy Beliefs as „Abridged Realism‟.”
1.4 Kuhn and Popper on Paradigms: Problems with Realist Monopoly

Thomas Kuhn defines paradigms as “universally recognized scientific achievements that for a time provide model problems and solutions to a community of practitioners.” In this work, Kuhn presents an original insight into the history of scientific progress. He argues that the history of science can generally be divided into two phases – normal and revolutionary. During the normal phase, major scientific theoretical beliefs are accepted as facts, and are left unquestioned. Therefore, scientists focus their efforts at furnishing solutions to solvable topical issues that are accepted within the field to be important. In this phase, what this particular scientist does is contribute to existing content–based scholarship, rather than establish new forms of knowledge. Kuhn regards such activities as “normal science”, which focuses merely on puzzle–solving.

On the other hand, scientists during the revolutionary phase “aim at [producing] major novelties, conceptual or phenomenal”, which can sometimes also occur during the normal phase as unexpected results may arise. Even though anomalies can, and do occur in this phase, they are seldom perceived as such. Instead, they are usually regarded as problems that can be solved by further analysis and research within the existing paradigm. Therefore, occasional contradictory results are not seen by the scientific community as falsifications, which would then make it necessary for a new paradigm to replace the previous one.

There is considerable inertia against switching from an existing paradigm to a new one. Scientists working within the dominant paradigm are often “intolerant” of new paradigms invented by others. If we were to substitute “scientists” with “political theorists”, this situation of resisting change also occurs within the discipline of International Relations. Kenneth Waltz, the doyen of neo–Realism, certainly crystallises this immutable attitude. When asked about the feasibility of other political theories apart

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61 Ibid., 35.
62 Ibid.
from Realism in explaining international relations, he replied, “I wish there were. I just
don’t know of other theories.”

Waltz’s dismissive response can perhaps be directly attributed to John Vasquez’s
strident defence of Realism as the leading light and chief influence within the academic
study of International Relations. For instance, in *Power of Power Politics*, which was
published in 1983, Vasquez wrote that more than 90 percent of statistics–based articles
relevant to international relations from the mid–1940s to 1970 were based on Realism, and
this figure is “widely recognized [as the] ledger of realism’s dominance in
international relations research”. In the second edition of the book published in 1998,
Vasquez reaffirmed his belief that Realism was still the most dominant and influential
theory of International Relations.

Such rigidity has considerable drawbacks. Martin Deutsch notes that the conduct
of inquiry ought not to be based on an exclusive paradigm. “It is clear that if one is too
attached to one’s preconceived model, one will miss all radical discoveries. It is amazing
to what degree one may fail to register mentally an observation which does not fit the
initial image”. With Realism firmly entrenched as the most dominant International
Relations theory, it is very difficult for new paradigms to replace the existing hegemonic
paradigm. As such, even though new developments might pose real challenges to the
dominant paradigm, nevertheless, they are not seen as such by practitioners within the
discipline. The lack of popular recognition and acceptance of alternative theories greatly
increases the difficulty of exposing the limitations of the current paradigm. The corollary
effect would be to de–legitimise the need to shift to a new paradigm. In this context, it
is possible to understand why Alan Chong chose to work within the Realist paradigm,
although he was clearly aware of the drawbacks of his adopted theoretical framework.

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67 John Vasquez, *Power of Power Politics: From Classical Realism to Neotraditionalism* (New York:
68 Martin Deutsch, “Evidence and Inference in Nuclear Research”, in David Lerner, ed. *Evidence and
69 Kuhn, *The Structure of Scientific Revolutions*, 64.
This trend of bestowing undue deference upon dominant paradigms at the expense of new paradigms that may provide innovative insights has been stridently criticised, for example, by Karl Popper among others.\textsuperscript{70} Popper rightly argues that the over–reliance on one particular paradigm encourages passivity in exploring new lines of inquiry, which in the long term, limits development within the field, and will eventually impoverish scholarship. The paradigmatic debate between Kuhn and Popper is highly relevant to the study of International Relations. It is beyond dispute that Realism remains the dominant paradigm. There is nothing amiss with analysing International Relations within the Realist paradigm itself; the chief concern is at what cost this parochial focus on Realism is preventing other International Relations theories from gaining currency, thereby directly discouraging new developments within the discipline. Richard Ashley, therefore, strongly argues that the almost–exclusive reliance upon Realism „neuters the critical faculties . . . limits rather than expands political discourse [contributing to] an ideology that anticipates, legitimates, and orients a totalitarian project of global proportions”\textsuperscript{71}

In essence, Realism is a conservative and pessimistic political philosophy that seeks to explain why interstate conflicts will always remain a constant feature of international relations. It has little normative value for it purports to present a representation of how states actually behave and not how they \textit{ought} to behave, which has led to Carr’s indictment that this theory is essentially a hollow political doctrine:

...though logically overwhelming, [Realism] does not provide us with the springs of action which are necessary even to the pursuit of thought...Consistent realism excludes four things which appear to be essential ingredients of all effective political thinking: a finite goal, an emotional appeal, a right of moral judgement and a ground for action...The necessity, recognized by all politicians, both in domestic and international affairs, for cloaking interests in the guise of moral principles is in itself a symptom of the inadequacy of realism.\textsuperscript{72}

\textsuperscript{70} For instance, David Welch argues Thucydides is such a popular historian that there is a “cottage industry” based on his works at the expense of other historians such as Herodotus, whose works are equal to, if not better than Thucydides. David Welch, “Why International Relations Theorists Should Stop Reading Thucydides,” \textit{Review of International Studies} 29, no. 3 (2003): 307.


\textsuperscript{72} Edward Hallet Carr, \textit{The Twenty Years’ Crisis, 1919–1939: An Introduction to the Study of International Relations} (New York: Perennial, 2001), 89, 92.
1.5 Regional Concerns and Implications for Singapore: Problems with Realist Monopoly

Singapore is an “aberration” in Southeast Asia, Iain Buchanan wrote in 1972, since its ethnic composition as well as the basis of its economic development differs significantly from other Southeast Asian states.\(^{73}\) Despite the absence of either outright or major conflicts with both Malaysia and Indonesia, Singapore’s relations with them are still coloured by ethnic considerations, which cannot be eradicated.\(^{74}\)

Bilahari Kausikan highlights the problem with being different. In his opinion, “...being different also creates certain challenges vis–a–vis our neighbours, the core of our foreign policy, provoking feelings of resentment and jealousy...Sometimes our very success, our existence as a successful sovereign, independent, multiracial and meritocratic country is seen as a challenge to or an implicit criticism of other systems. Often the key issue is not what we do; it is what we are”.\(^{75}\) Furthermore, Singapore’s rapid economic success despite its lack of natural resources, and Singapore’s political elites’ propensity to emphasise its accomplishment, has caused the city–state to acquire an abrasive and alien image in the region.\(^{76}\)

As early as the mid–1960s when Singapore was still a relatively poor and economically undeveloped country, Lee Kuan Yew proposed dispatching young Singaporeans “to visit some places in South–East Asia [so that] when they come back they will kiss the ground and say „How lucky we are in Singapore‟.”\(^{77}\) Singapore’s triumphalism only serves as an unwelcome reminder to regional states of their relative malaise in spite of their being more favourably endowed than Singapore in natural resources. Singapore’s ability to transcend such limitations therefore remains as a source of regional jealousy. Although progress is a positive development, it brings about problems for Singapore as other states are unable to keep pace with Singapore, which

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76 Lee Kuan Yew quoted in Buchanan, *Singapore in Southeast Asia: An Economic and Political Appraisal*, 266.
increases the already significant disparity.\textsuperscript{78} Elaborating this point, Kishore Mahbubani added:

When Singapore became independent unwillingly in 1965, one of the biggest challenges it faced was to overcome the perception, especially in its neighbouring societies, that Singapore was a parasitical city–state that lived off and contributed little to the regional environment. Singapore became a victim of common perception in agricultural societies that middlemen who traded in rice or vegetables were making profits at the farmer’s expense. The farmer did all the hard labour in the fields. The middleman reaped the rich profits.\textsuperscript{79}

However, far from wanting to improve its negative regional image, Singapore’s foreign policy elites seem to revel in being cast in a Realist light, in which competition is emphasised over cooperation. For instance, Singapore Foreign Minister George Yeo remarked, “Kissinger has described Singapore leaders more than once as being „cold–blooded‟ in their analysis of the global environment. We have to be. Having to scratch out an existence within rather tight margins, we cannot afford to be subjective or sentimental in our worldview”.\textsuperscript{80} By identifying Singapore’s foreign policy so closely with Realism, it will only increase the theory’s validity and cause regional states to focus on the adversarial and conflictual aspects of Singapore’s relations with them, at the expense of the associational aspects that are also present.\textsuperscript{81}

Although the theme of vulnerability is correct, undue emphasis is not conducive to safeguarding Singapore’s regional viability. This is because Singapore’s vulnerability arises vis–à–vis its neighbouring states, and Singapore’s fixation on this issue perpetuates a vicious circle; just as Singapore cannot fully trust its neighbours, they also cannot fully trust Singapore either. Consequently, academic attention is nearly always given to adversarial aspects over associational aspects when analysing Singapore’s foreign policy output. As Ong Chit Chung points out, “assessment of external relations is a two–way

\textsuperscript{78} Alex Josey, \textit{Lee Kuan Yew: The Struggle for Singapore}, 3rd–updated with Into the 80s ed. (Sydney and Melbourne: Angus & Robertson, 1980), 319.
\textsuperscript{80} George Yeo, “Foreword”, in Koh and Lin, eds., \textit{The Little Red Dot: Reflections by Singapore’s Diplomats}, vii.
process and perceptions are important”. 82 Mark Hong also concurs with Ong’s assessment by stating, “perceptions, although intangible, are important in foreign relations”. 83 Realism immediately conjures up images of unbridled aggression, anarchy, and hostility, which Simon Tay recognises to be detrimental to Singapore’s image and its viability as it renders the regional order less hospitable. 84

Such perceptions undermine Singapore’s interests as regional states generally regard it to be an unfriendly and uncompromising neighbour that always puts national interest ahead of regional interests. 85 Even though Singapore may not act in a hostile or negative manner, neighbouring states “tend to fit incoming information into their existing theories and images” 86 and perceive it to be un–neighbourly, making the regional order less conducive for Singapore. 87 Mauzy and Milne note that Singapore “does not strive to be liked”, 88 but it does not mean that it is not in its interests to tone down the hostile image regional states have of it. Once such negative perceptions and images gain traction and become accepted, it would be difficult to reverse them. 89 One of the key aims of Singapore foreign policy is to ensure a stable and orderly regional order: being perceived as an irritant undermines this central tenet.

It is possible for a set of facts to have a number of different interpretations, and it is important for Singapore’s foreign policy to take this development into account and ensure, as far as possible, that positive interpretations are favoured over negative ones. As Jervis points out, decision and policymakers do not have perfect information. A great deal of background noise is present and there are no rules to ensure that a certain

interpretation is more superior to another.\textsuperscript{90} In the absence of perfect information, it is even more important for Singapore to conduct its foreign policy that minimises the potential for its actions to be misconstrued as hostile or unfriendly. This is because regional states retain the prerogative to perceive Singapore’s actions and policies in a particular manner. Although the effects of portraying Singapore’s foreign policy in a non–Realist light may not be immediately apparent, such a move may nevertheless contribute to a change in the longer term – a worthwhile pursuit. Changing the context in which Singapore’s actions and policies are interpreted would make for a less abrasive and hostile reading, thereby improving its regional image and the prospects of maximising order, which is the cornerstone of Singapore’s foreign policy. A tactical shift in how Singapore articulates its foreign policy output, from Realism to the English School theory, could play a significant role in achieving this end. Furthermore, an analysis of Singapore’s foreign policy based on the English School would also take into consideration both adversarial as well as associational aspects, making for a more comprehensive account and making a modest contribution to the field.

1.6 Methodology

This thesis examines Singapore’s foreign policy towards four Asian states – Malaysia, Indonesia, the two states geographically closest to Singapore, China and India, which are the two rising powers using the English School theory. Japan is excluded, and there are reasons for this selection.

Proximity breeds importance. This is simply because a “sound regional foundation is fundamental to the long–term viability of Singapore as a global city. If there are some weaknesses and problems in either the region or in Singapore’s relations with its neighbours, international confidence in Singapore and the region will be adversely affected”.\textsuperscript{91} From this perspective, Malaysia and Indonesia will remain the most prominent states in Singapore’s foreign policy. After all, Lee Kuan Yew believes,

\textsuperscript{90} Lerner, ed. \textit{Evidence and Inference}, 460.

“When you talk about foreign policy, and unless you are a big power like Russia, the United States or China, you are really talking about your neighbours. Your neighbours are not your best friend, wherever you are”.

Singapore is physically destined to remain in the region. As S. Dhanabalan wrote in 1984, “Geography dictates that the impact of events in neighbouring countries is a fact of life that cannot be wished away”. Hence, any analysis of Singapore’s foreign policy must take into account these two regional states.

China and India are the two aspiring Asian powers, and their rise to power constitutes a major change for the international relations of the Asia–Pacific. The effects of this development, whether benign or belligerent, are not yet known. Furthermore, Singapore’s interactions with these two states have increased substantially in the last 20 years, which makes it necessary for this present study of Singapore’s foreign policy to take them into account. As China and India are poised to become major powers, they are “recognised by others to have, and conceived by their own leaders and peoples to have, certain special rights and duties”, and so they are deemed to have “managerial responsibilities” in maintaining order and stability in Asia. Hence, Singapore’s foreign policy towards them has to be considered.

Japan has been excluded because this project focuses on Asian states that have the most impact and influence on Singapore. Japan is a very important actor but it has comparatively less impact on Singapore as compared to the four states under examination. Apart from China’s and India’s proximity to Singapore and their impending elevations to become major powers and the consequent effects of such a development discussed earlier, ethnicity is another reason for Japan’s exclusion. Singapore’s predominantly ethnic Chinese population renders it an exception in the region where ethnic Malays constitute the vast majority and the Indians form a significant minority. As such, Singapore needs to devote more attention to its relations with China in order to distance itself from

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92 Josey, Lee Kuan Yew, 278. Likewise, according to Josey, “Obviously the threat to Singapore could only materialize from neighbours, from Malaysia or Indonesia”. Josey, Singapore, 155.


94 Bull, Anarchical Society, 202
perceptions of being a satellite Chinese state in the region.\textsuperscript{95} To this end, Singapore has been actively promoting a multi-ethnic image through improving relations with India, which has the second largest Muslim population in the world after Indonesia, so that the city-state is not perceived to have a “pseudo-exclusive” relationship with China that is based on ethnicity. Issues of proximity and ethnicity are permanent and cannot be circumvented. Furthermore, Singapore-Japan relations have been relatively stable, which in part arises due to Japan’s pacifist constitution. It reduces the potential for Japan to become a revisionist power and upset either regional or global order. Due to Article 9 of Japan’s constitution, its post-WWII role in international relations has been primarily restricted to the economic realm. In this context, Japan could be regarded as a status quo state. From this perspective, these four Asian states are therefore deemed to have more impact on Singapore than Japan, which explains why the latter is not included in this present study of Singapore’s foreign policy.

The earlier section has established that Singapore’s foreign policy, if informed solely by the Realist pursuit of power, is unlikely to achieve its objective of maintaining its security because it would increase friction in its relations with other states. Furthermore, Singapore’s relations with regional states and the rising powers are affected by factors such as ethnicity that have been overlooked by Realist literature. Realist logic would also dictate that a small state such as Singapore is largely left to the mercy of the anarchical structure within which international relations are conducted. Extending this argument to its logical conclusion would mean that Singapore has no foreign policy to speak of. Yet, reality and empirical examples depict a very different picture. Singapore does have a coherent foreign policy. To fully appreciate the nuances of Singapore’s foreign policy, it is necessary to analyse it with an International Relations theory that takes into account the importance of societal factors, hence the use of the English School theory.

In essence, this theory argues that even in the absence of a higher power, sovereign states are able, even in anarchical conditions, to form an international society. Conflict and violence are still present, but they are by no means the only constant in

\textsuperscript{95} Clarissa Oon, “S’pore Can’t Be Satellite,” \textit{Straits Times}, 30 December 2009. Please note that newspapers sources used in the text are accessed via Factiva. Factiva does not provide page numbers and the URLs are unique to each session and so such information is not included here.
international life. In the English School construct, all members within international society are treated as juridically equal, which means that inter-state contacts and engagements are not conditioned solely by physical and material factors. Other intangible factors such as rules, values and norms, most notably represented by common institutions, defined by Bull as “a set of set of habits and practices shaped towards the realisation of common goals” are accepted and observed. Consequently, there is a high level of substantive order present within international relations. The focus on order, Liselotte argues, implies that “security is best facilitated by common regulatory mechanisms [that are deemed to be legitimate], and not by amassing power”, which is congruent with Singapore’s foreign policy. This is due to the recognition that:

Accommodation and compromise within agreed parameters are more likely to produce advances, bringing greater levels of civility, understanding and tolerance to the relationship [between states]. In this way, order and international society can be enriched.

Singapore’s foreign policy seeks to create conditions that are most favourable to maintaining its viability through the pursuit of order; its aspirations are therefore congruent with that of the English School, which makes for a good match.

E.H. Carr believes that International Relations theories should not be as sterile as Realism or as naïve as Idealism. Since the English School theory has elements from both traditional schools of thought, Andrew Linklater believes “it can claim to have passed this test of a good international theory”, for it concerns itself with an examination of societal and civility of international life that Realism neglects, without being drawn into Liberalism’s optimism and exuberance. This thesis concurs with Linklater’s assessment and therefore adopts it as the theoretical framework for this present investigation of Singapore’s foreign policy.

96 Bull, Anarchical Society, 74
1.7 Thesis Structure

This thesis has eight chapters and is divided up into four sections. With the exceptions of this introductory chapter and the conclusion, all other sections consist of two chapters. The first section, comprising chapters 2 and 3, focuses on the theoretical aspects, namely the English School theory and foreign policy analysis respectively; the second section, comprising chapters 4 and 5, focuses on Singapore’s relations with Malaysia and Indonesia; the third section, comprising chapters 6 and 7, focuses on Singapore’s relations with extra–regional states, China and India – the two rising Asian powers. The conclusion, in section four, quite simply pulls together the main findings of this thesis based on empirical evidence discussed in the previous chapters to show the validity of analysing Singapore’s foreign policy using the English School theory.

Chapter 2 begins discussion with an overview of English School theory, which focuses on analysing why a high degree of order is present in international relations even though states inhabit a formally anarchical environment. To address this seemingly dichotomous situation of having order within anarchy, this chapter argues that the Realist understanding of the term, which is the dominant reading within the academic study of International Relations, is inaccurate. This is because “anarchy” does not have only one definite meaning – absolute chaos and lawlessness. This chapter uses Barry Buzan’s model of mature and immature anarchy to show how the term “anarchy”, in fact, has more nuances than Realism credits it with. Having dealt with this procedural matter, this chapter then goes on to discuss the concepts of international society and balance of power, two central concerns of the English School theory. Specifically, this chapter discusses the vital role balance of power plays in maintaining international society and shows how this institution is congruent with Singapore’s foreign policy output.

Chapter 3 focuses on foreign policy analysis. This chapter looks at how Singapore’s national role conception as a trading state has resulted in the city–state’s foreign policy to focus on maintaining order. Hence, this chapter sets out to establish the nexus between Singapore’s foreign policy and the English School theory. This chapter posits that since Singapore is a trading state, its main value proposition falls within the economic realm, which constitutes the lowest common denominator since arguably all
states are motivated by the profit motive, and increases the scope for cooperation and interaction. Consequently, it is more likely for common interests to be present, and more importantly, for them to be recognised, which facilitates the establishment of an international society. English School theorists argue that trade and commerce are important pre–cursors as they provide states that otherwise have no contact, with opportunities for on–going interaction within a rules–based framework.\footnote{Hedley Bull, “Society and Anarchy in International Relations,” in \textit{Hedley Bull on International Society}, ed. Kai Alderson and Andrew Hurrell (Houndmills: Macmillan Press, 2000), 85.}

Chapter 4 focuses on Singapore–Malaysia relations, and it acknowledges that there are significant bilateral problems present, which existing publications have already covered in much detail. Rather than focusing on the existence of bilateral problems, this chapter adopts a more constructive approach and shows the strength of the associational aspects that are present, but are nearly always overlooked, through an examination of the dispute resolution process. To this end, this chapter discusses how both states have resolved the sovereignty dispute over Pedra Branca and the genesis of the water dispute between them. An analysis of these two disputes stands in contrast to the Realist argument of unbridled hostility and so the Realist form of anarchy is not applicable in this context. In the sovereignty dispute, both states have used international law to resolve it; in the water dispute, problems arise from the differing legal interpretations of the 1961 and 1962 water agreements, which shows the extent to which international law regulates their interaction. However, this chapter qualifies this optimism by also arguing that even though associational aspects are present that allows the establishment of an international society, unresolved ethnic tension continues to threaten and undermine this state of affairs. Consequently, it is necessary for Singapore to remain vigilant, a development that supports the English School”s belief that an international society is formed through the conscious efforts of the respective states, since its establishment is neither a spontaneous nor a fortuitous outcome.

Chapter 5 focuses on Singapore–Indonesia relations. In order to support the use of the English School theory to analyse Singapore”s foreign policy, this theory must also be able to account for why bilateral relations turn poor, and not only why they remain good. This chapter argues that given Indonesia”s immense geographical and population size,
has historically regarded itself as the region’s *primus inter pares*, a move that undermines the element of international society in this particular bilateral relationship since the recognition of formal equal equality is weak. Indonesia’s attempts at exercising regional leadership are most visible during times of major upheavals in Indonesian politics, such as the period during Sukarno’s leadership from 1945 to 1967 when Indonesia sought to play a major role as spokesperson for Third World states; Suharto’s unexpected resignation from office in May 1998; the equally unexpected accession of B.J. Habibie and Abdurrahman Wahid to the top post, as well as continual pressure from Susilo Bambang Yudhoyono’s administration to impose its wishes on Singapore in the period leading up to the 2009 Presidential elections. Indonesia’s recurring attempts at exercising regional leadership have affected Singapore more than other regional states as a result of ethnic tension since Singapore is the only Southeast Asian state where ethnic Chinese constitute the majority of its population. Consequently, Singapore’s regional reputation as an outsider ensures it bears the brunt of Indonesia’s efforts at exercising leadership.

A small and exposed state such as Singapore has an inherent and heightened sensitivity towards being dominated by other states, especially regional ones. To prevent this outcome, Singapore has sought to ensure extra-regional states such as China and India are also engaged in Southeast Asia. Singapore’s objective in doing so is to ensure that its geopolitical viability is not determined solely by regional states, states that Singapore does not trust fully. The fundamental objective is to put in place conditions that are conducive to the establishment of a balance of power that is seen to be legitimate by all relevant actors. Hence, chapters 6 and 7 detail Singapore’s foreign policy towards China and India respectively. Although these two chapters deal with Singapore’s bilateral relations with China and India, attention is also given to how the region as a whole reacts and adapts to Chinese and Indian presence. Such an approach is warranted because Singapore’s foreign policy towards these two states is best served through bilateral as well as multilateral conduits, measures which are especially applicable in the case of Singapore–China relations.

Singapore’s foreign policy towards China, one of the two rising Asian powers, is covered in Chapter 6. Given prevailing ethnic tension in the region, Singapore has to adopt a cautious and guarded approach in its efforts at engaging China. To maintain a
hospitable regional order, Singapore cannot afford to acquire the reputation of a Sinic outpost. Yet, having closer relations with China benefits Singapore. To achieve this fine balance, Singapore has used its economic and military ties with Taiwan to reiterate the inherent divergence between ethnic and political identities. This chapter therefore highlights the Janus–faced policy Singapore has towards China. Just as an emerging China has provided benefits for Singapore, an emerging China has also resulted in apprehension as Singapore remains uncertain to the eventual effects such a development would have on the geopolitical status quo. As part of its hedging policy, Singapore has been an active proponent lobbying for increased Chinese involvement in the region through bilateral as well as multilateral channels, so as to legitimatise the regional balance of power, and to make this ensuing outcome more durable. Conversely, Singapore also does not want China to dominate and set the regional agenda. To address this concern, Singapore has also been concurrently improving relations with India, which Chapter 7 discusses.

Chapter 7 focuses on Singapore’s efforts at engaging India. Although Singapore and India had very close links during the colonial period, differing political ideologies during the Cold War drove a wedge in their bilateral relations. However, with the end of the Cold War, the removal of this ideological impediment has caused them to renew their previously close relations with much vigour. Singapore seeks India’s presence in the region to prevent Chinese domination, as demonstrated by Singapore’s insistence on India’s participation in the inaugural East Asia Summit. From the English School perspective, a balance of power is only sustainable if all legitimate actors are involved, and excluding India would undermine this cardinal principle. Even though India does appear to be able to balance against China, this chapter argues that a democratic India is likely to underbalance against an authoritarian China. This is because democracy, which is largely predicated on achieving consensus – a process that could be a lengthy one – undermines India’s ability to take quick and decisive action. To substantiate this point, this chapter focuses on India’s historically ambiguous nuclear policy and its weak reaction in the wake of the November 2008 terror attacks in Mumbai to demonstrate India’s incapacity to undertake decisive action on difficult and divisive issues. This point on underbalancing dovetails with the English School’s concepts of international society.
and balance of power. This is because an international society is formed when states, through common consent, perceive themselves to be bound by a common set of rules. Given the differences in governance between China and India, this common consent to abide by a common set of rules may be absent. Furthermore, the sustainability of a balance of power is also dependent on the belief that states believe such a balance exists. In view of India’s historically ambiguous nuclear policy and its slow and ineffective response towards the Mumbai attacks, China may not believe in India’s ability to balance against it, a development with potential significant repercussions on regional order.

The conclusion brings the discussion to a close by establishing the linkages between Singapore’s foreign policy with the English School theory. The premise of the conclusion is a simple one. It states that even though Singapore’s foreign policy output over the years has distinct Realist overtones, a closer analysis has demonstrated that it has moved beyond Realism. Realist logic would assume that a miniscule Singapore would be dominated by other states that are invariably larger. Yet, despite the Realist anarchical assumptions, Singapore, far from being a weak state, has been consistently punching above its diplomatic weight, which shows that Realism’s bias towards privileging of geographical and physical considerations in the conduct of international relations is not that applicable. Empirical evidence supports this argument and indicates that despite the presence of anarchy and Singapore’s continuous interaction with larger states that are traditionally accepted to be more powerful, there is still a high level of order present, which then allows Singapore to not only survive, but to thrive. Consequently, English School theory, which takes into consideration how order is present and maintained in an anarchical context, provides a better approximation of Singapore’s foreign policy.
2. **ENGLISH SCHOOL THEORY**

This thesis puts forward a narrative of Singapore’s foreign policy towards Malaysia, Indonesia, China and India. It is very important to state from the start that *this thesis seeks to put forward an analysis of Singapore’s foreign policy based on the English School theory in its own right*. Consequently, this thesis does not seek to explicitly undermine the Realist framework [or for that matter, other International Relations theories], although oblique references to Realism are arguably unavoidable since academic literature on Singapore’s foreign policy is nearly always discussed in Realist terms. This thesis aims to provide an alternative perspective to facilitate further debate and conversation among interested parties. It does not seek to pit one International Relations theory against another, for such endeavours “are more useful for polemics than for analysis…The chief issues in the theory of international politics can be approached in a more fruitful way if we avoid defining them in terms of realism versus something else”.

The “English School” is a label used to categorise a group of British or British–influenced political theorists who focus on its flagship concept of international society within International Relations. These political scientists sought to explain the latent existence of a surprisingly high degree of substantive order within what is formally an anarchical international environment. The English School theory accepts anarchy as an enduring feature of states’ existence within a context that has no leviathan in place to regulate actions, which is in sharp contrast to the domestic situation. However, even though anarchy is present, international relations are neither as bleak as depicted by Hobbesian realists nor are they as positive as depicted by Wilsonian idealists. Essentially, the English School theory argues that there is more and less order in international relations then either Realism or Idealism puts forward respectively. Robert Jackson provides a succinct summary of the English School theory as:

a variety of theoretical inquiries which conceive of international relations as a world not merely of power or prudence or wealth or capability or domination but also one of recognition, association, membership, equality, equity, legitimate interests, rights, reciprocity, customs and conventions, agreements and disagreements, disputes, offenses, injuries, damages, reparations, and the rest: the normative vocabulary of human conduct.³

This is because the English School theory departs from behaviouralist and positivist theories, and focuses on the role of consensus, values, norms, and rules – factors overlooked by Realism. To this end, the ensuing entity – international society, “implies that, despite the absence of a central authority, states exhibit patterns of conduct that are subject to, and constituted by, legal and moral restraints”,⁴ and demonstrates the inadequacy of Realism in understanding international relations, a limitation not lost on Singapore’s foreign policy practitioners.

President S. R. Nathan, in his former capacity as Head of the Washington Mission, in an undated speech to the Singapore Foreign Service Officers [FSO], lent his support to the use of the English School theory, and not Realism to analyse Singapore’s foreign policy. In his opinion, even though the international system is anarchical, order is still present due to the presence of common interests between states. He acknowledged that even though states are the primary actors, institutions such as international law and diplomacy play significant roles in moderating their behaviour, thereby maintaining order and stability when states interact with each other.⁵ Significantly, Nathan’s nuanced sentiments also reflect Reinhold Niebuhr’s belief that in order for any analysis of international relations and politics to be more reflective of reality, it is important not to think in terms of truisms. Even though states are generally selfish and want to maximise their security, they are also capable of entertaining more ends than Realism credits them with.⁶

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⁴ Martin Griffiths, Steven C. Roach, and M. Scott Solomon, eds., Fifty Key Thinkers in International Relations, 2nd ed. (London and New York: Routledge, 2009), 211.
⁵ Ministry of Foreign Affairs, “The Fundamentals of Singapore’s Foreign Policy: The Crux of Ambassador S. R. Nathan’s Speech,” (Singapore: Government of Singapore, ndp). Special thanks to Miss Lim Bee Leng, Chief Information Officer, Singapore Ministry of Foreign Affairs, for bringing this speech to my attention.
⁶ Alden Whitman, “Reinhold Niebuhr Is Dead; Protestant Theologian, 78,” New York Times, 2 June 1971. Bull also disputes the argument that states only seek to maximise power. He said that: “I think that nations
2.3 Criticisms of English School theory

Roy E. Jones, in his polemical article, argues that the English School ought to be closed because its parochial approach does not advance the academic study of International Relations. In his opinion, scholars working in this area “share a broad commitment to international relations conceived as a distinct, even autonomous subject”, when in fact, it does not warrant such a place. Jones also critiques the English School scholars’ narrow focus in “taking the whole society of states to be the peculiar study of international relations”. For Jones, the English School’s definition of what constitutes international society is imprecise, and the resultant focus on this concept risks endowing unjustified gravitas to an analytical collectivity that, in his opinion, generates more heat than light:

The term „society” in all ordinary usages refers to the norms, communities, associations through which individual lives are expressed and, to a greater or lesser degree, regulated. It is a term which is rendered even more meaningless than it already is when it is used to describe the collectivity of states. What does its use add to the understanding of states?...and [so] it would be positively harmful if it led to prolonged and distracting attempts to give this almost meaningless expression some deep substances of its own.

Jones’ rationale is that the term “international society” is a misnomer; states are so different in their internal constitutions, which preclude them from subscribing to a particular conception of statehood. As such, there is no authority with universally accepted authority to control them. Due to the presence of anarchy, it would be highly problematic for states to form a new grouping – international society, which indicates the

do seek power but they don’t only seek power; and when they do seek power, they seek it as a means to an end and not as an end in itself. They seek power in order to defend or promote their value systems…”


8 Ibid.: 3.
9 Ibid.
10 Ibid.: 5.
prior presence of a high degree of substantive order that is widely assumed to be absent in the Realist reading of international relations.

Apart from the perceived lack of utility associated with the introduction of a new entity to analyse international relations, the English School’s definition of an international society has also been criticised as vague and ambiguous. Alan James argues that English School theorists do not differentiate clearly between an international system and an international society, making it “[a] distinction without a difference”. To critics, the fundamental weakness in Bull’s pronouncement of the distinction between a system and a society is that in the former context, states can be “in regular contact with one another” to the extent that makes “the behaviour of each a necessary element in the calculations of the other” without perceiving their ongoing interaction to be “bound by certain rules”. However, as Alexander Wendt points out, rules inform all but the most elementary forms of interactions, be they between individuals or states. Since rules are present in both entities, there are then essentially no differences between an international system and an international society. Consequently, there is no need for a new approach in the academic study of International Relations, which is why Jones called for the closure of the English School.

2.4 A Defence of English School Theory

The label “English School” was retrospectively applied to a group of thinkers by a critic, Roy Jones, who called for its closure in 1981. To then speak of an English School tradition in the present when its perceived practitioners might never see themselves as belonging to a coherent intellectual movement may therefore be presumptuous. Furthermore, assuming that such a tradition did exist, there are criticisms of its perceived axiomatic concepts as discussed above. Some prominent members of the English School include Martin Wight, Hedley Bull, John Vincent and Adam Watson. In recent years, Andrew Linklater, Timothy Dunne, Nicholas Wheeler, Robert Jackson and Hidemi Suganami are also widely accepted as latter–day proponents of the English School.

12 Bull, Anarchical Society, 10, 12.
13 Alexander Wendt, Social Theory of International Politics (Cambridge: Cambridge University Press, 1999), 254.
theory. However, there has always been a dispute as to who constitutes the founding fathers of this tradition. After all, the theory did not “simply [come] into existence one fine day by self-proclamation.”

2.4.1 English School Theory: the Via Media

Despite the debate over the concepts and the members of this “tradition”, what is not in dispute is that they have a unique perspective on the study of International Relations. For instance, in Wight’s tripartite classification of International Relations theories, he identifies what is now referred to as the English School with rationalism. Wight’s category of rationalism, which is heavily indebted to the Grotian tradition, focuses on the process of institutionalising common interests and identity among states. This development is made possible through the creation and maintenance of norms and institutions that regulate the intercourse between states because the utility and limits of regulating international interaction in mitigating the worst effects of international anarchy. Rationalism accepts that states exist in anarchical conditions, and that they have to provide for their own security and survival. However, despite the competitive and anarchical conditions plaguing the international system of states, Wight points out an anomaly. In spite of the Hobbesian condition states face, there is still an unexpectedly high level of order present within the international system because states are able to cooperate with one another. Martin Wight describes rationalism, the earlier label of the English School theory, as the via media as it is a theory that encompasses certain aspects from Realism and Liberalism, but is still inherently different from both, which places it in

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the position to “transcend the binary opposition”. The English School “transcends the narrow obsession of many realists with national interests by introducing the notion of international society, while at the same time avoiding the pitfalls of unrealistic dreams of world society and perpetual peace”.  

The English School theory is able to bridge the gulf between the two grand theories of International Relations because its version of anarchy is different from their versions. In very broad strokes, Realism argues that anarchy cannot be mitigated as each state is judge of its own actions. On the other hand, Liberalism argues that it is possible to minimise anarchy because a very high degree of solidarity exists between states. The English School occupies the middle ground and argues that there is more and less order than envisioned by Realist and Liberal theories as states are able to form an international society, albeit an anarchical one. As Peter Lyon, puts it, “International relations is not a scene of utter chaos; it is a realm of kaleidoscopic order”.  

Apart from Wight’s classification, Robert Jackson provides another useful perspective on the difference between the three traditions of International Relations theories. He perceives Realism as privileging national interests and responsibilities, Revolutionism prioritising humanitarian considerations and Rationalism focusing on international obligations.  

Hence, it can be inferred that the defining characteristic of the works of these scholars working in this tradition is the focus on order, as illustrated by Bull’s most famous work, The Anarchical Society, with its subtitle of A Study of Order in World Politics. This is because obligations arise when actors subject themselves to binding agreements that are enforceable, and for such considerations to persist demonstrates that reciprocity is present. In other words, English School scholars focus on the patterns of predictability and stability within international relations.  

Even though scholars currently accepted to belong to the English School such as Bull, Wight and Manning never formally declared themselves to belong to this particular intellectual tradition, a closer examination of their major works show a high degree of

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confluence, which then indicates that they are pursuing similar lines of inquiry, which
differentiates English School from other International Relations theories and justifies
them being labelled as belonging to this particular intellectual tradition. To Bull, this
tradition asserts:

the existence of an international society and of laws which are binding on its
member states in their relations with another. [It is] opposed to the tradition of
Realpolitick, according to which there is no international society but rather an
international state of nature in which states are without binding obligations in
their relations with one another. And [it is] hostile also to the doctrine according
to which the standards to which appeal may be made in international politics
enjoin not the preservation of international society, but its subversion and
replacement by a universal empire or cosmopolitan society.  

To critics of international society, Wight makes a strong rebuttal:

There are those who hold that international society is so lacking in the
requirements of what we normally understand by society that it is not a society at
all. They declare that the condition of international relations, because of the
prevalence of war and conflict, is best described as „international anarchy“. If
anarchy is understood to mean the absence of common government, then this is
precisely the feature in which international politics differ from domestic politics.
But if anarchy means complete disorder, it is not a true description of
international relations. There is cooperation as well as conflict....

From Manning’s perspective:

Membership of a club is not a physical condition, it is a social status: and its
implication can be known only by knowing the nature of the club. What it means
to be a sovereign state is understandable only incidentally to an understanding of
international society. As membership of a club depends on acceptance as a
member by the other members, so does membership is understood not as a
sovereign statehood merely, but as sovereign statehood subject to international
law.  

Since these lines of inquiry show significant overlapping, it is therefore applicable to
label theorists associated with this tradition who focus on the concept and presence of
international order as belonging to the English School, which Scott Burchill believes to

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be logical as such theorists “seek to occupy the middle ground between what be said are the realist and revolutionist „bookends“ of international relations theories”.

Having established the justification for labelling these scholars as belonging to a distinct school, attention is now turned to addressing what is perceived as their vague distinction between international system and society. Hedley Bull, aware of the blurring between international society and international system, defends the need for this distinction:

This use of terms is not compulsory, but the distinction is a vital one, for while an international society presupposes the existence of an international system, an international system does not necessarily entail that there is an international society: independent political communities can and do impinge on one another without accepting a common framework of rules and institutions.

Although the presence of rules is a distinguishing feature of international society, the presence of rules itself is not the defining feature of international society. Hedley Bull and Adam Watson argue that international society’s key defining feature is that such rules are established by “dialogue and common consent” and they are adhered to because states “recognize their common interest in maintaining these agreements”. In other words, the English School concept of international society emphasises the genesis of these rules, and why states voluntarily choose to accept binding and reciprocal obligations to govern their on–going interactions, and not on the presence of rules per se.

Rules, unlike commands, are applicable to all. As H.L.A. Hart points out, it is quite clear that the gunman who demands you hand over your valuables to him has excluded himself from obeying this command. A command “carries with it very strong implications that there is a relatively stable hierarchical organization”, which is largely absent since states inhabit a formally anarchical structure, a feature Realism emphasises. On the other hand, rules are expressed in the “if–then” form that sets out, in advance,

28 Ibid., 20.
how they would be implemented and the consequences for breaking them.\(^{29}\) This difference indicates that states, despite significant disparities, generally acknowledge that their interaction ought to be based on the principle of formal equality. Since the English School theory stresses instead, that rules, rather than commands, moderate states’ interaction, it can then be inferred that international society’s second distinguishing feature is the explicit acceptance and universal recognition that all states are formally equal in terms of their duties and obligation, regardless of population and geographical sizes. As Daniel Philpott argues:

\[\text{...[the] constitution of international society is a set of norms, mutually agreed upon by polities who are members of the society, that define the holders of authority and their prerogatives, specifically in answer to three questions: Who are legitimate polities? What are the rules for becoming one of these polities? And, what are the basic prerogatives of these polities? Constitutions of international society are both legitimate – that is sanctioned by authoritative agreements – and practiced, generally respected by all polities that are powerful enough [to] regularly ... violate them [emphasis original].}^{30}\]

Supporting this line of reasoning, Alan James argues:

A society...is subject to and expressive of the wishes and whims of those who...make it up. It reflects the actions and reactions of its constituents, or members. And those members...will be influenced by their calculations, hopes, purposes, beliefs, anxieties, fears, and all the other elements of the human condition...that is why the term society, with its voluntaristic connotations, is so much more apt than system to sum up the collectivity of states.

In sum, the English School’s focus on how limitations placed on states’ behaviours arose differentiates international society from international system and addresses the criticisms by James and Wendt, and the fundamental reason for this divergence between system and society is due to the differing concepts of anarchy.


2.5 Anarchy: Immature and Mature Forms

Ferguson and Mansbach designate anarchy as “the defining characteristic of the field”, and this condition is also an axiomatic assumption of the English School theory. The concept of anarchy is therefore a well–worn one in International Relations theories, yet it would be wrong to assume that this common term is well understood. The *Oxford English Dictionary* defines anarchy as an “absence of government; a state of lawlessness due to the absence or inefficiency of the supreme power; political disorder.” This definition draws our attention to the fact that the word “anarchy” does not only have a single meaning. However, the different meanings of this term are generally lost in the study of International Relations due to Realism’s dominance. As Kenneth Waltz states, “anarchy is taken to mean not just the absence of government but also the presence of disorder and chaos”, which is the dominant definition used in the academic study of International Relations. Since the present objective is to put forward an alternative perspective in which to view Singapore’s foreign policy, it is therefore necessary to reconsider the definition of this key term in its original context, and not rely on a definition that has strong Realist overtures.

The English School theory favours a nuanced definition of anarchy, which this thesis argues provides a better approximation of the nature of international relations. While Realism assumes that the subsequent developments are the inevitable follow–on effects arising from the first part of the definition, the English School theory argues that the lack of a government within the international context does not, by default mean complete political disorder will inevitably occur. For instance, although Wight attributes

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33 Incidentally, the differentiated approach is also favoured by Bull. See footnote 2 in Transcript of “Introductory Talk by Hedley Bull”, “International Society and Anarchy”, British Committee on the Theory of International Politics, 21–24 July, quoted from Alderson and Hurrell, eds., *Hedley Bull on International Society*, 79.
34 “It would be a gross mistake to assume that familiar words are better understood. The fact is just the contrary. This familiarity, unfortunately, hinders, rather than helps cognitive understanding of the term in its usage in studying international relations”. Quoted in Zhang Yongjin, *China in International Society since 1949: Alienation and Beyond* (London: Macmillan Press, 1998), 43.
the lack of an inter-state government as the fundamental cause of anarchy in the international system, he disputes that war and conflict is the natural state of being is a consequence of inhabiting an anarchical environment. In other words, anarchy from the English School perspective only signifies the lack of a central governing authority, and only just that. The pertinent question to consider, according to Robert Jervis, is therefore not why wars occur but rather why wars do not occur more often, and on a more regular basis. “Most states”, as Alan James argues, “for most of the time, are neither engaged in war nor faced with its imminence. Rather, they are habitually involved in a whole range of intricate and bloodless activities which are pursued in a systematized manner”. Bull acknowledges that:

while apprehension regarding security is endemic, it varies very considerably in degree. By no means are all states all the time subject to grave worries about the possibility of their partial or complete annexation, and the involuntary liquidation of an established state is now rare…Sometimes states may indeed find that life is nasty and brutish, but not always; and only infrequently is it short”.

He also argues that, states are not as vulnerable to attacks as individuals are. “For one man’s death may be brought about suddenly in a single act; and once it has occurred it cannot be undone. But war has only occasionally resulted in the physical extinction of the vanquished people”. Hence, it would be premature to use the domestic analogy to analyse why the absence of a central government inevitably leads to unmitigated conflict in the international context.

Bull also rightly argues that in spite of the absence of a universal government, norms of state interaction and behaviour based on institutions such as international law and diplomacy, still occupy a central place in the present conduct of international relations. Furthermore, the sense of fear towards the State is not the only factor responsible for the observance of order among individuals and groups within a society.

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39 Ibid., 63–4.
40 Bull, Anarchical Society, 49–50. Martin Wight writes, “The members of international society are, on the whole, immortals. States do die or disappear, from time to time, but for the most part they far outlive the span of human life.” See also Wight, “Power Politics,” 107.
Other factors such as reciprocity, societal expectations or inertia are also equally valid, but overlooked, reasons to explain why order is achievable within an anarchical society. Bull elaborates that the formation of an international society is based on pragmatic and practical considerations. Even though there may be significant disparities among states, better endowed states are still able to recognise less endowed states to be formally equal. This is because as states’ interactions increase, there is a growing need for these activities to take place within a rules–based structure. Due to this pragmatic need, a “diplomatic culture” will organically evolve between states to allow them, which could have vastly different cultures, values and political systems, to interact with one another in a constructive manner based on the principle of formal equality even in the absence of a central authority. However, it is important to note such a situation only indicates a procedural agreement to abide by a certain principle and does not represent substantive agreement among states over the content of that certain principle. The emphasis is on achieving order and not justice. Although states are motivated by self–interest and instrumental considerations in wanting to establish an international society, such selfish motivations should not detract from the fact that it has been established, which according to Realist logic is not possible since no central authority exists. Critics also point out that if such considerations do exist, they are inevitably put in place by stronger actors to benefit themselves at the expense of weaker actors. Bull acknowledges that such criticisms do exist but are not valid:

Another major weakness of the indictment [that rules depend on the power interests or values of one group of states] is that the most central rules of international discourse do not depend on their validity on the special interests on one side but on reciprocal interests. The rules that treaties should be observed, that sovereignty should be respected, that states should not interfere in one another’s internal agreed frontiers, of immunity or inviolability of diplomats – to name only a few – can no sense be viewed simply as instruments of the special interests of a particular group. This is, indeed, why [less powerful] countries have sought actually to become part of the international order, even when sometimes purporting to denounce it.

42 Ibid., 316.
It can then be extrapolated from Bull’s argument that anarchy is therefore not a limiting factor in the development of rules, and that such rules are accepted by states to be even more important in anarchical conditions.

Barry Buzan makes a significant contribution to explaining why international order is possible to achieve even within anarchical conditions by arguing that anarchy manifests itself in various degrees. He puts forward the thesis that anarchy should be viewed as existing along a continuum, rather than existing as a monolithic entity. He argues that the concept of anarchy could be differentiated as either immature or mature. This distinction would then provide an explanation to the existence of order in the anarchical international society.

In Buzan’s schema, immature anarchy, which coincides with the Realist version, is the condition in which individual states within the international system do not recognise other sovereign states as legitimate. The corollary development would be constant conflict and chaos.\(^44\) Insecurity would be a constant *leitmotif*, since sovereignty affords no guarantee against external intervention. A more powerful state perceives it has every right to subjugate weaker states since the former state does not recognise the latter states’ rights to exist in the first instance. The constitution of such a system would be the survival of the fittest, in which “the strong do what they have the power to do and the weak accept what they have to accept”\(^45\). However, this account of events is not reflective of the current conduct of international relations.

Mature anarchy, on the other hand, is a more stable and evolved form, one that dovetails neatly with the English School’s argument that international order is possible to achieve and maintain even in anarchical conditions. Buzan argues that the present international system is better described as a mature anarchy, in which “the benefits of fragmentation could be enjoyed without the costs of continuous armed struggle and instability”.\(^46\) This is because states now do mutually recognise other states’ claims to sovereignty as being equally valid as their own; there is a general recognition of formal equality among states that is not dependent on material considerations, which explains


why Singapore has managed to interact with larger states such as Malaysia, Indonesia, China, and India within a rules–based framework, a process requiring continual reciprocity.

2.6 International Society of States

Although anarchy continues to be present, inter–state relations, as discussed above, in reality tend to be more associational rather than adversarial in nature. Hence, English School theorists argue that it would be more appropriate to characterise inter–state relations as that of an anarchical international society, and it:

... exists when a group of states, conscious of certain common interests and common values, form a society in the sense that they conceive themselves to be bound by a common set of rules in their relations with one another, and share in the working of common institutions...(and this is because) they regard themselves as bound by certain rules in their dealings with one another, such as they should respect one another’s claims to independence, that they should honour agreements into which they enter, and that they should be subject to certain limitations in exercising force against one another. 47

Given that states are so different from each other and that on–going interactions are inevitable, instrumental considerations would make them want to regulate their actions and observe certain basic principles such as the ones Bull highlighted above. Hence, rather than anarchy preventing states from cooperating, it could reasonably be argued that anarchy is in fact a motivating factor in explaining why states, to a large extent, are willing to accept limitations and restrictions to be placed on them.

It is important to stress here that the word “society” as used by English School theorists should not be misinterpreted as having positive associations, and so is akin to Idealism. International society, from the English School perspective, is only a way of organising international life; international society should not be seen as a value, and be invested with overtly positive connotations. This is because, as Evan Luard rightly points

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47 Bull, *Anarchical Society*, 51. Another classic definition is to see international society as “a group of states (or, more generally, a group of independent political communities) which not merely form a system, in the sense that the behaviour of each is a necessary factor in the calculations of the others, but also have established by dialogue and consent common rules and institutions for the conduct of their relations, and recognise their common interest in maintaining these arrangements”. Bull and Watson, eds., *The Expansion of International Society*, 1.
out, even though “a society may be closely knit yet [it can still be] marked by frequent conflict”. The societal aspects only go as far as to ensure that conflict resolution processes are in place, and should not be taken to mean that there are no conflicts at all.

The concept of international society only provides an alternative organisation of international life between states; it makes no claim of being morally superior to Realism or other International Relations theories. Andrew Hurrell points out that international society should therefore be understood as:

the essential framework through which conflicts of powers and values have to be mediated, through which shared understandings and vocabularies of justice might be nurtured, and which the discussion of shared moral ideas and projects might be able to achieve some deliberative purchase – and perhaps even persuasion… [and its focus is on promoting] the conditions of procedural justice that just might help to facilitate this enormously difficult task in morally acceptable ways.49

On this point, Chris Brown elaborates that an international society “means little more than an association of states whose mutual relationships are norm–governed”, and it is “not to be associated with any particular understanding of the requirements for human flourishing. These requirements differ from place to place – the good society rests upon the shared understandings of members of a political community rather than on natural reason, and the purpose of a society of states is to allow these shared understandings to develop”.50 Again, such norms of understanding arise through repeated interactions and do not occur spontaneously, which differentiates the English School theory from Idealism.

Since an international society is formed through the conscious actions and decisions of states, its effects are then better observed through examining the extent to which order, rather than some other normative concept of the good life such as justice, informs the interaction between states. As Peter Lyon elaborates:

International order has been, and is, in an important sense a man–created order. It is a continual culmination, a perennial adaptation. International order is not only one set of arrangements, nor should it be regarded as merely one moment in time… International order is not inevitable nor self–sustaining. The contemporary

International society should also not be seen as a socially egalitarian construct. States are motivated to establish one so as to mitigate anarchy through introducing regularity and predictability into their interactions. An international society comes about due to utilitarian and functional considerations. Hence, Adam Watson believes a:

...strong case can be made out, on the evidence of past systems as well as the present that the regulatory rules and institutions of a system usually, and perhaps inexorably, develop to the point where the members become conscious of common values and the system becomes an international society.

International society is expressly established to provide conditions conducive for order to occur and not to ensure that the resultant interactions conform to a certain pre-determined standard of normative good. Hence, even though rules do exist, these rules need not be just; their legitimacy does not depend on considerations of natural law or morality. English School theorists argue that the existence of shared interests or values becomes incentives for states to not only compromise and accommodate each other, but to also adhere to institutions such as international law and diplomacy. However, in order to maximise the potential for this scenario to occur, no overbearing powers ought to be present, which is best realised when a stable and durable balance of power is in place.

2.7 Centrality of the Balance of Power to the English School

From Bull’s perspective, the balance of power is the chief institution that maintains international order because it provides “the conditions in which other institutions on which international order depends have been able to operate”. It is not the only institution that underpins order; other factors such as norms, values and ideas play a part.

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52 “The relevant question was not: how might human beings create forms of international society or schemes of international cooperation that embodied all their aspirations or which universalized some particular conception of the good society? It was rather: how might states and other groups do each other the least possible harm and, in an age of total war and nuclear weapons, survive as a species?” Hurrell, “The State of International Society,” 193–4.
54 Bull, Anarchical Society, 106–7.
as well. However, the balance of power occupies pride of place because the English School theory posits that without its presence, other “‘softer’ elements of international order…will be so many castles in the air”.\(^{55}\)

The balance of power is the most important factor because, if it is not in place, it would be easier for a hegemonic power to impose its will onto other states if it chooses to do so. For instance, if the balance of power were absent, which then allows a state to become hegemonic, it is in the position to ignore or have more latitude in interpreting existing international laws to suit its own interests. With a balance of power in place, a more likely scenario would be that a state that violates these institutions will face retaliatory actions, either from a single state or a coalition of states, which can be justified by the non-observance of these norms in the first place. In Bull’s discussion of balance of power in *The Anarchical Society*, he makes the distinction between local and general balances of power, which is also the approach this thesis adopts. In terms of the local balance of power, this thesis looks at Singapore’s foreign policy towards Malaysia and Indonesia; in terms of the general balance of power, it looks at Singapore’s foreign policy towards the two extra-regional states of China and India.

Although a stable and durable general balance of power is most important, the importance of the local balance of power cannot be overlooked as well, for Singapore’s immediate viability is heavily dependent on maintaining an equitable and hospitable regional order. Singapore is aware that to maximise its viability, it has to ensure that there is order and stability both within and without the region. However, there is also recognition that the general balance of power, which is dominated by China and India, becomes more influential, such a development would affect the local balance of power in Southeast Asia. Hence, Singapore has sought to ensure that it is able, even if only indirectly and incidentally, to have a say in the general balance of power by pushing for China and India to interact with itself and the other Southeast Asian states through various multilateral ASEAN-centric groupings, which allows for on-going interactions in the region to achieve a high degree of predictability and regularity, and also be

conducted within a framework that acknowledges the formal equality of all actors involved.

In order to realise the principle of states’ formal equality, it is important that all relevant actors are included in the formation of any regional balance of power. To this end, it is therefore necessary for the ensuing balance of power to be multi–polar. Such a development is vital to maintaining stability because it ensures this institution is deemed legitimate by all actors present. In other words, the stability of this institution is dependent on legitimacy rather than polarity, which differs significantly from the Realist model. Since Singapore’s foreign policy seeks to engage with as many legitimate actors as possible, its understanding of the balance of power has more in common with the English School’s model than with the Realist model.

2.8 English School’s Balance of Power Model

The author of this thesis, like Hedley Bull, adopts Vattel’s definition and regards the balance of power to represent “a state of affairs such that no one power is in a position where it is preponderant and can lay down the law to others”.56 Similarly, Leifer also defines the policy of balance of power as practiced by Southeast Asian states in terms similar to Bull’s as “an actual policy of states […] in terms of a common goal which has been to deny the emergence of any undue dominance or hegemony”.57

In Leifer’s seminal commentaries on regional order in Southeast Asia, he argues that there is a collective desire among the Southeast Asian states, Singapore included, in achieving a sustainable balance of power. For instance, he posits that in the Bangkok Declaration’s preamble, it is “evident that inherent in the document is also an expression of greater ambition. That ambition is the establishment of a system of regional order”.58 For instance, Southeast Asian states’ commitment to the Treaty of Amity and Cooperation [TAC] provides clear evidence of their attempt to cement “the existence of a

58 Michael Leifer, ASEAN’s Search for Regional Order (Singapore: Graham Brash, 1987), 1.
stable structure of regional inter–governmental relationships informed by common assumptions about the bases of interstate conduct”.

He elaborates:

It is possible to argue that the general pattern of the regional balance in East Asia in terms of distribution of power embodies a measure of stability from a sense of prudence. But it is not the same as a viable regional order which requires more than just a rudimentary code of inter–state conduct. It requires also the existence of a set of shared assumptions about the interrelationships among resident and external states.

Given the enduring competition and mistrust among Southeast Asian states as well as towards extra–regional states, self–restraint is therefore an important element in maintaining the balance of power. As Chris Brown puts it, “A balance of power ultimately rests on the self–restraints of states, and not simply on their ability to restrain others”.

The emphasis on “self–restraint and the restraint of others” in perpetuating a balance of power therefore differentiates its model from the Realist version because the exercise of restraint indicates rules do influence the actions of states. Furthermore, this distinction also highlights the English School’s belief that states have agency. They are able to influence the framework they find themselves in, and that their actions are not determined solely by the structure. In other words, the English School theory emphasises the abilities of states to modify the anarchical environment they inhabit rather than just to react to it, and is in contrast to Waltz’s argument that “balance of power theory is a theory about the results produced by uncoordinated actions of states”.

The presence of self–restraint ensures the balance of power formed in Southeast Asia is not fortuitous; rather, it is a conscious and deliberate action by the various states involved. Furthermore, this contrived version of the balance of power, which is premised on the exercise of restraint by states also highlights the associational aspects, and not just the adversarial aspects of interactions between states that then transform international system to

59 Ibid.
62 Bull, Anarchical Society, 106.
63 Waltz, Theory of International Politics, 122.
international society. More importantly, the focus on the exercise of restraint by states highlights the role of volition rather than compulsion in explaining their behaviour.

2.9 Conclusion

Despite the geopolitical limitations associated with being a small state, Singapore has been able to survive and thrive in anarchical conditions. The reason it has been able to do so is because a high level of substantive order premised upon the recognition of formal equality of states exists, and more importantly, observed by larger and more powerful states. Consequently, it is possible for states, even in the presence of significant disparities, to form an international society. Just as they are influenced by the structure they find themselves in, they are also able to influence the structure they inhabit. The development of international society is therefore the outcome of a conscious policy pursued by all states involved; it is not a spontaneous or fortuitous outcome. In order to ensure that this arrangement persists, it is necessary to have in place a balance of power that prevents the emergence of an overbearing actor that lays down the law to other states. In line with respecting the equality of states, it is necessary for the resultant balance of power to be multi–polar in nature so that all relevant actors are included; excluding any relevant actors would undermine the legitimacy of the resulting balance of power. As chapter 3 will explain in more detail, there are significant overlaps between Singapore’s foreign policy output and the English School theory and so it is entirely appropriate to analyse this issue from this particular theoretical perspective.

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64 Little, *The Balance of Power in International Relations: Metaphors, Myths and Models*, 132.
National role conception is the primary factor influencing how a state defines its national interest, and formulates its foreign policy. This is because “specific foreign policy behaviors follow from the roles states play in the world...Roles in turn are a product of internally and externally generated, culturally influenced expectations”.¹ In other words, a national role conception is formed through the interaction between the history and political culture of a particular state. Hence, Martha Finnemore argues, “We cannot understand what states want without understanding the international social structure of which they are a part. States are embedded in dense networks of transnational and international social relations that shape their perceptions of the world and their role in that world”.² That is to say, in order to understand Singapore’s foreign policy, it is necessary to gain an appreciation of the role Singapore plays in international society, and the resultant expectations such a role entails.

National role conceptions are important in foreign policy analysis because they determine how a state reacts to external stimuli and therefore play a significant part in explaining the motives behind its actions. For instance, “Wars would hardly be likely to occur”, Herbert Butterfield reasons, “if all men were Christian saints, competing with one another in nothing, perhaps, save self–renunciation”.³ Consequently, Rosenau argues the study of a state’s foreign policy “must [therefore] synthesize idiographic and nomothetic knowledge, that is, the most salient aspects of a country’s uniqueness as well as the dynamics it shares with other countries”.⁴ As Holsti elaborates:

A national role conception includes the policymakers’ own definitions of the general kinds of decisions, commitments, rules, and actions suitable to their states,

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and of the functions, if any, their state should perform on a continuing basis in the international system or in subordinate regional systems.\textsuperscript{5}

In other words, national role conceptions directly influence how a state formulates and implements its foreign policy.\textsuperscript{6}

In Singapore’s case, its primary national role conception is that of a “trading state”.\textsuperscript{7} This was because trade was the fundamental reason Singapore was founded by Sir Thomas Stamford Raffles of the East India Company [EIC] in 1819. At its founding, Singapore did not have the resources to be self–sufficient. To survive, it had to engage in trade. Consequently, Singapore’s internal constraints have served as “a spur [for it] to seek knowledge of and friendship with as large a number of states as possible, and to establish with them, whatever the nature of their political and social regimes, commercial relations at the very least, and more if circumstances permit.”\textsuperscript{8} As Goh Chok Tong puts it, “We have a free and open market. We live by trade and trade to live”.\textsuperscript{9} Presently, Singapore has retained its position as one of the busiest ports in the world,\textsuperscript{10} and shipping remains as one of the most important sectors of Singapore’s economy.\textsuperscript{11}

In his first major policy speech as Foreign Minister in 1965, S. Rajaratnam stated that the “promotion of trade with as many countries as possible will be a major objective of our foreign policy. I should like to state here that ideological differences will not be barriers to trade between us and other countries. The only criterion for trade is whether trade with another country is in our economic interests, because promotion of our

\textsuperscript{10} Ports of Singapore Authority, “PSA,” http://www.internationalpsa.com/about/heritage_a1.html. Lee Kuan Yew: “I have always believed that as long as this harbour works efficiently we secure for ourselves one half of our livelihood and our prosperity. Even before we took office in 1959, I used to tell the Harbour Board workers that this was the life–line of Singapore.” See Lee Kuan Yew, “Transcript of the Speech in English by the Prime Minister at the Opening Ceremony of the Nelson Road Community Centre,” (1966).
economic interests is promotion of our national interest”.

In March 2005, George Yeo, Singapore’s current Foreign Minister said in Parliament that: “Foreign policy is a means, not an end in itself. Our job in the Foreign Ministry is to help create a framework which enables our entrepreneurs to fan out and take calculated risks in an exciting new world.”

Yeo’s statement provides further evidence that over the course of more than 40 years, the commercial tenor of Singapore’s foreign policy is still present. For, as Tommy Koh aptly expresses, a trading state such as Singapore, “the business of government is business”.

It can be concluded that Singapore’s economic and trade policy are premised on the broad framework of globalisation as opposed to mercantilist notions of autarky and self-reliance, which are more congruent with Realism and its emphasis of self-help.

As Tommy Koh puts it:

...globalisation is good for all countries, but it is especially good for small countries...Can you imagine a world governed not by globalisation but by autarky? In a world governed by autarky, borders are impenetrable and countries are protective of their trade, their human talent, their technology. In an autarkic world, Singapore has no future because our domestic market is only four million people. In a globalised world, the world is our market...

3.1 Order as the Fundamental Objective of Singapore’s Foreign Policy

As a trading state, Singapore is required to act transparently and predictably. These qualities are arguably the most important as they form the cornerstones of any commercial transaction. The most effective way for Singapore to demonstrate its consistency, transparency and predictability is to observe international laws and norms in its interaction with other states vis-à-vis its foreign policy. This is because “the best answer to wild and bizarre accusations is to keep on stating the facts – quietly but firmly.

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12 Chan Heng Chee and Obaid Ul Haq, eds., S. Rajaratnam: The Prophetic and the Political, 2nd ed. (Singapore: Institute of Southeast Asian Studies and Graham Brash, 2007), 279.
15 Acharya, Singapore’s Foreign Policy: The Search for Regional Order, 5.
The best answer to inflammatory speeches and threats is quiet resolve and steadfastness.”\textsuperscript{18} Singapore adopts this policy because having a consistent stand provides a certainty and regularity in its interactions with other states, which in turn promotes order and stability, a constant theme that informs Singapore’s foreign policy. Furthermore, “[if] contracting parties to agreements, in particular governments, could vary the terms of reference over agreements, then the Singapore government stood to lose a large measure of credibility”.\textsuperscript{19} After all, “trust and integrity are precious resources”,\textsuperscript{20} which why this thesis argues that Singapore’s foreign policy privileges order over other normative concerns such as justice. This emphasis on order arises is because its presence indicates a common code of conduct exists among states and so there are agreed limits to both the nature and extent of changes that are deemed to be legitimate.

For any trade or commercial activities to occur, a high degree of order must be present. For instance, both parties must honour contracts and agreements that have been entered into, even when conditions may later change. Although it may be beneficial for Singapore to renege on agreements when previously positive conditions become negative, doing so will undermine Singapore’s viability in the long–run as it introduces instability to Singapore’s interactions with other states. Consequently, even though Singapore may not agree with developments, it maintains a strident defence of its adopted position even though such actions may not be morally justifiable, which is also clearly evident in its foreign policy.

The Republic’s opposition towards Vietnam’s invasion of Cambodia in December 1978 emphasised Singapore’s commitment to maintaining the international rule of law even though many quarters considered it just for Vietnam to intervene in Cambodia. At the 1979 Non–Aligned Movement [NAM] Summit held in Cuba, S. Rajaratnam reiterated Singapore’s opposition towards the proposal by Vietnam to expel Kampuchea from the NAM due to its internal governance. He argued that:

...if this Conference accepts the argument that a member could be expelled because some of us do not approve of its domestic policies, then – not because we charge him with breaking non–aligned principles, that we do not like his domestic

\textsuperscript{18} Teo Chee Hean, “Speech by Radm Teo Chee Hean, Minister of Education and 2nd Minister for Defence & MP for Pasir Ris GRC,” (Singapore: Singapore Government, 1998).
\textsuperscript{19} Ganesan, \textit{Realism and Interdependence in Singapore’s Foreign Policy}, 61.
policies – then we would be establishing a new precedent which would make all of us vulnerable. Because as I said, not all of us love one another, and we change our love from one to the other. For the first time, the Non–Aligned Movement would be giving a mandate to not only interfere in the internal affairs of a member country but also to intervene militarily, should that country insist on managing its own affairs in ways some of us may disapprove of.

...Because, remember, once you have set a precedent, then you have forged opportunities for those who want to follow the precedent. And if you are the victim of that precedent, and if you have endorsed the precedent, you have no defence. You can’t have one law for your enemy and another one for yourself. A precedent applies to all of us.21

Although it might be morally acceptable for Vietnam to violate Cambodia’s sovereignty, Yeo Cheow Tong, Minister of State for Foreign Affairs stated that:

To make the world safer for other small states we must prove that no state, even Vietnam, can be allowed to violate these fundamental principles. If Vietnam succeeds, other aggressors might be encouraged and make the world a more dangerous place for small states.22

Thus even though Vietnam’s intervention in Cambodia to topple the Khmer Rouge’s brutal regime could be justified on both humanitarian and moral grounds, Singapore unwaveringly maintained that condoning Vietnamese military action in this instance would create a very dangerous precedent. In this connection, S. Dhanabalan, Singapore’s Foreign Minister during the Indochina crisis, argues that “when the sovereignty, territorial integrity and independence of other small nations are violated by bigger nations we feel that our own security is endangered...external policies impinge on our security and set precedents which can be used against us, we have no alternative but to do all we can to cause them to change these policies”.23 This is because this development could lead to potential regional disorder in the future as stronger states could again interfere in smaller or weaker states based on flimsy pretexts couched in moral terms. S. Dhanabalan rationalised Singapore’s actions by arguing that it was “defending the idea that a people

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have the right to decide for themselves whether a government is good or bad. If left to the determination of one’s neighbours, then we are all in for a hard time.”

From the Republic’s perspective, the principle of non-intervention and respect for sovereignty must be honoured in its observance and not in its breach, even though it might be morally justified for armed intervention to take place in this instance. S. Dhanabalan, in typically English School fashion, argues that “International relations is thus a constant struggle to establish at least a modicum of order under conditions that are always threatening to lapse into anarchy. Any existing area of order, or co-operation, cannot therefore be taken for granted but needs constant nurture”. His statement lends further credence to the argument advanced here that the Republic’s foreign policy is premised upon the recognition of the primacy of order over justice, and that its durability can only arise from contrived attempts and not fortuitous developments, which is congruent with the English School theory.

3.2 Implications of Being a Trading State – Order First, Justice Second

During the early transition stage between federation with Malaysia and independence in 1965, Singapore’s domestic situation was very unstable and crime rates were very high. In order to control the worsening state of affairs, Lee Kuan Yew detained 600 known criminals under detention without trial. Although Lee, a Cambridge–trained lawyer, knew the importance of the rule of law in a society, he justified his draconian actions by rationalising, “to let [the criminals loose] would be to run the very grave risk of undermining the whole social fabric”. Later, he again explained his drastic actions to a group of lawyers that “your life [sic] and this dinner would not be what they are if my

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24 Liu, The Singapore Foreign Service: The First 40 Years, 143.
26 “A comparison between ideas of justice can be instructive to anyone, both in showing him the diversity of men’s understandings of life, in exposing the relativity even of his own idea, and in clarifying for him its implications. What must vitiate any such search for philosophical insight is a disposition on anyone’s part to suppose that there is necessarily a true definition, and that it happens to be his”. Quoted in Manning, The Nature of International Society, 96.
27 Josey, Lee Kuan Yew, 120.
colleagues and I had decided to play it according to the rules of the game.”

The importance of achieving order was perceived by Lee to be prior to the pursuit of justice:

Those of you who are just embarking on the study of law will learn the phrase “law and order”. In a settled and established society, law appears to be the precursor of order. Good laws lead to good order – that is the form you will learn. But the hard realities of keeping the peace between man and man and between authority and the individual can be more accurately described if the phrase was inverted to “order and law”, for without order the operation of law is impossible.

Lee’s privileging of order over justice is also clearly exhibited in the chapter “Order and Law” of an early biography written by Alex Josey, and Lee did not renounce this sentiment even when Communism was no longer a political threat. In a 1992 interview with Asiaweek, Goh Chok Tong, Singapore’s second Prime Minister, stated that Lee’s “favourite phrase is ‘order and law’” since the elder statesman firmly believes that a government’s most important role is to maintain “order and law” within a society. This was because from Lee’s perspective, “the acid test of any legal system is not greatness or the grandeur of its ideal concepts, but whether in fact it is able to produce order”. As the first and longest-serving Prime Minister of Singapore, it is clear that Singapore’s governance bears Lee’s imprint, which means that his preference for order in the domestic context is also likely to extend to the conduct of Singapore’s foreign policy.

English School theorists recommend that order ought to be prior to justice because unlike the domestic domain, justice is difficult to achieve in the international domain due to the plurality of states and their interests. Senior Singaporean political leaders’ ongoing bias of privileging order over justice is congruent with Bull’s argument in the Anarchical Society that international order had to be maintained over notions of justice since the latter can only be achieved in the presence of order. Similarly, Alan James writes, “Law cannot create order…and is in fact something which happens in its

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28 Ibid., 121.
29 Ibid., 129.
31 Josey, Lee Kuan Yew, 129.
32 Likewise Bull argues that: “It is true that justice, in any of its forms, is realisable only in a context of order; it is only if there is a pattern of social activity in which elementary and primary goals of social life are in some degree provided for, that advanced or secondary goals can be achieved. It is true a fortiori, that international society, by providing a context of order of some kind, however rudimentary, may be regarded as paving the way for the equal enjoyments of rights of various kinds.” See Bull, Anarchical Society, 86–7.
wake…Accordingly, the terminological sequence in the popular phrase is the reverse of the true one. In reality, order…is a prerequisite of law”.

3.3 Implications of Being a Trading State–Importance of Balance of Power and Congruence with English School Model

Apart from giving priority to order over justice, Singapore’s foreign policy also invests much importance in achieving a durable and stable balance of power, an aspiration that it shares with the English School theory. Singapore is the smallest state in Southeast Asia and it cannot overcome the sense of vulnerability that informs its psyche since becoming independent in August 1965. In order to address this concern, Singapore has been a strong proponent of the establishment and maintenance of a balance of power so as to prevent a state or a coalition of states from becoming the regional hegemon, a development that can potentially threaten Singapore’s viability. As a result, Derek da Cunha, a noted Singaporean political analyst, argues: “Indeed, in its conduct of foreign and security policy, the Singapore government is the greatest exponent of the balance of power concept…than possibly any other country in Southeast Asia”.

Even before Singapore became independent, balance of power thinking figured very prominently in Singapore’s nascent approach towards international relations as it recognises the enduring geopolitical issues that confront it in the region:

Our problem is that our neighbours are bigger, have very little inducement to leave us alone, because we are wealthier, and see no reason why they should not exercise a greater influence over our lives than they are doing. So we go back to the first history of man. No tribe in proximity with another tribe is happy until a state of dominance of one over the other is established; until it has tried to establish that dominance, and failed, and is quite satisfied that it is not possible, whereupon it lives in fear that the other tribe will try and assert dominance over it.

Singapore has the reputation of a regional outsider and so its political elites believe that as a result of this negative perception, regional states are therefore more likely to intervene in its affairs to “try and assert dominance” over it. In so doing,

33 James, “Law and Order in International Society,” 75.
35 Josey, Lee Kuan Yew, 380.
regional order and stability would be gravely undermined. Hence, the presence of a durable and stable balance of power in the region has historically been a central goal of Singapore’s foreign policy so as to ensure its own regional viability. Likewise, Leifer writes that “balance of power thinking still underlies the calculations of those responsible for [Singapore’s] foreign relations, even if expressed also in ideas about cooperative regional and international economic and security enterprise”. 36 Leifer recognises that although the balance of power, with its Realist associations, is a central motif of Singapore’s foreign policy, his statement also makes clear that the Government of Singapore departs from the Realist model of mechanical balancing as demonstrated by “the multiplicity of avenues and methods its leaders have chosen to ensure the country’s survival, security and prosperity”. 37 For instance, Singapore is keen to promote multilateralism in the region by actively lobbying for extra–regional powers, such as China and India, to be involved with various ASEAN–centric organisations such as the East Asia Summit or to stress the importance of using international law to resolve bilateral disputes with neighbouring states. In view of the regional geopolitical conditions Singapore faces, Leifer maintains that “every effort should be made to keep the fortunes of the Republic out of the play of purely regional sources that cannot be fully trusted” through the policy of a balance of power that involves states from beyond its immediate geographical region. 38 

The most effective way for a trading state such as Singapore to remain viable within the international system is to provide tangible economic benefits, arguably the lowest common denominator, to as many countries as possible on a continual basis so that they would take an active interest in Singapore’s continued viability. 39 As Yusuf Ishak, Singapore’s first President made clear:

36 Leifer, Singapore’s Foreign Policy, 41.
38 Ibid., 161.
…in the long run, our viability depends upon having the widest spread of economic links with the largest number of countries, that is, the world, so that the economic levers will not be in the hands of a few governments.\textsuperscript{40}

The quote shows that Yusuf Ishak was aware of a real and pressing issue associated with adopting an open–door policy, which is necessary for a trading state such as Singapore: a single state or group of states may come to possess excessive power over it. In order for the Republic to avoid being dominated by a state or a group of states, the city–state has always maintained the policy of a balance of power. S. Rajaratnam, in his personal diary, wrote, “[w]here there is a balance of power, there is less danger of small nations being conquered by a big one… [which would] rather … bring these small countries within their sphere of influence.”\textsuperscript{41} He elaborated on the rationality of implementing the policy of the balance of power using an astronomical analogy:

In this vastly shrunken world, small nations must accept the fact of great powers” influence and even manipulation. Like the sun, the great powers will by their very existence radiate gravitational power. But if there are many suns, then the smaller planets can, by judicious balancing pulls and counter pulls, enjoy a greater freedom of movement and a wider choice of options than if they had only one sun around which to revolve. The alternative to one power dominance of the region is free and peaceful competition by a multiplicity of powers. It is good for the great powers. It is good for nimble footed small nations who understand the game. It is good for peace.\textsuperscript{42}

Reflecting on the geopolitical situation in Southeast Asia during the early 1980s, S. Dhanabalan noted that Southeast Asia “hosted” a number of major powers: the Soviet Union had military bases in Cam Ranh and Danang in Vietnam; the United States had a strong presence in Subic Bay and Clark Airbase in the Philippines; China had an ongoing interest in Vietnam given the closer links it had with the Soviet Union. Singapore welcomed this multi–polar geostrategic development. This is because none of the three major powers involved was “supreme”, and so could not dominate the region in its own capacity.\textsuperscript{43} This innate preference for a multi–polar balance of power in the region arguably arises from Singapore’s geographical location. On the occasion of Indira

\textsuperscript{40} Quoted in Singh, \textit{Vulnerability of Small States Revisited}, 26.
\textsuperscript{42} Quoted in Singh, \textit{Vulnerability of Small States Revisited}, 51.
\textsuperscript{43} S. Dhanabalan, “Singapore in Southeast Asia,” 110–1.
Gandhi’s 1966 visit to Singapore in her capacity as India’s prime minister, Lee Kuan Yew said that “[placed] as we are, with one avenue looking westwards into the Indian Ocean and the other eastwards into the Pacific, not unnaturally we feel more relaxed and comfortable when there is no oppressive and overpowering hegemony by any single power”.  

Singapore’s foreign policy of engaging with as many different states as possible coincides with the English School argument that a balance of power can be made more stable and durable by increasing the number of poles. Through increasing the number of poles, more states become more prominent. In order for a state to attain or retain hegemony, it will have to contend with these new states “that had not loomed necessary in the calculations of… [the revisionist state].” Even though it may still be possible for a state to achieve or maintain hegemony, the process would be rendered more difficult since the entry of new states makes it more likely that a more effective balance of power can be established or maintained. This is because the influence of the hegemonic state is more likely to be diluted or be countered by other states in a multi–polar balance of power system. Hence, Foreign Minister George Yeo states that, “It is in the interest of Singapore and of Southeast Asia as a whole to have all the major powers having strong interests in the region’s integration, development and prosperity.” At the same time, a multi–polar balance of power ensures that all relevant actors are involved and so the resulting institution becomes legitimate and more likely to remain stable and durable.

Apart from making it more difficult for a state to become dominant, a multi–polar structure also benefits Singapore as it allows the latter to stand a better chance of maintaining some degree of parity with larger states. Bull argues that the stability and durability of a multi–polar balance does not require an approximate parity of power between all the states. In order to maintain the status quo in a bipolar balance of power, both actors have to be largely equal. In order for the weaker state in a bipolar structure to

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44 Government of Singapore, “Transcripts of Speeches Made by the Prime Ministers of India and Singapore, Mrs Indira Gandhi and Mr. Lee Kuan Yew Respectively, at a State Banquet Given by the Former in Honour of the Visiting Singapore Prime Minister at the Rashtrapati Bhavan (India’s President’s Official Residence),” (Singapore: Singapore Government, 1966).
46 Ministry of Foreign Affairs, “Transcript of Q & A with Foreign Minister George Yeo at Foreign Correspondents’ Association (FCA) Lunch Talk, Conrad Hotel, Singapore,” (Singapore: Ministry of Foreign Affairs, 2005).
achieve parity, it has to rely on its intrinsic strength. As such, there is much instability because of the intense pressure on both states to ensure that they are able to maintain parity with their direct competitor within the bipolar structure. However, in a multipolar arrangement, even “gross inequalities in power” do not necessarily upset the equilibrium because the weaker states can form an alliance to balance against the hegemonic state. Even though a state may be the most powerful state within this relationship, weaker states can cooperate and leverage on the prevailing strengths and capabilities of other states to balance against and check the growth and expansion of the potential hegemon. Hence, it becomes clear as to why Singapore has been keen in engaging with Malaysia and Indonesia, as well as China and India respectively to ensure that it would be more difficult for one state to become hegemonic.

In the absence of external powers, Singapore faces a Hobson’s choice: the way out of this regional predicament is for Singapore to get other states to be involved in and stay engaged with the region. As a result of Singapore’s geographical position and ethnic composition, it is in a vulnerable position, and when the Republic is threatened by either neighbouring state, it can neither balance nor bandwagon with the other state to address the threat. This checkerboard alliance strategy is not feasible because Singapore’s alliance with either state will have a detrimental effect on its future prospects. Kaufman, Little and Wohlfirth labels this predicament that confronts Singapore as “boondoggling” or “bandwagoning for profit”. The chief drawback of this approach is that irrespective of what happens to the stronger power, the free–riding state would face dire consequences. If the stronger power is defeated, the boondoggling state can expect to face retaliatory action against the state that was attempting to balance against the then hegemonic state; if the stronger power emerged victorious, it would be highly likely that the boondoggling state is likely to be subjugated by the hegemonic state.

48 Kautilya argues that: “The king who is situated anywhere immediately on the circumference of the conqueror’s territory is termed the enemy. The king who is likewise situated close to the enemy, but separated close to the enemy, but separated from the conqueror only by the enemy is termed the friend (of the conqueror)…In front of the conqueror and close to the enemy, there happen to be situated kings such as the conqueror’s friend, next to him the enemy’s friend, and next to the last, the conqueror’s friend, and next the enemy’s friend’s friend.” Quoted from Paul A. Seabury, ed. *Balance of Power* (San Francisco: Chandler Publishing, 1965), 8.
Since Singapore has an outsider reputation, its alignment with whichever predominantly Malay state will only serve to confirm the suspicions of the other state that Singapore cannot be fully trusted. Thus Kausikan commented although “Singapore is inescapably part of Southeast Asia, but we can never confine ourselves only to our immediate neighbourhood”. This is because when geopolitical conditions change, Singapore may not be able to re-align itself with the other state. The only viable alternative is then for Singapore to transcend its regional neighbourhood by actively drawing major powers into the Southeast Asian theatre, which calls for the promotion of a multi-polar balance of power.

Lee Hsien Loong, in a 1984 speech, articulated Singapore’s understanding and implementation of the balance of power, which is not based on the mechanical Realist model, but one that has more in common with the English School model in which states play an active part in determining the model’s durability as well as its stability:

The policy depends on the competing interests of several big powers in a region, rather than on linking the nation’s fortunes to one overbearing partner. The big powers can keep one another in check and will prevent any one of them from dominating the entire region, and so allow small states to survive in the interstices between them. It is not a foolproof method, as the equilibrium in a dynamic and possibly unstable one, and may be upset if one power changes course and withdraws. Nor can a small state manipulate the big powers with impunity. The most it can hope to do is to influence their policies in its favour.

Apart from ensuring that no single power is able to establish a hegemonic influence on the region, the island republic also ensures that the policy of the balance of power is not only restricted to the field of traditional security; instead, Singapore also adopts a multi-tiered approach, and seeks to expand the various avenues in which the balances of power are played out, such as in the economic sphere as well, and not restricted only to the military domain. This Singaporean version of balance of power is congruent with Bull’s observation that although the balance of power concept is normally associated with military power, it can also “refer to other kinds of power in world politics as well”. Power is fungible. The advantages a state has on a particular chess-board may

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50 Liu, *The Singapore Foreign Service: The First 40 Years*, 159.
51 Leifer, *Singapore’s Foreign Policy*, 98.
52 Michael Leifer, *ASEAN’s Search for Regional Order*, 21.
translate to advantages on a different chess-board. For instance, pre-eminence in the international monetary system may allow a state to gain an advantage in the security realm by ensuring that it has enhanced ability to finance the costs of maintaining a large standing military; or, closer cultural and social interactions may serve as significant confidence building mechanisms to facilitate closer defence cooperation in the future.\(^{54}\) Singapore therefore aims to cultivate good bilateral relations with states such as China and India on multiple fronts so that they would take a more active interest in Singapore’s development and continued viability. Consequently, the presence of major Asian powers puts a damper on potential brinkmanship by regional states, therefore contributing to enhanced regional order and stability.

### 3.4 Rehabilitating Singapore’s Image

The aim of Singapore’s foreign policy is to maintain and enhance its ability to survive within the international system. The most straightforward way for Singapore to achieve this aim is to ensure its interactions with other states are carried out in an orderly and predictable manner, when viewed from Singapore’s vantage point. This is an important qualifier because the concept of order is essentially contested; what is considered orderly by Singapore may be perceived as disorderly by other states. As Alan James bluntly expresses, “One observer’s order is another’s anarchy”.\(^{55}\) Since order could be regarded as an essentially contested term, Bull asserts that a more fruitful approach of theorising about order is to understand that order within a social context “is not any pattern or regularity in the relations of human individuals or groups, but a pattern that leads to a particular result, an arrangement of social life such that it promotes certain goals and values”.\(^{56}\)

As a trading state, Singapore strives, at the most fundamental level, to ensure that promises once made, are observed. This is needed for commerce to occur. Expectedly, Singapore places a premium on observing the sanctity of the principle of *pacta sunt

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\(^{54}\) To this end, Singaporean foreign policy elites also recognise the importance of using different channels to bolster its relations with other states. After the Herzog Crisis in 1987, defence diplomacy, as opposed to defence *per se*, has been used by Singapore, most notably in the aftermath of 2004 Boxing Day tsunami that devastated Indonesia.

\(^{55}\) James, “Law and Order in International Society,” 61.

As Hedley Bull and Adam Watson note, “the advantages of implementing contracts become apparent first in economic transactions between buyers and sellers, and the spread of agreements between members of different societies and civilizations first occurs in the realm of commercial exchanges”. Hence, order is seen to be the means to an end, and not an end in itself. Order is the social lubricant that reduces the inevitable friction that arises from inter-state contact and interaction. The central question the English School theory seeks to answer is how states maintain order and stability within the anarchical international system. This theory posits that even within anarchy, states “do not find it difficult to recognize the advantages of fulfilling obligations and contracts” since they are aware that there is a “prudential advantage [to be gained] in fulfilling them”.

From the English school’s perspective, order is possible to achieve and maintain due to the inherent ability of states to observe common international norms, rules, values and habits, which then play a direct role in maintaining the stability and durability of the balance of power, the key institution within the international system. Within the English School theoretical framework, order, and not power, is thus regarded as the primary goal states seek to achieve. Norhedge reasons:

Power in the international system may accordingly be compared with an individual’s income in a private enterprise economy. The individual, unless he be in that unusual situation in which he has more money than he knows what to do with, must at all times be concerned with the balance of his financial resources and for the same reasons as those for which the state must at all times be concerned with the extent of its power in the international system. Money and power, in the individual’s and the state’s situation respectively, are the indispensable conditions for the defence and advancement of values preferred by individual and state. It is true that that the possession of money in itself may become the preferred value for a certain individual – misers are by no means unknown – just as the acquisition of power as an end in itself may become the preferred value for the miser – like a state in international relations. But to insist that concern for power must be a condition of existence for the state within the international system does not mean that it is pursued for its own sake, or that man is instinctively acquisitive or aggressive, any more than to insist that concern for money is an indispensable condition for living in a society in which everything is

57 Bull and Watson, eds., The Expansion of International Society, 4.
58 Ibid.
not provided free of charge means that all men are misers. The condition of states, like that of men, may sometimes be pathological, but normally it is normal.\(^{59}\)

In view of the above distinction, it is possible for Singapore to convince other states that since it is a trading state, its foreign policy seeks to maximise order instead of power. This subtle shift in its official discourse can start a virtuous circle: by emphasising the centrality of the pursuit of order in its foreign policy, Singapore comes across as being less abrasive and hostile. This move could allow Singapore to rehabilitate its erstwhile negative regional image and create a more hospitable environment, the hallmark of a truly effective foreign policy. Although the effects of this change may not be apparent in the present, it does not mean that such an approach is not worth pursuing. This proposed move is in line with the aspirations of the English School theory. It believes that the conflictual and adversarial aspects that inform the Realist perspective are exaggerated since associational aspects are also present that help to ameliorate the anarchical nature of international relations.\(^{60}\) Since the conduct of Singapore’s foreign policy has been demonstrated to correspond with key tenets of the English School, and so using this theory to analyse the issue has the two advantages of providing a more nuanced perspective that also concurrently improves Singapore’s regional image.

### 3.5 Conclusion

An analysis of Singapore’s national role conception as well as the attendant implications arising from being a trading state demonstrates clearly how Singapore’s general foreign policy output dovetails very neatly with the English School theory. This theory argues that even though states inhabit a formally anarchical environment, they are still able to establish an international society, as evidenced by the high levels of substantive order present in their interactions. Despite its limited size, Singapore’s continued viability as a sovereign state supports the theory’s central tenet that the international lives of states do not consist only of adversarial aspects. Furthermore, Singapore’s also has been able, to use a cliché, to punch above its weight in international relations, which demonstrates that

\(^{59}\) Northedge, *The International Political System*, 21.

Singapore’s actions have not been entirely dictated by the international framework it finds itself in.

The present examination of Singapore’s national role conception, an important concept in foreign policy analysis, has demonstrated the large extent in which the key goals of Singapore’s foreign policy coincide with that of the English School theory. As a trading state, Singapore’s foreign policy is premised on establishing and maintaining order so that trade and commerce can take place; the English School theory is premised on explaining why a high level of substantive order is indeed present in international relations. In view of such overlaps, it is therefore logical to analyse Singapore’s foreign policy using the English School theory. The ensuing analysis retains a higher degree of fidelity by capturing associational nuances overlooked by existing Realist literature. Furthermore, a departure from the Realist monopoly is also likely to contribute to Singapore’s regional viability. This is because using the English School theory instead of Realism to analyse its foreign policy shifts the academic discourse away from focusing on the entirely distributive and adversarial values such as power to associational values such as order, which is socially and politically more palatable and acceptable to other states.
4. SINGAPORE–MALAYSIA RELATIONS: ORDER AND STABILITY

Singapore merged with Malaya, Sabah and Sarawak to form the Federation of Malaysia in 1963. However, this political union proved to be short-lived as Singapore was ousted from the Federation in August 1965 due to political and ethnic differences. This failed political union, and the resulting stigma of separation has continued to cast a shadow over Singapore–Malaysia’s bilateral ties. Furthermore, due to the geographical proximity between these two states, bilateral problems are prone to exaggeration by both sides, often a case of “virtuous self and the stereotypical other”.

Even though problems in bilateral relations tend to be subjected to hyperbolic treatment for domestic political purposes by both sides, it is important to be aware that serious problems do exist between Singapore and Malaysia. For instance, both states have outstanding disputes over substantive issues such as the sovereignty of Pedra Branca, a small but strategic island off the eastern entrance of the Straits of Singapore [and the nearby South Rocks and Middle Ledge], as well as the supply of water from Malaysia to Singapore. Due to the existence of real and perceived problems between Singapore and Malaysia, Realism, which focuses mainly on the adversarial aspects of international relations, has established a near-monopoly on the analysis of the Republic’s foreign policy towards Malaysia. However, it is also important to put such problems in

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1 “Both Malaysia and Singapore emerged from the separation as patients following a major operation. The recuperation period was protracted for both parties getting over the traumatic events of the mid–1960s. This emotional baggage accompanied Tunku and his two successors – Abdul Razak bin Hussein (1970–76) and Hussein Onn (1976–81), president of UMNO and prime minister of Malaysia—and likewise Lee Kuan Yew (1965–90) and his PAP colleagues. Understandably, Malaysia–Singapore relations from 1965–1981 were rather uneasy, awkward, and highly touchy, each side ever suspicious of the „hidden agenda“ of the other”. Ooi Keat Gin, “Politics Divided: Malaysia–Singapore Relations,” in Across the Causeway: A Multi-Dimensional Study of Malaysia–Singapore Relations, ed. Takashi Shirashi (Singapore: Institute of Southeast Asian Studies, 2009), 44–5.
3 Ganesan, Realism and Interdependence in Singapore’s Foreign Policy, 58.
4 This unnecessarily pessimistic view is typical of current literature. For instance, Malaysian commentators also argue that “it was the inherently unstable nature of the relationship with Singapore in the initial years that laid the stage for a prolonged and unmitigated rancour in the management of their day–to–day affairs, the vestiges of which remain even today”. Chandran Jeshurun, Malaysia: Fifty Years of Diplomacy, 1957–2007 (Kuala Lumpur: The Other Press, 2007), 69. For a Singaporean perspective, see Chan, “Singapore’s Foreign Policy: 1965–1967.”, Ganesan, Realism and Interdependence in Singapore’s Foreign Policy. Tim Huxley, “Singapore and Malaysia: A Precarious Balance,” The Pacific Review 4, no. 3 (1991), Leifer, “Overnight, an Oasis May Become a Desert.”
perspective as they “were not pushed to extremes – maybe because some of them, on the long view, were not far removed from triviality”. Yet, current literature seems to overlook this aspect. As Milne and Mauzy rightly argue, even though the bilateral relations between Singapore and Malaysia have not been problem–free, it is, nevertheless, important to view their bilateral disputes in context. None of the bilateral issues has been, or is likely to escalate into full–scale military conflicts. Thus far, their bilateral disputes have all been resolved peacefully and amicably through observing international law, through consultation and consensus, and not through military force.

In terms of Singapore’s foreign policy, its relations with Malaysia are the most important. This is because developments in Malaysia, as the state closest to Singapore, are most likely to have the greatest impact on the latter. Leifer observes that although these two states are regional allies, they are at the same time, regional adversaries as well since “Malaysia has long been Singapore’s principal trading partner as well as its principal political sparring partner”. Similarly, Karminder Singh Dhillion argues that this ongoing competition between them is “rooted in historical realities of ethnicity and religious composition of their societies which have become the basis of anti–thetical national ideologies”. It is this latter adversarial aspect, rather than the former associational elements that political analysts have mostly focused their attention on. A plausible reason is that Singapore is besieged by a sense of vulnerability. Since Independence, it has been very sensitive about its sovereign status. Singapore’s prickly attitude, therefore, has not endeared the Republic to its regional neighbours, which has the effect of magnifying and exaggerating the existing disputes between them, which then justifies Realism’s perceived validity.

While adversarial aspects are indeed present, this chapter argues that a closer examination of the resolution of the sovereignty dispute over Pedra Branca as well as the adjacent Middle Rocks and South Ledge, and the genesis of the dispute over the supply

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6 Ibid.
8 Leifer, *Singapore’s Foreign Policy*, 37.
10 Leifer, *Singapore’s Foreign Policy*, 33.
of water from Malaysia to Singapore will demonstrate that associational aspects are present, as evidenced by how both states handled these two conflicts. A well-rounded analysis of Singapore’s foreign policy has to take into account these associational aspects that have been relegated to the sidelines by Realist literature. Therefore, this chapter posits that the English School theory, which Martin Wight advocated to be the via media between Realism and Liberalism,\(^{11}\) presents itself to be a good candidate to address the lacuna in the existing literature.

Given prevailing literature’s emphasis on the adversarial aspects of the relationship between Singapore and Malaysia, this chapter, adopts a different approach by focusing primarily on the associational aspects. This chapter argues that Singapore and Malaysia have a special relationship that allows their interaction to take on the form of an international society. As a result, they are able to handle these two disputes through institutions such as international law, defined here as “a body of rules which binds states … in world politics in their relations with one another and is considered to have the status of law”.\(^ {12}\) Singapore and Malaysia’s handling of the Pedra Branca and water disputes reflect their joint commitment to honouring the principles of “life, truth and property”,\(^ {13}\) which Bull argues to be the “elementary or primary goals of modern international society”.\(^ {14}\)

### 4.1 Singapore’s Foreign Policy towards Malaysia and the English School Theory

The most straightforward way to establish the validity of using the English School theory to analyse Singapore–Malaysia relations is to show that a common culture exists between them.\(^ {15}\) Though having a common culture is not a defining factor, it is helpful because it facilitates the formation of international society by making for “easier communication and closer awareness and understanding”.\(^ {16}\) Secondly, a common culture can also “facilitate the definition of common rules and the evolution of common institutions”.\(^ {17}\)

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3. Ibid., 4–5.
4. Ibid., 19.
5. Ibid., 16.
6. Ibid.
7. Ibid.
With the establishment of such rules and norms, anarchy is more likely to be mitigated – increased regularity and predictability of Singapore–Malaysia relations then allows for increased coordination between them.

A credible test to determine if the English School theory lends itself well to analysing Singapore’s foreign policy towards Malaysia is to examine the conflict resolution process between them. The conflict resolution process is important because it is a good test to determine if a common culture, and by extension, an international society exists between the two states. Inter-state disputes are always present but what is instructive is how states resolve them. This chapter focuses on how disputes over sovereignty and natural resources between Singapore and Malaysia are dealt with, and not that they are present. These two issues are specifically chosen since disagreements over sovereignty and natural resources are usually associated with high politics, and are common causes of armed conflict between states. Subjecting the English School theory to testing cases such as these would deflect criticisms that the theory’s relevance is established through an examination of issues that are peripheral to international relations.

4.2 Special Relationship: Basis of Common Culture

The term “special relationship” is originally used to describe the bilateral relations between the United Kingdom and the United States since 1940. Linguistic and cultural similarities coupled with close historical links between them formed the basis of this special relationship. Despite the close links between the two states, as evidenced by the United States’ assistance to the United Kingdom in the form of the Lend-Lease Act, Marshall Plan, and political support during the Falklands conflict against Argentina, and likewise, strong British support for the American war effort in Iraq, bilateral relations between them were also sometimes fraught with difficulties. For example, American President Dwight D. Eisenhower did not support British Prime Minister Anthony Eden’s actions in the Suez; Prime Minister Harold Wilson did not accede to President Lyndon Johnson’s request for military assistance during the Indo-China conflict. The important issue to note here is that even within the context of a special relationship between very close allies such as the United Kingdom and the United States, problems and differences remain.
The state of the relationship between Singapore and Malaysia is no different. Although Singapore and Malaysia do share a common history and have very close links, it is inevitable that there would always be a certain degree of tension and friction between them. Abdullah Badawi, in his former capacity as Malaysia’s Foreign Minister, made a valid point in 1990:

You may ask why Malaysians are so sensitive. Perhaps, even emotional about what happens in Singapore. After all, Malaysia also shares a common border with Thailand. Yet the Malaysians do not get uptight or publicly emotional about the fate of Malays in Southern Thailand and about the American presence in that country. It is a fact that relations between Malaysia and Singapore have been underlined by a certain degree of competitiveness, tension and sometimes, even hostility.18

Apart from geographical proximity, Singapore, unlike Thailand, is always “the yardstick against which [Malaysia is] measured against” 19 also increases mutual antagonism between the two states. Likewise, Lee Hsien Loong, in his former capacity as Minister of Trade and Industry and Second Minister for Defence, observed that due to geographical proximity, disputes are bound to occur even between states with strong bilateral relations such as Singapore and Malaysia. He explained that:

It is not possible to avoid all such issues between two close neighbours. But such controversies should be treated as differences between intimate friends. They should not jeopardise fundamentals…With goodwill and good sense on both sides, any difficulty can be smoothed over, and given time any unintentional damage done to relations can be repaired.20

He is aware that despite differences between these two states, it is important not only to focus on the adversarial aspects: to do so would be to overlook the associational aspects. He reasons that the political leaders from both sides had:

…gone through many crises together, including the trauma of separation, these men knew one another and had reached an accommodation with one another. Each had taken the measure of the other. Miscalculations were unlikely, and the relationship had become steady and predictable.21

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21 Ibid.
In spite of the problems and tensions that had at times clouded Singapore’s relations with Malaysia, just as in the case of the United States and the United Kingdom, there is a very strong support for the argument that Singapore and Malaysia do have a “special relationship”.

In a landmark speech Singapore’s first Foreign Minister S. Rajaratnam emphasised the “special relationship” between Singapore and Malaysia. He emphatically stressed that both states share many historical, cultural, and societal links that could neither be denied nor made obscure:

There is something unreal and odd about lumping our relations with Malaysia under foreign relations…The survival and well-being of Malaysia is essential to Singapore’s survival. Conversely, the survival of Singapore is essential to Malaysia’s survival…we in Singapore have to accept the fact that we and Malaysia are two sovereign states, compelled to move, by different routes towards the ultimate destiny of one people and one country… So one cannot talk of a foreign policy towards Malaysia in the same sense as we would in regard to other countries. It must be foreign policy of a special kind, a foreign policy towards a country which, though constitutionally foreign, is essentially one with us and which, sanity and logic reassert themselves must once more become one. It must be a foreign policy based on the realisation that Singapore and Malaysia are really two arms of one politically organic whole, each of which through a constitutional proclamation has been declared separate and independent.22

The timing of the above speech was very significant. Even though Singapore had already been ejected from the Federation, bilateral relations were still surprisingly cordial, which lent further credence to the argument that relations between these two states remain very strong so that they can not only weather, but can also survive, the trauma of serious political differences.

In 1988, more than 20 years after separation, Lee Hsien Loong reiterated the enduring special relationship between Singapore and Malaysia:

Singapore cannot set sail and go somewhere else if it quarrels with Malaysia. Singapore and Malaysia are fated to live side by side for all time, bagai aur dengan tebing [like bamboo roots and the river bank]. Therefore, let us both work together, with sincerity, understanding, and conviction, to build confidence, harmony, and cooperation with each other.23

22 Kwa, ed. S Rajaratnam on Singapore: From Ideas to Reality, 15.
Likewise, Prime Minister Goh Chok Tong, in 1995, again emphasised Singapore’s “unique and special” relationship with Malaysia.  

In order to sustain any relationships, it is essential that reciprocity is present. It is therefore significant to note that Malaysia’s notion of a special relationship also concurs with Singapore. For instance, Badawi reaffirms that:

For many Singaporeans, Malaysia is where their parents, grandparents, or relatives are from and where they will continue to live. There is therefore, a sense of the brotherhood on the part of Malaysians about what happens to their kind in Singapore and vice versa. It is because we are close that we have become sensitive about our relationship…. We cannot divorce ourselves from the emotional attachment or the historical and cultural linkages which exist between us.  

In 2003, Malaysian Prime Minister Badawi again stressed that there was “an inextricable relationship between Malaysia and Singapore. There will be differences of opinion on many things. There will be perhaps be periods of tension because we do not see things from the same perspective. But I believe that the relationship between Malaysia and Singapore will not deteriorate to the extent that it will involve us in any kind of conflict”.  

Senior ministers from both ruling parties acknowledge that there would always be problems between Malaysia and Singapore, but they are very confident that the problems can be solved in a manner that is acceptable to both states. Singapore’s current Foreign Minister George Yeo stated in an interview with Astro Awani Television in February 2008, “Between neighbours, there will always be niggling problems but the big game is one of cooperation”, and this is “[b]ecause our two countries share so much in common in terms of our history, our culture, our heritage…”.

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The continuing acknowledgement of this special relationship by the new generation of political leaders such as Lee Hsien Loong and Abdullah Badawi from the two ruling parties proves that the relationship is not based on personal diplomacy or friendship between the former long-serving Prime Ministers Lee Kuan Yew and Mahathir. Instead, this special relationship is stable and enduring because it has been institutionalised and recognised by both ruling parties. Significantly, the special relationship between Singapore and Malaysia provides very strong evidence that these two states have already reached a prior consensus as to what constitutes acceptable behaviour and so a high degree of order can be observed in their interaction. Despite the presence of adversarial aspects in this set of bilateral relations as reflected by the existence of bilateral disputes, associational aspects are also present, as evidenced by the way these two states resolve them, which existing Realist literature overlooks.

4.3 Sovereignty Dispute: Pedra Branca, Middle Rocks and South Ledge

Sovereignty is deemed to be of utmost importance by all states. It is the principle that determines whether a geographical territory qualifies as a state, which is the unit most widely accepted as the primary and most legitimate actor in international relations. Predictably, states are highly protective of their sovereign status, and so sovereignty disputes are one of the most common causes of armed conflict between states. As such, Malaysia’s contest of Singapore’s ownership of Pedra Branca and the adjacent Middle Rocks and South Ledge that started in 1979 was one of the most important issues for Singapore’s foreign policy.28 Although this sovereignty dispute was not an immediate source of conflict, its mismanagement could potentially have strained ties between the two neighbouring states.29 Since the dispute started, Singapore has constructed a helipad and deployed a commando detachment at that location.30 At the same time, Singapore also conducts regular naval patrols around the disputed territory. With military presence

30 Tim Huxley, Defending the Lion City (Melbourne: Allen & Unwin, 2001), 126.
in the region, the potential for the dispute to escalate to an armed conflict has influenced existing scholarship to focus on the adversarial aspects of this issue. For instance, Leifer and Ganesan both concentrate on the bilateral tensions arising from this dispute. Similarly, Singh also devotes much attention on how the dispute started and less emphasis on how both states have attempted to resolve it.

4.3.1 Background of the Dispute

Pedra Branca is a very small island, approximately the size of a football field, twenty-four nautical miles off the eastern entrance to the Straits of Singapore. In 1849, the British colonial government of Singapore built the Horsburgh Lighthouse there. Britain then exercised sovereign control over the island, which Singapore took over when it became independent in 1965 and Malaysia had never protested against Singapore’s claim to sovereignty over the island. For instance, M. Seth Bin Saaid, Acting State Secretary of Johor to the Colonial Secretary, in a letter to his Singaporean counterpart in September 1953 clearly stated Johor’s express disclaimer of title to Pedra Branca. There were no disputes over Pedra Branca’s sovereignty until 1979 when the Malaysian government published its official atlas that included the island in its territorial waters.

According to a Malaysian politician, Pedra Branca belongs to Malaysia and the Malaysian government is prepared and able to produce documentary evidence to prove ownership of this disputed territory. From Malaysia’s perspective, Johor had an original

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31 For a transcript between a Singapore Navy vessel and a Malaysian Police vessel, see S. Jayakumar and Tommy Koh, *Pedra Branca: The Road to the World Court* (Singapore: NUS Press, 2009), 22.
32 Leifer, *Singapore’s Foreign Policy*, 147. See also Ganesan, *Realism and Interdependence in Singapore’s Foreign Policy*, 60.
34 See Chapter VIII, “Johor’s Express Disclaimer of Title to Pedra Branca” in Government of Singapore, “Case Concerning Sovereignty over Pedra Branca/Pulau Batu Puteh, Middle Rocks and South Ledge (Malaysia/Singapore),” in *Memorial of Singapore* (Singapore: Government of Singapore, 2004), 161–78. However, during the second round of the hearing at the ICJ, Malaysia argued that the 1953 document was invalid because the Acting Secretary of Johor “did not have the capacity to provide a disclaimer or to renounce title” since the issue involved foreign affairs, which fell under the purview of the Federal Government. Jayakumar and Koh, *Pedra Branca*, 123.
36 “Disputed Island Belongs to Us, Says Muhiyiddin,” *Straits Times*, 8 September 1991. For the official position of the Malaysian Government, see Government of Malaysia, “Case Concerning Sovereignty over
title to the island. Even though the British later constructed the Horsburgh Lighthouse, Malaysia contended that Britain, and subsequently Singapore merely had the rights of a lighthouse operator allowed to operate at Johor’s pleasure. Since Malaysia had consented to the construction of the lighthouse, Pedra Branca was not terra nullius and Singapore’s conduct of sovereign acts did not mean that the territory belonged to Singapore. Furthermore, Malaysia also claimed that although Singapore did operate the light house, it did not mean that it had sovereign control over Pedra Branca. This was because Singapore also operated another lighthouse at Pulau Pisang, a territory that belongs to Malaysia. In early 1980, Singapore responded by lodging a formal protest to Malaysia over the contentious new map. Though “tiny as it is, it is significant for its strategic position, impact on the delimitation of territorial sea boundaries and, most of all, for national pride”. Hence, both Singapore and Malaysia have adopted a very tough attitude towards this issue.

In 1989, the Ports of Singapore Authorities [PSA] started work to install new radar systems at Pedra Branca to aid navigation in the Straits of Singapore, and reignited the dispute. When the construction works commenced, PSA reminded all ships to stay away from the area for safety reasons. As a result, Malaysian vessels could not fish in the area when the construction works were underway. However, certain Malaysian quarters interpreted that PSA’s action unfairly targeted Malaysian vessels. In response, PSA stressed “that all vessels, not just the Malaysian ones, had been asked to keep away from the island”. According to the PSA, after it completed the construction works in August 1989, all fishing vessels were allowed back into the area around Pedra Branca.

Pedra Branca/Pulau Batu Puteh, Middle Rocks and South Ledge (Malaysia/Singapore),” in Memorial of Malaysia (Kuala Lumpur: Government of Malaysia, 2004).

38 In that note, Singapore said: “The Government of the Republic of Singapore is gravely concerned at what is set out in the said map. This map purports to claim the island of Pedra Branca as belonging to Malaysia. The Government of the Republic of Singapore rejects this claim. There is no premise in international law on which to found such a claim. The Government of the Republic of Singapore has since the 1840s, by virtue of both its acts and those of its predecessor governments, occupied and exercised sovereignty over Pedra Branca and the waters around it. Since that time, no other country has exercised or claimed jurisdiction or contested Singapore’s sovereignty over Pedra Branca. The Government of the Republic of Singapore therefore requests that the said map be suitably amended to reflect the sovereignty of Singapore over Pedra Branca”. Ibid., 18–9.
In September 1991, the Johor Baru division of United Malay National Organisation [UMNO] passed a resolution “calling on the Malaysian government to restore Malaysia’s sovereignty over Pedra Branca.” Its action effectively escalated the issue from a one-off fishing dispute since Malaysian vessels have always been allowed into the area, into a full-blown sovereignty issue. Furthermore, in a politically provocative stunt, opposition party Parti Islam SeMalaysia [PAS] planned to plant the Malaysian flag on Pedra Branca to stake Malaysia’s ownership of the disputed territory. Malaysian Prime Minister Mahathir warned PAS “not to look for trouble”, and his stern warning proved that any escalation by either state had the very real potential for the dispute to escalate into a conflict between Singapore and Malaysia. According to press reports:

The Prime Minister emphasised that attempts by members of the [PAS] to plant a flag on the island recently may not only damage Malaysia–Singapore relations but could also drag the country to war. He said the action was provocative and ought not to be done by the party.

In an attempt to resolve this territorial dispute, Singapore pressed Malaysia to exchange diplomatic papers so both parties can examine the other’s claim to the island. Both parties agreed to this undertaking in 1992. Although Malaysia agreed to this proposal, it was not forthcoming in providing the necessary documents. Chan Sek Keong, who was then Singapore’s Attorney-General, sent a diplomatic note to the Malaysia authorities on 17th February 1992, which drew no response. Singapore then sent a second request in March of the same year. Even in June 1992, the Singapore press was still reporting that Ministry of Foreign Affairs [MFA] was still awaiting the response from its

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Malaysian counterpart. Predictably, both states were unable to resolve this territorial dispute on a bilateral basis; neither state could convince the other claimant about the validity of its claim, a process made more difficult in view of the slow pace of the exchange of diplomatic notes. Therefore, as early as 1991, Singapore proposed that since the sovereignty dispute over Pedra Branca was unlikely to be solved on a bilateral basis, the matter should be handed over to the International Court of Justice [ICJ] for adjudication, a move that Malaysia accepted.

In a move that signalled Malaysia’s firm, and more importantly, continuing intent to resolve the dispute in a mutually acceptable manner, Mahathir declared during the Fourth ASEAN Summit held in Singapore in 1992 that “Malaysia would adhere strictly to legal principles and not history to resolve the dispute”. Haq, a political analyst, commented at that time that “[this was] a wise and constructive move… [that set] a healthy precedent and [built] up a climate for settling such disputes by judicial rather than other means.” In 1994, Singapore and Malaysia agreed in principle to refer the dispute to the ICJ. Prime Minister Goh Chok Tong commented: “That means, if Malaysia proves that legally, it (the island) is theirs, well it is theirs. If Singapore has a stronger legal case, then it is ours. That’s a very civilised way of settling disputes”. In 1996, the two foreign ministers met in Kuala Lumpur to discuss the terms of reference so that the case could be submitted to the ICJ.

### 4.3.2 Resolution

After seven years of intermittent negotiations, a major breakthrough was achieved in 2003 when Singapore and Malaysia successfully worked out the legal details that enabled this dispute to be referred to the ICJ for arbitration. More significantly, as part of the agreement, both states committed in advance to “accept the Judgment of the Court . . . as

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50 For an explanation for the slow pace of exchange, see Jayakumar and Koh, *Pedra Branca*, 31.
52 P Parameswaran, “Singapore, Malaysia to Refer Island Dispute to World Court,” *Agence France-Presse*, 7 September 1994.
53 “Malaysia Confident Batu Putih Dispute Will Be Resolved,” *New Straits Times*, 8 March 1996.
Both states signed the Special Agreement in Putrajaya on 6 February 2003 to formalise the referral of the issue to the ICJ. The Special Agreement was necessary “because neither Malaysia nor Singapore accepts the jurisdiction of the ICJ as compulsory”.

Malaysia’s decision to submit the case to the ICJ for review in 2003 was not a foregone conclusion during the late 1980s and early 1990s. In 1991, Datuk Shahrir Abdul Samad, head of the UMNO Johor Baru division, organised a public forum “Pulau Batu Putih – Between Reality and History”. He argued that there was no need to refer the matter to a third party “as the island was clearly in Malaysian waters”. Opposition party, Parti Rakyat Malaysia [PRM] also urged the Malaysian government not yield to Singapore’s pressure for third-party adjudication. Likewise, there was pressure from within UMNO for the Malaysian cabinet to press its claim over the disputed island more forcefully. Given the political pressure from within the ruling party and the opposition parties, the final decision by the Malaysian government to accept ICJ’s adjudication is therefore very significant. It is risky to accept the ICJ’s judgement as a state may end up with an unfavourable decision. If a state were to resolve the issue bilaterally, it will arguably have more control over the resolution process. Yet in this particular case, both Singapore and Malaysia agreed to accept the ICJ’s authority, a development that provides strong evidence of the primacy of the associational aspects over the adversarial aspects in their bilateral relationship.

The joint decision to refer the dispute to the ICJ is very significant and demonstrates that the resolution efforts had shown progress. To put the issue in context, Tommy Koh lamented in 1978, prior to the start of this sovereignty dispute, “that of the

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149 member States of the United Nations, only 45 have accepted the compulsory jurisdiction of the International Court of Justice. At the present the Court has not a single case before it. The reluctance of U.N. members to refer their disputes to the Court stands in sharp contrast to their readiness to resort to force to settle their disputes”.  

4.4 Existence of a Common Code of Conduct

Further supporting the English School’s argument that international order is possible to achieve through the states’ observance of various international institutions such as international law, and that Singapore–Malaysia interactions are congruent with that of an international society, is the fact that inter-state disputes cannot be referred to the ICJ on a unilateral basis; all parties involved must unanimously agree to submit the case to the ICJ for adjudication in order for the case to be heard there. The ICJ has no coercive power to pressure dissenting states to submit the case before the organisation for review; it can only hear the cases that states choose to bring before it. As Carr writes in the Twenty Years’ Crisis, “the institution of the Court has not changed international law: it has merely created certain special obligations for states willing to accept them”. The joint decision to refer the Pedra Branca dispute to the ICJ demonstrates that the recognition and observance of international law and norms still form the bedrock of the interaction between Singapore and Malaysia. It is important to stress that Singapore and Malaysia’s joint decision to use this avenue to resolve the dispute also indicates their conscious agreement to incur this extra legal obligation after many years of consultation indicated their adoption of this policy did not spontaneously arise due to either “convergent habits or regularities of behaviour”. Further supporting the argument that associational aspects outweigh adversarial aspects is that there was no external pressure on either state to conform to this particular method of conflict resolution, which shows that both states acted in this manner of their own volition.

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63 Carr, The Twenty Years’ Crisis, 170–1.
65 Hart, The Concept of Law, 86.
The ICJ heard the case in January 2008 and the verdict was delivered on 23 May 2008 in which Singapore’s title over Pedra Branca was upheld 12 votes to four. However the ICJ awarded sovereignty of Middle Rocks to Malaysia by 15 votes to one, and the sovereignty of South Ledge was judged to belong to “the State in the territorial waters of which it is located” [emphasis original]. Both states have agreed to set up a technical sub-committee to oversee the Joint Survey Works that has been tasked to work on related maritime issues arising from this split decision.

Even though the ICJ arrived at a split decision, Singapore has planned to proceed and claim an Exclusive Economic Zone around Pedra Branca. Singapore is aware that such a move will affect Malaysia’s interests. Singapore’s Senior Minister of State for Foreign Affairs Balaji Sadasivan said that if disputes arise, Singapore “will negotiate…with the view to arriving at agreed delimitations in accordance with international laws”. Singapore’s present move is not new. As early as 15 September 1980, the Ministry of Foreign Affairs stated that Singapore wanted to claim a territorial sea limit that extends to 12 nautical miles as well as an Exclusive Economic Zone. This stance was reiterated in a press statement issued on 23 May, 2008. At the time of writing, Malaysia has protested against this move and discussions are currently underway at the joint technical committee to resolve this issue.

Although this dispute has yet to be fully resolved, neither state has resorted to the use of military force, but have agreed to honour the agreement to accept the ICJ’s decision, and have promised to recognise the rights of ownership of the island to whichever state the ICJ awards it to. Their actions conform to the principles of “life, truth, and property”, and provide strong evidence that their interaction takes on the form of

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67 “Joint Press Statement by His Excellency Dr Rais Yatim, Minister of Foreign Affairs of Malaysia and His Excellency George Yeo, Minister for Foreign Affairs of the Republic of Singapore: Meeting between Malaysia and the Republic of Singapore on the Implementation of the International Court of Justice Judgement on Pedra Branca, Middle Rocks and South Ledge,” (Singapore: Ministry of Foreign Affairs, 2008).
international society, thereby validating the use of the English School theory in this context.

The on-going sovereignty dispute between Thailand and Cambodia over Preah Vihear temple supports the present argument that a high degree of substantive order exists in the interaction between Singapore and Malaysia. In 1962, the ICJ ruled that Cambodia had sovereignty over Preah Vihear temple. However, Thailand had reservations towards this decision and opposed Cambodia’s recent attempts to designate the temple as a world heritage site. Thailand opposes such a move because it claims the proposal infringes Thai sovereignty. Both sides came to blows over the issue in 2008 and in the ensuing border skirmish, a number of soldiers from both sides were killed. This on-going border dispute between these two Southeast Asian states show that armed conflicts due to sovereignty disputes are common, and that the ICJ is in no position to enforce its ruling on either side. Hence, for Singapore and Malaysia to cooperate so closely in bringing the matter to the ICJ and to commit to abide to its ruling, whatever the outcome, lends further credence to the present thesis of the strength of the associational aspects over adversarial aspects in Singapore–Malaysia relations, which supports the English School argument that international anarchy does not always equate to chaos and conflict.

4.5 Water Supply Issue

Apart from the sovereignty dispute over Pedra Branca, the future supply of water from Malaysia to Singapore is another issue that has put the bilateral relations of these two states under significant strain. This is because both states have thus far failed to come to a consensus as to what constitutes an equitable arrangement acceptable to them over the future supply of water once the two current contracts signed in 1961 and 1962 lapse in 2011 and 2061 respectively. Although there are no indications that Singapore and Malaysia are likely to come to blows over this issue in the foreseeable future, the potential for a conflict does exist. As a PAP backbencher put it: “This issue [of water

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supply] is very serious. I mean, it is not a case of sacrificing an opportunity to bathe ourselves. It’s our lifeblood. It’s like declaring war on Singapore if they cut off our water.”

The importance of a continual water supply from Johor to Singapore is so great that the latter is prepared if need be, to go to war in order to ensure that it does not become disrupted. Lee Kuan Yew in his memoirs wrote that if Malaysia were to suddenly turn off the taps and cause a serious shortage of water, the Singapore military “would have to go in, forcibly if need be, to repair damaged pipes and machinery to restore the water flow.” Before Lee Kuan Yew stepped down as Prime Minister, General Hashim Mohd Ali, Malaysia’s new Chief of Defence Forces, paid a courtesy call to the Singaporean leader. Then, Lee informed the Malaysian General that Singapore would not hesitate to deploy military forces if any future Malaysian government threatened to cut off water supply to Singapore. Earlier in a meeting with Johor’s Menteri Besar [Chief Minister], Lee reminded Muhyiddin that “Singapore would not hesitate to go to war with Malaysia if the supply of water from Johor were to be stopped.”

Given the strategic importance Singapore’s places on ensuring a predictable water supply, it is unsurprising that Singapore’s defence policy includes plans for the Singapore Armed Forces to seize Segamat, the Johor town where the water comes from in the event of a conflict with Malaysia to ensure the water supply remains uninterrupted. However, such an extreme case, although possible, is highly unlikely to occur because the fundamental cause of bilateral friction does not arise from the physical natural resource itself; instead the tension arises from Singapore and Malaysia’s conflicting legal interpretations of the terms in the water agreements. Yet existing literature has largely focused on the adversarial aspects of this issue, and the potential

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72 Nathan, “Malaysia–Singapore Relations: Retrospect and Prospect,” 397.
75 Jeshurun, Malaysia, 225–6.
77 Huxley, Defending the Lion City, 58–62.
fallout from this issue, rather than the root causes and the reconciliation efforts made by both sides.

The supply of potable water in the world is limited. Singapore is not unique. Other states also face problems in securing a reliable water source. This water shortage problem is also present in regions such as the Middle East, where it has contributed to the outbreak of conflicts. For instance, the issue of water supply and distribution from the Euphrates River has already resulted in disputes between Iraq, Syria and Turkey. In most cases of water disputes, the four main possible causes of conflict are over usage, quality, distribution and availability issues, and the common theme running through these four factors is that they are all related to the physical nature of the resource itself. In the case of the water dispute between Singapore and Malaysia, none of the four causes listed above are applicable. Since Singapore separated from Malaysia, and it began to sell water to the Republic, there have been no disputes over how Singapore has used, or is planning to use the water.

In terms of quality, Malaysia sells raw water to Singapore which then goes on to do its own treatment processing. In fact, Singapore treats the raw water it purchases from Johor, and then sells the processed water back to it. If there were any problems with water quality, it would be more likely that Johor would raise them, and not Singapore. As of now, Johor has yet to complain about the quality of the water it has bought from Singapore. The quality of the water supply is therefore not a factor in this bilateral dispute. Furthermore, the PUB conducts 80,000 tests annually on its water supply, which also includes the treated water it sells to Malaysia. The water quality level in Singapore has consistently exceeded the standards set by both the World Health Organisation and the United States Environmental Protection Agency. In a 2004 survey, expatriates from 14 countries were asked to rank the water qualities from 0–10, with 0 being the best and 10 being the worst. Singapore topped this informal survey with a score of 0.75, ahead of both the United States and Australia, which both scored approximately 2 points on the


survey. Japan was the next highest ranked Asian country at a score of 3.0.\footnote{Public Utilities Board, “Singapore Tops Survey,” Waternet, September 2006, 14.} Although the survey was neither scientific nor formal in nature, nevertheless, it indicated that water quality does not contribute to this ongoing dispute between Singapore and Malaysia.

About the distribution rights, Singapore recognises that the water belongs to Malaysia. Singapore has never disputed Malaysia’s ownership of this natural resource. In terms of availability, the Malaysian government has stated that it is willing to continue supplying water to Singapore into the foreseeable future. However, Malaysia wants to increase the price of the water and Singapore accepts this decision. Singapore is willing and able to pay for the increased cost of water. The only problem is that Singapore is against Malaysia’s unilateral and arbitrary price increase without any prior consultation. The crux of the dispute is the principle behind how Malaysia calculates the price of water, and not the price or availability of water itself.

### 4.5.1 1961 and 1962 Water Agreements

The first water agreement signed between Singapore and the then–Malaya allowed Singapore to get its water from Johor for free. When Malaya became independent, two new water contracts were signed in 1961 and 1962 respectively. Under the terms of these two agreements, Singapore paid 3 Malaysian cents per thousand gallons of raw water from Johor. Malaysia also had the right to review and increase the price of water in twenty–five years” time, which happened in 1986 and 1987 respectively. However, Malaysia did not undertake the price review process then. The issue of price revision only surfaced in 2000 when Prime Minister Mahathir wanted to increase the price Singapore paid for raw water currently at 3 Malaysian cents to 45 Malaysian cents, a fifteenth–fold increase.\footnote{Refer to “Agreed Items between Malaysia Prime Minister Dr Mahathir and Senior Minister Lee Kuan Yew at their 4–Eye meeting on Tuesday, 15 August 2000 at Putrajaya”, in Singapore Government, If Water Talks (Singapore: Ministry of Information, Culture and the Arts, 2005), 32.} In 2002, Mahathir again proposed fixing the price of raw water at 60 Malaysian cents, and not the earlier price of 45 Malaysian cents. He also proposed to backdate the new price to 1 September 1986 and 29 September 1987 respectively.\footnote{See “See Malaysia–Singapore Package of Five Issues: Malaysia’s Proposals, 4 March, 2002”, in Ibid., 40–3.} Singapore’s legal position was that since Malaysia did not choose to exercise its right to
revise the price of raw water at the twenty–five year cut–off mark, it had effectively renounced its right to do so. Malaysia’s position was that it reserved the right to revise the price of raw water after twenty–five years, and not only at the twenty–five year mark.

Although Singapore was agreeable to an upward price revision, it did not agree to backdate the price revision. Furthermore, the price revision was supposed to apply to future water supplied from Johor, and not for water already supplied from Johor since the mid–1980s. When Malaysia made the price revision proposal, it also introduced a new formulation to calculate the price of raw water it sells to Singapore in the future. Prime Minister Goh Chok Tong responded that Singapore was agreeable to this move but noted that it would be very difficult for either actor to come up with a formula to fix the future price of water since there are too many variables involved. However, Goh stressed that it was imperative for both parties to have “a definite basis for all future price revisions”. 83

From Singapore’s position, the contentious issue was how the price of water was calculated, and not the actual price Singapore paid for it. 84 Singapore Foreign Minister Jayakumar also insisted, “The fundamental issue was not the price of water, but how [emphasis original] Singapore was made to pay for any revision. This cannot be done at the will or dictate of Malaysia”. 85 As such, the water dispute arose solely from the legal principles behind the validity of Malaysia’s action in wanting to revise the price of raw water, and not over the natural resource itself. Likewise, during this whole fiasco over the water issue, the main contention, as Mahathir wrote, was “the price review of raw water, and how it was to be arrived at”. 86

Despite the public rhetoric of turning off the taps supplying water to Singapore, Malaysia has agreed to honour the terms of the Separation treaty between the two states. 87 Singapore has consistently argued that Malaysia cannot unilaterally modify the terms of the 1961 and 1962 water agreements because they are part of the 1965

83 See “Prime Minister Goh Chok Tong’s letter to Dr Mahathir Mohamad, 11 April 2002”, in Ibid., 56.
86 See “Dr Mahathir Mohamad’s letter to Prime Minister Goh Chok Tong, 7 October 2002”, in Singapore Government, If Water Talks, 61.
Separation treaty that was lodged with the UN. Hence, these agreements “cannot be altered without the express consent of both parties”. The unilateral modification of these agreements would directly undermine Singapore’s sovereignty. Furthermore, it is also very important to note that although Malaysia perceives that the price Singapore currently pays for raw water is not equitable, Mahathir has stressed that Malaysia is both morally and legally bound to observe the agreements signed with Singapore; Malaysia recognises that it cannot act without Singapore’s consent. Even though the Malaysian government’s wants to increase the price, the rhetoric has not been, and is very unlikely to translate into, concrete action in the foreseeable future. Moreover, in a reconciliatory gesture to decrease bilateral tension, Mahathir noted in 2001 that after the first of the two water contracts lapses in 2011, even though “there is no provision for any continued supply of...raw water to Singapore. Nevertheless Johore is willing to supply...treated water if Singapore so desires”. As reported in the *New Straits Times*, Mahathir had reiterated, “There was never any question of Malaysia not continuing to supply water to Singapore ... It was a matter of price and process, not do or die”. His statements make it even clearer that water scarcity did not cause this bilateral dispute; it essentially arose from conflicting interpretations over the terms of the two water agreements. Malaysia’s actions thus far have conformed to the principle *pacta sunt servanda*, the honouring of promises, which demonstrates the presence of associational aspects in this bilateral relationship. Currently, the disputes over the legal interpretations have yet to be resolved although both parties are still receptive towards conducting future negotiations to settle the differences.

4.6 Defusing the Tension

Although Malaysia is traditionally Singapore’s largest single water supplier, Singapore in recent years has actively sought to decrease its dependency on a single water supply source. Consequently, Singapore is now diversifying its sources of water supply. The

continual dependence on Malaysia for a substantial part of Singapore’s water supply has been described by Goh Chok Tong as a Sword of Damocles hanging over the Republic. In 2002, Prime Minister Goh stated in Parliament that:

I think it is high time we explore a different approach to water supply from Malaysia. I do not want our relations with Malaysia to be always strained by this issue. It is not healthy to be always locked in dispute. It is unwise to allow this one issue to sour bilateral relations at all levels and on all fronts. It prevents us from co-operating in strategic areas of mutual benefit...It may be better for bilateral relations if we start to move a little away from our reliance on Malaysia for water. This is doable if we have to.  

Apart from getting its water from Malaysia, the Republic has also considered procuring water from Indonesia. Even though it is possible, Singapore is acutely aware that continual dependence on other states for its water supply puts it in a potentially disadvantaged and vulnerable position. For instance in 2000, Indonesian President Wahid launched a scathing attack on Singapore at a closed-door meeting held at the Indonesian embassy in Singapore, which clearly highlighted the political obstacles and risks it faces when it depends on other states for its water supply:

Now, let me turn to water. When I met PM Mahathir this morning during breakfast, I asked him why he did not control the water supply to Singapore. Singapore only pays 3 cents for 1,000 gallons of water and they resell it for $20. So, we have been manipulated by Singapore. If we withhold the water supply, Singapore won’t have any more water. Don’t be afraid. Our interests should come first. The interests of other people should come in second. 

Water continues to remain a strategic factor in Singapore’s relations with both Malaysia and Indonesia. Towards this end, Singapore has invested much into water recycling and desalination. At the same time, it has also sought to increase its internal water catchment areas through the building of new reservoirs, such as the Marina Barrage, which is expected to meet 10 percent of Singapore’s current water needs. In April 2009, the Public Utilities Board has also started desalting, which lowers the water salinity,

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thereby rendering it viable for human consumption. The adoption of this multi-pronged approach increases Singapore’s potential to be self-sufficient in meeting its own water needs, and reduces the potential for the issue of water supply to be a source of conflict between them. More importantly, Singapore’s ability to implement policies to mitigate this issue show that states are able to influence and shape the political context it faces, which is congruent with the English School’s argument that states possess agency to moderate anarchical conditions they face.

4.6.1 NEWater

It has been estimated that by 2011, Singapore will be able to meet 30 percent of its daily water needs through the use of recycled water. This 2007 estimate was twice that of the 15 percent initially put forward in 2001. This revised estimate indicates that as the pace of technological and technical developments increases, Singapore is more likely to be able to reduce its dependency on Malaysia for its future water needs. For now, NEWater is used mainly for industrial purposes, and only one percent is pumped into the reservoirs. Even though NEWater is not currently used for consumption purposes, it has nevertheless increased the overall potable water supply in Singapore by providing an alternative source of water for industrial purposes, which more companies are now using.

The recycled water goes through a series of purification process that renders it fit for human consumption. The only major barrier is psychological, preventing more widespread consumption. Hence, in the event of a serious water shortage in Singapore, NEWater is able to provide a short-term viable alternative to partially meet Singapore’s daily water requirements. In June 2009, Singapore made another substantial step towards meeting its daily water requirements when construction on the new Changi water reclamation

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plant was completed. When the plant becomes fully operational in May 2010, it is expected to produce 50 million gallons of treated water daily.\textsuperscript{102}

4.6.2 Desalination

In September 2005, Singapore managed to successfully process sea water into potable water through desalination.\textsuperscript{103} As an island, Singapore is surrounded by sea water. The ability to process sea water into potable water signifies a major milestone in the Republic’s quest to become hydrologically self-sufficient.\textsuperscript{104} Currently, the energy costs involved with desalination are quite prohibitive, which prevents Singapore from engaging in large-scale desalination efforts. However, with advancements in technology, it is expected that the current high costs would be reduced significantly in future, which increases the attractiveness of this option to Singapore. In the event that Singapore’s long-term water supply from Malaysia is reduced or cut off, then desalination becomes another short-term alternative for Singapore as it looks into new ways of securing a stable water supply from other sources.

It is important to keep the financial costs involved with desalination in context. Although it is expensive for Singapore to increase its water supply through this method, the financial cost involved with going to war over water is very much higher. As a trading state, regional stability and security are very important for Singapore. An armed conflict with Malaysia over water would be detrimental to Singapore’s long-term interests, and it would be more likely that the Singapore government would use the money needed for the war effort to build desalination plants instead. This particular course of action is beneficial for Singapore because the construction of desalination plants will ensure that Singapore becomes hydrologically self-sufficient by having a secure supply of water. At the same time, the avoidance of the use of force increases the potential for both states to negotiate for new water contracts in the future. The conclusion reached here is that over time, water will become less of a strategic and security concern.

for both states, and the ensuing desecuritisation of water would ensure that conflicts arising from this matter in the future are less likely to lead to political or military brinkmanship by either party. The net effect is that a major source of bilateral irritant would be greatly reduced. Even though the problem cannot be eradicated, it would be less likely for bilateral tensions to escalate due to this issue.

Viewed from a wider perspective, the water issue supply does not appear to be such a security issue, and thus the Realist analysis that bilateral relations between the two states are conflictual due to the hydro–tension is not accurate. A consequence of the desecuritisation of water would reduce the likelihood of either party perceiving each other as an enemy, which further de–emphasises the conflictual nature of the existing bilateral relations and signals a move away from Realism. Over time, granted that Singapore’s demand for water increases in tandem with population growth, nevertheless there are alternatives such as recycling and desalination available to Singapore for it to become less dependent on Malaysia for its water supply. In future, it would be more likely that disputes arising from this resource, as in the present situation would be of a pecuniary nature, and any differences are more likely to arise from contractual disagreements that could be resolved through international law, rather than by going to war, as most existing scholarship would indicate. More importantly, Singapore’s response to the water issue shows that it is possible for it to control the milieu and mitigate the anarchical aspects present in this bilateral relationship.

4.7 The Ethnic Issue

The principle of international society is present in this bilateral relationship. However, the underlying ethnic tension is a cause of concern, one that has the potential to cause adversarial aspects to severely undermine the associational aspects present in their bilateral interaction. As Alex Josey astutely noted, in order to understand Singapore and Malaysian politics, an appreciation of ethnic issues is warranted.105

The ethnic issue poses arguably the most serious problem that besets the bilateral relations between the two states. This is because ethnic differences were why their merger ended less than two years after it was implemented. For instance, serious ethnic

105 Josey, Lee Kuan Yew, 72.
riots occurred in Singapore in 1964 and again in Malaysia in 1969 respectively provided very strong evidence that ethnic tension is a very serious problem with violent consequences. Although there have been no major outbreaks of ethnic violence in recent years, this development does not mean that ethnic tensions are no longer a problem. In an interview with business newspaper 21st Century Business Herald, Lee Kuan Yew was asked what role Chinese societies such as Hong Kong, Taiwan and Singapore played in China’s economic reforms, he answered: “First, I must correct you. Singapore is a multiracial society, not a Chinese society. We are 75 percent Chinese, but we have 25 percent Malays and Indians, so that makes the difference”.

Singapore’s predominantly ethnic Chinese population renders it different from its neighbouring states such as Malaysia and Indonesia, a difference that comes to the fore during times of crisis. Apart from tangible differences, Singapore has also sought to minimise its Malay heritage, a move that has indirectly contributed to its outsider image in the region. For instance, Singapore’s pre–colonial history and Malay heritage have been largely overlooked in the official historical narrative. In fact, Singapore’s political leadership has a policy of downplaying its Malay heritage and history. This argument is directly supported by Singapore’s first Foreign Minister Rajaratnam’s statement in 1990 that:

There is no shared past for us before 1819 when Raffles landed in Singapore and opened the island’s doors to people from the four corners of the earth. Our memories before 1819 go back to different lands, different times, different histories and different peoples. These are memories that Singaporeans cannot share collectively. Our common memories are the joys, sorrows, disappointments and achievements since 1819. This is our only and relevant history to shape and guide our future. The history before 1819 is that of ancestral ghosts.

According to Chakrabarty, this official neglect of Singapore’s pre–colonial history indicates that the city–state is more comfortable with acknowledging or

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identifying with Western, or more accurately, British influence, as opposed to the influences of the earlier Malay settlers.\textsuperscript{110} It also explains why Singapore identified itself unconditionally with the Western model and not “with popular aspirations in the surrounding Malay world”.\textsuperscript{111} In fact, Edwin Lee has gone as far as to attribute the subsequent success of Singapore to the British; the role played by early Malay settlers was completely overlooked.\textsuperscript{112} Although the aim of glossing over Singapore’s pre–colonial history was to create a national identity, nevertheless, the lack of attention on this particular period of its early history may be a reason Singapore is continually regarded by its Muslim neighbours to be a regional outsider in Southeast Asia.\textsuperscript{113}

One of the key issues of political identity is the connection between national and ethnic identity. This is also the problem confronting Singapore’s policymakers when it comes to the role of Malays in sensitive positions within the political and military administrations respectively. As Worchel and Coutant argue, it is difficult to reconcile the tension between ethnic identity and national identity. Individuals are constantly engaged in the debate to decide which of the two identities is more central to them. They argue that ethnic identity is stronger than national identity because the latter can be easily changed. For instance, an individual can easily emigrate and take up the citizenship of another state, or seek asylum in another state. The ease with which an individual changes his or her nationality is made explicit by Goh in 1986. He said:

I was born a British subject. Before I could even walk, the Japanese dropped their bombs on Singapore. Soon Singapore fell, and I became, I suppose a Japanese subject. The Japanese lost the war in 1945. Singapore was returned to the British, and I became a British subject again. In 1959, when I was still in school, I became a Singaporean citizen. In 1963, when I was in the university, I became a Malaysian when Singapore became part of Malaysia. Two years later, soon after I started work, I reverted to Singapore citizenship. So, all in all, I have changed nationality five times!\textsuperscript{114}

\textsuperscript{111} Buchanan, \textit{Singapore in Southeast Asia: An Economic and Political Appraisal}, 249.
\textsuperscript{113} Milne and Mauzy, \textit{Singapore: The Legacy of Lee Kuan Yew}, 163.
On the other hand, an individual’s ethnic race, which is determined by biology, is fixed and cannot be changed. Worchel and Coutant also elaborated that it is also very likely that as nationalist sentiments become stronger in newly–independent states, ethnic minorities tend to feel marginalised because they perceive that their unique identity has been subsumed by the national identity. Conversely, people belonging to the ethnic majority are less likely to harbour such sentiments because there is a greater likelihood that the national identity is similar to the ethnic identity. This argument provides a plausible reason for the Republic’s policymakers’ approach towards the non–appointment of Malays to key positions in the political administration and military service. Lee Kuan Yew said in a 1999 interview that “[i]f, for instance, you put in a Malay officer who’s very religious and who has family ties in Malaysia in charge of a machine gun unit, that’s a very tricky business.” Furthermore, “If there is a conflict, if the SAF is called to defend the homeland, we don’t want to put any of our soldiers in a difficult position where his emotions for the nation may come into conflict with his emotions for his religion.” His comments echoed those made by Lee Hsien Loong in 1988 when he said that Malays were not appointed to sensitive posts in the Singapore armed forces because he did not want to put “Malay loyalties to the test”. In both sets of statements, it is clear that Malaysia features prominently in Singapore’s regional threat perception. These comments by senior Singapore’s political elites lends much credence to Worchel and Coutant’s argument that ethnic minorities are more likely to be marginalised as ethnicity continues to be a politically sensitive issue, such as in the case of Singapore and Malaysia’s bilateral relations, one that continues to cast a significant shadow that cannot be removed.

4.7.1 Malay Political Supremacy in Malaysia

Unlike Singapore, Malaysia has a large Malay majority and Malaysian politics is based upon the premise of Malay supremacy. Due to UMNO’s dominant position in the Barisan

117 *Straits Times*, 23 February 1987 quoted in Leifer, *Singapore’s Foreign Policy*, 94.
118 Ganesan, *Realism and Interdependence in Singapore’s Foreign Policy*, 76.
Malay supremacy, as enshrined in the 1957 Constitution, cannot be challenged. Consequently, ethnic Chinese and Indians in Malaysia have to assume secondary political roles within the ruling coalition.

The Malaysian government practices the policy of “bumiputra”, which is directly translated as “sons of the soil”, meaning that Malays are officially recognised as the indigenous people of Malaysia. This is because “Malaya is for the Malays and it should not be governed by a mixture of races”. As a result, they are afforded preferential treatment such as the policy of positive discrimination or reverse affirmative action, which is enshrined in the Constitution. However, Camroux notes that the use of the term “bumiputra” is not as straightforward as initially seen. This is because many Chinese and Indians had been living in Malaya before it gained its independence in 1957. As Lee Kuan Yew stated, “none of the three major racial groups in Malaysia – Chinese, Malays and Indians – could claim to be more native to Malaysia than the others because all their ancestors came to Malaysia not more than 1,000 years ago”.

Despite having lived in Malaya and then Malaysia for many generations, these ethnic minority groups are still not fully trusted by the predominantly Malay political administration. If Malays in Malaysia cannot trust the Chinese or the Indians who have resided for generations there, then it is logical to assume that the Malay administration is also somewhat wary of the predominantly Chinese population and Chinese administration in Singapore.

That Malay discrimination towards its ethnic minorities and the negative effects of such a policy has strained Singapore’s relations with Malaysia was made clear by Lee

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119 The Malaysian Chinese Association [MCA] and Malaysian Indian Congress [MIC] are the two other minority parties that make up the ruling coalition – the National Front.
120 “It is understood by all that this country by its very name, its traditions and character, is Malay. The indigenous people are Malays and, while they on the whole have been left behind in the economic and professional fields, others have been helped along by the understanding and tolerance of the Malays to be successes in whatever fields they are in. In any other country where aliens try to dominate economic and other fields, eventually there is bitter opposition from the indigenous people. But not with the Malays. Therefore, in return, they must appreciate the position of the Malays, who have been given land in Malay reservations and jobs in the government…if Malays are driven out of everything, however tolerant they may be, there is a limit. Resentment would build up and there would be trouble, and those who had found prosperity would also suffer”. Tunku Abdul Rahman quoted in Josey, *Lee Kuan Yew*, 83–4.
121 Tunku Abdul Rahman quoted in Ibid., 83.
123 “Lee Welcomes „Fresh Start” Call But...”, *Straits Times*, 4 September 1963.
Kuan Yew in June 1996 at a Foreign Correspondents’ Club meeting in Singapore. In response to a question if a re-merger with Malaysia was possible in the future, Lee said that such a development would be possible if Singapore could not remain economically and politically viable on its own and needed Malaysia’s assistance. He then added that the circumstances regarding such a development would mean that the re-merger would be implemented under Malaysian terms, and Singapore would come out second best in this scenario. However, Lee noted that that the idea of a re-merger would be more likely to take place if Malaysia rescinds the bumiputra policy, and implements a meritocratic policy instead. In an October 2007 interview conducted by the UCLA Institute, Lee reiterated that a re-merger with Malaysia is possible in the future. The only obstacle, in his opinion, was Malaysia’s continuing practice of preferential treatment of the Malays. Even though more than 10 years have elapsed between these two interviews, Lee’s opinion has remained the same, which provides an indication of how deep-seated ethnic differences are between the two states. Malaysia does not take too kindly to Singapore’s continued denigrations of its pro-Malay policy. In response to Lee’s re-merger comments, Syed Hamid Albar said that this proposal is “too late in the day” given the present context.
Ethnic tensions continue to be a major problem confronting Singapore–Malaysia relations, but they have been offset in large measure by political stability in Malaysia due to UMNO’s domination of the Barisan Nasional coalition that has led to the continual recognition of the special relationship between the two states. However, major political changes have been taking place in Malaysia in recent years. Even though the UMNO–dominated Barisan Nasional is currently in power, its monopoly on political power is no longer a given. Under former Deputy Prime Minister Anwar Ibrahim’s leadership, the Malaysian opposition parties have become a more disciplined and coherent political force, and are in the position to form an alternative government, a development not seen since Malaysia became independent. If a new party were to form Government, such an outcome represents a significant break from history, which may then undermine the special relationship between the two states that is based largely on history.

The Barisan Nasional called Malaysia’s 12th General Elections on 8 March 2008. This election represented a major turning point in Malaysia’s political history. As the ruling party, it was able to call for elections at a time it finds appropriate, and it did so on 8 March, a year before it had to do so. Furthermore, as the ruling party for over 50 years, the BN has the necessary political experience and machinery in place to win elections. Earlier by–elections in Pengkalan Pasir, Kelantan held in November 2005 saw the BN win back a seat from the PAS. By–elections in other areas also saw BN win back seats it lost previously to the opposition. However, the BN was unable to maintain its momentum. Despite its successes leading to the 8 March elections, the BN won less than two–thirds

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127 M. Ghazali Shafie provides a historical insight into ethnic tension in Southeast Asia. “Sectarian cleavage in the internal politics of South East Asia is not confined to indigenous elements alone. The presence of large numbers of ethnic Chinese in many countries in the region complicates the nation building process further. Heirs to an ancient cultural and historical tradition and occupying a dominant position in much of South East Asia’s native economies, their adjustment to local based societal engineering processes in many cases, has been sluggish. Attitudinal alienation or indifference on their part and latent suspicions on the part of the indigenous groups, compounded by the fact that the predominant number of communist insurgents in the ASEAN region are ethnically Chinese, combine to create potentially active internal security issues”. M. Ghazali Shafie, “ASEAN’s Response to Security Issues in South East Asia–Speech Delivered at the Centre of Strategic of and International Studies Conference on Regionalism in South East Asia,” in Malaysia: International Relations, Selected Speeches, ed. M. Ghazali Shafie (Kuala Lumpur: Creative Enterprise, 1982), 223. For a similar view, see Zainuddin Maidin, “History Is No Teacher,” Utusan Melayu, 1 September 2009.
of the parliamentary seats. Although it still formed the government, it was the first time since 1969 that the BN lost its absolute parliamentary majority. The BN only got 50.1 percent of all valid votes cast, and captured 140 parliamentary seats and 307 state seats whereas the opposition won 82 and 198 seats respectively.\^{128}

In the lead–up to the elections, there was much Indian dissatisfaction over their continued depressed social, political and economic positions. Mass protests were held. To quell this problem, the Malaysian government arrested five senior members belonging to the Hindu Rights Action Force [Hindraf], which made the situation worse. In view of unhappiness towards the Malays’ privileged position, the Anwar–led opposition capitalised on this mood to call for the “supremacy of Malaysians, and not just Malays”.\^{129}

It is encouraging to see Malaysian politics transcend ethnic divisions. However, it is still too early to conclude that ethnic issues are no longer important. The true test of the Anwar–led opposition commitment to multi–racial ideals comes when they are in power, and not when they are campaigning for power. If anything, recent developments in Malaysian politics only indicate that ethnic issues continues to be a major flashpoint, and mismanagement would still have serious repercussions. After Najib Razak succeeded Badawi as Prime Minister, he introduced the policy of “1Malaysia” to promote interaction among the three major ethnic groups in Malaysia. However, his efforts have not been entirely successful. For instance, during celebrations for Malaysia’s National Day in August 2009, Muslims protested against the relocation of an Indian temple to Section 23 Shah Alam in Selangor by parading through the streets with the severed head of a cow, which is a sacred animal to the Hindus.\^{130}

In both Singapore and Malaysia, the same political parties have been in power since independence. Consequently, the respective dominant political parties are generally regarded as the de facto governments in both states. The PAP and UMNO have had a long history of interaction and cooperation, a development that contributes to the establishment and maintenance of this special relationship. If the Anwar–led opposition

\^{128} Ong Kee Beng, Johan Saravanamuttu, and Lee Hock Guan, *March 8: Eclipsing May 13* (Singapore: Institute of Southeast Asian Studies, 2008), 53.
\^{129} Ibid., 4.
\^{130} “Festivities Soured by Race,” *Straits Times*, 30 August 2009.
were to gain political power and form the next Malaysian government, it would represent an interlude to the continuous interaction between the two parties. With the introduction of this new variable, bilateral relations might be affected since policies of the previous administration may be changed.

4.8 Conclusion

The two most potentially serious issues in the bilateral relations between Singapore and Malaysia that could lead to the outbreak of armed conflicts are thus far resolved through the use of international law, which then indicates that states do endow much significance on this institution, and by extension, also explains why there is a high level of order within the anarchical international system states inhabit. A possible reason for prevailing attitudes and opinions to tend towards the proverbial worst-case scenario is because of analysing the current state of bilateral relations between Singapore and Malaysia through Realism, which focuses on the conflictual and adversarial aspects that are present. Hence, the relationship is often cast in a Manichean light, which does not accurately reflect the actual condition between these two states.

These two case studies have shown that even in the absence of a universal authority in the international realm to ensure that laws are observed as in the domestic context, Singapore and Malaysia have internalised the use of international law to resolve their differences. This observation validates the English School argument that states are able to observe a common code of conduct that can regulate their interaction even within anarchical contexts. In the sovereignty dispute over Pedra Branca, both states agreed to refer the case to the ICJ for adjudication, and that the decision reached by this court would be final and binding on both states. In the water supply dispute, the bilateral dispute arises from a legal principle, namely which interpretation of the terms is accepted to be authoritative, and not over the physical resource itself.

Although the element of international society is present in Singapore–Malaysia relations, it is important to note that its continuance ought not to be taken for granted. Ethnic tension continues to colour this bilateral relationship. Even in the absence of overt ethnic tension, it still simmers beneath the surface, always threatening to boil over in times of crisis. Both states are affected by the current global financial crisis. During
periods of economic privation, the ethnic tension is inadvertently increased. This is because the higher socio–economic status of ethnic Chinese both in Malaysia and Singapore magnifies the difference between the various ethnic groups, which becomes a potential flashpoint.

Finally, changes are happening in Malaysian politics. The UMNO–dominated Barisan Nasional can no longer be sure that it will always form the government; Malaysian opposition parties are fast gaining ground on them. It is still too early to know if the current success opposition parties enjoy is a short–term development or if it will be repeated in future. However, it can be assumed with a great degree of certainty that a change in Malaysian government will affect its relations with Singapore. This is because the special relationship between these two states is largely due to the close cooperation and interaction between the PAP and UMNO over a prolonged period. Should a new party form the Malaysian government, the special relationship that has been vital in maintaining positive bilateral relations may be affected, which was the case for Singapore–Indonesia relations, as would be discussed in the next chapter.
5. SINGAPORE–INDONESIA RELATIONS: RISE AND FALL OF INTERNATIONAL SOCIETY

Although Malaysia looms large in Singapore’s foreign policy, the same could also be said for Indonesia. As the largest and most populous state in Southeast Asia, developments there would naturally affect Singapore. More importantly, given Indonesia’s immense size, it is prone to regard itself as the region’s *de facto* leader, which proves to be highly problematic for a minuscule Singapore. After a protracted struggle against the Netherlands, Indonesia, under Sukarno’s charismatic leadership, became independent in 1949. Indonesia is the largest state in Southeast Asia and naturally, it has substantial influence in the region. Consequently, an analysis of Singapore’s foreign policy has to consider Indonesia. Unlike Singapore’s relations with Malaysia discussed in the previous chapter, there is considerably less historical baggage involved in Singapore’s relations with Indonesia.¹ However, this lack of historical baggage does not mean Singapore–Indonesia relations are without problems. Problems exist and this chapter seeks to use the English School theory, with its focus on the concept of international society, to explain why they are present at certain times and absent at other times, and the ensuing effects such developments have on Singapore–Indonesia relations. More importantly, this chapter also seeks to present a narrative based on the English School framework of international society that explains how such problems arise, and more importantly, how Singapore has attempted to resolve these issues through lobbying for the presence of extra–regional powers in the pursuit of a balance of power.

A simple hypothesis is that when the element of the international society of states is strong, bilateral relations between Singapore and Indonesia are good; conversely, when this element is weak, bilateral relations turn poor. Arguably, the best test to determine the strength of international society in this particular bilateral relationship is the extent to which the interactions of both states are conducted on the basis of formal equality. In other words, states recognise each other to be formally equal even though major

disparities are present, such as in the case of Singapore and Indonesia. When states do not observe this principle, as this chapter argues here, problems will arise.

Given the disparities between Singapore and Indonesia in terms of both population and geographical size, Indonesia, from the Realist perspective, is in the dominant position. It is therefore able to impose its will onto Singapore. Hence, it can be said that international society is at its weakest when either state perceives itself not to be bound by a common code of conduct. This situation is most likely to manifest itself during Indonesia’s episodic outbursts resulting from its desire to exercise regional leadership, when it disregards the principle of *pacta sunt servanda*. However, when the element of international society is present, states recognise they have the same duties and obligations. During Suharto’s long tenure, the element of international society was arguably at its strongest, and so bilateral relations between Singapore and Indonesia were good.

This tacit recognition of formal equality is arguably the most fundamental condition that has to be satisfied before an international society could be formed since its observance indicates that there are “sustained and stable understandings” between states. This principle of observing equality is also expressly chosen because during the formative phase of Indonesia’s foreign policy, then Prime Minister Wilopo emphasised the need for Indonesia to observe this code:

> There are standards of common decency in international relations which we must observe as a self–respecting state. As in the case with our internal relations, where we have to observe certain rules, we must also submit in our international relations to the rules that have been fixed by international law and usage. In other words, essentially, it is not allowed to revise or cancel an agreement which we have concluded with another state, high handedly, (unilaterally) – without the consent of the said state – if the implementation of said agreement proves to be disadvantageous to us.

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Even though this basic principle is not contentious, and arguably all states generally accept the premise that size and might are not necessarily right, there are instances where it may be advantageous for states to leverage on these factors if they possess them, especially when the short–term opportunity costs are perceived to be low. Such temptations exist and they cannot be wished away. To minimise the potential of such an outcome, it is necessary to have a balance of power to check such wayward ambitions, which ensures that international society remains stable and durable.\(^5\)

This chapter compares bilateral relations between Singapore and Indonesia during Suharto’s tenure [1967–1998] with the state of bilateral relations before and after Suharto’s tenure. Key events covered in the pre–and post–Suharto periods examined include “Confrontation” under Sukarno [1949–1967], ethnic tensions under Habibie [1998–1999] and Wahid [1999–2001], the failure to ratify both the Defence Cooperation Accord [DCA] and the Extradition Treaty [ET], investigations into Temasek’s commercial activities and the sand ban and the disruption of granite supply under Yudhoyono [2004–present]. These events are significant as they represent continual attempts by Indonesia to re–assert its position as the dominant regional power. Apart from these issues, ethnic tensions between indigenous Indonesians towards ethnic Chinese also play a major role in Singapore–Indonesia relations, which this chapter will also discuss. The objective is to show that significant problems do exist between Singapore and Indonesia, and so Singapore’s geopolitical fate must not be left solely in the hands of regional states.

As already elaborated, in view of the vagaries of regional politics, Singapore has sought to minimise this possibility by pursuing a multi–polar balance of power in the region that involves both China and India, the two rising Asian powers. Such a policy is consistent with the English School’s prescription that a multi–polar balance of power is more efficacious in maintaining order and stability than a bipolar one involving just the regional states of Malaysia and Indonesia. A multi–polar balance of power benefits Singapore in two ways. First, it dilutes Indonesian influence in the region. Second, China and India’s regional involvement could pressure Indonesia into observing the principle of

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conducting bilateral relations based on the recognition of formal equality. Thus far, both China and India have adhered to this norm even though they could choose not to. Consequently, this development should increase expectations for Indonesia to do likewise, thereby indirectly strengthening the element of the international society between Singapore and Indonesia.

5.1 Regional Leadership and its Problems

Indonesia achieved its formal independence from the Netherlands on 27 December 1949 after a protracted and bitter nationalist struggle. During this period, Indonesian nationalists believed that kemerdekaan [independence] could only be realised through a revolusi fisik [physical revolution]. Consequently, Indonesian nationalist leaders did not refrain from using force against the Dutch colonial authorities. Their experiences of perjuangan [struggle], especially after the Dutch military actions, and the lack of support from other Western states during this episode, increased Indonesia’s hostility towards colonialism and reinforced its desire to restore Indonesian pride after it became independent. Consequently, many Indonesian nationalist leaders traced the roots of modern Indonesia to the ancient Sri Vijaya and Majapahit empires, which Leo Suryadinata has established to be very symbolically important to Indonesian political elites.

The ancient maritime empires of Sri Vijaya and Majapahit exercised control over much of pre–modern Southeast Asia. An independent Indonesia’s emphasis on its historical linkages with these ancient empires, generally accepted to represent the high point of ancient Southeast Asian history, demonstrated its ambition to cement its position as the most dominant state in the region in the modern era as well. Hence, in the immediate aftermath of Indonesia’s independence, nationalist leaders such as Mohammad Yasmin argued that the geographical constitution of an independent Indonesia should not be based on the Dutch East Indies territories. He reasoned that the Dutch colonial rule was alien to Indonesian history. A much better guide, according to Yasmin, would be for...

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8 Suryadinata, Indonesia’s Foreign Policy under Suharto: Aspiring to International Leadership, 6.
the newly independent Indonesia to also include the former territories of the Majapahit Empire. In his bold proposal, apart from the Dutch–occupied colonial territories, Malaya, Borneo and Papua New Guinea were to be included as part of an independent Indonesia. Although an independent Indonesia did not eventually lay claim to these non–Dutch occupied colonial territories, nevertheless, this proposed plan demonstrated Indonesia”s desire to be the hegemonic force in Southeast Asia in the modern era again.

Indonesia could pursue such a bold and active foreign policy because its bitter nationalist struggle against the Dutch colonial authorities endowed the newly independent state with both moral and political legitimacies. Indonesian nationalist leaders underwent a baptism of fire and they came out purified. Hence, Sukarno in Indonesia”s inaugural independence speech, stated that “Indonesia is recognised as having the right and a primary responsibility to guard security and peace in the region….” Sukarno saw Indonesia under his leadership as the vanguard of the New Emerging Forces [NEFOS] against the Old Established Forces [OLDEFO], which consisted of the former Western colonial powers.

5.2 Indonesia and Malaya: Contrasting Routes to Gaining Independence

Expectedly, Sukarno”s Indonesia was actively involved in promoting decolonisation as evidenced by its hosting of the 1955 Afro–Asian summit in Bandung that later led to the establishment of the Non–Aligned Movement [NAM]. Consequently, Indonesia perceived itself as one of the NAM”s founding members and wanted other Asian and African states to recognise its vaulted status. As a leader with strong nationalist credentials, assuming the leadership role within Southeast Asia was therefore, a natural move for Sukarno. Furthermore, with rapid political changes occurring in the international system after WWII, Sukarno”s pursuit of an active foreign policy was aimed at establishing Indonesia”s international identity through gaining a high profile. As Boyce points out, “[some newly independent states] have sought to play activist roles in international diplomacy...with the formal institutions of diplomacy often serving as

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reinforcements to national pride, as agencies for national self-fulfilment”. Sukarno’s unbridled enthusiasm for foreign policy activism in the early post-independence period was therefore a tool for Indonesia to cement and impress upon Western states of its newly acquired status as a legitimate and equal actor. Moreover, since Indonesia was one of the earliest states in Southeast Asia to gain independence, Sukarno saw Indonesia as the natural candidate to exercise leadership and guide other yet-to-be independent states in their struggle against colonialism. The difficult manner in which Indonesia gained its independence was in sharp contrast to Malaya. In the latter case, Britain voluntarily ceded control over to Tungku Abdul Rahman. Since Malaya did not have to struggle for its independence, Sukarno held Tungku Abdul Rahman in very low regard.

In addition to personal differences, geostrategic considerations also resulted in poor bilateral relations between Indonesia, Malaysia and Singapore. Indonesia regarded an enlarged Malaya as “the sharp end of a kris [Malay dagger] pointed at their country”. Since Singapore lobbied hard to merge with Malaya to form the Federation of Malaysia in 1963, Indonesia naturally regarded Singapore to pose a threat as well. Consequently, there was no notion of a common culture between them, and no desire to render their bilateral interaction permanent since Singapore was deemed detrimental to Indonesia’s national security. Furthermore, Singapore’s predominantly ethnic Chinese population also increased Indonesia’s hostility towards Singapore. Due to these various factors, Indonesia did not recognise Malaysia, which Singapore was a part of, and so their interaction did not take on the form of an international society.

In a bid to derail the merger, Indonesia initiated the Confrontation campaign. However, in order to justify this militant policy, Sukarno couched Indonesia’s opposition in terms of its moral and ideological opposition towards colonialism:

Why do we oppose it [the merger]? Because Malaysia is a manifestation of neo-colonialism. We do not want to have neo-colonialism in our vicinity. We consider

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11 Peter Boyce, Malaysia and Singapore in International Diplomacy: Documents and Commentaries (Sydney: Sydney University Press, 1968), 7.
15 Suryadinata, Indonesia’s Foreign Policy under Suharto: Aspiring to International Leadership, 74.
Malaysia as encirclement of the Indonesian Republic. Malaysia is the product of the brain and efforts of neo–colonialism. Correspondents, mark my words, Malaysia is to protect the safety of tin for the imperialists and Malaysia is to protect the rubber for the imperialists and Malaysia is to protect oil for the imperialists. For this reason, we are determinedly opposed, without any reservation, against Malaysia.\textsuperscript{17}

Diplomatic recognition constitutes one of the basic building blocks for the formation of an international society of states since it indicates the tacit acceptance of the principle of formal equality between them.\textsuperscript{18} This is because diplomatic relations can only exist when the actors involved accept and abide by the various norms, rules, and values that govern their interaction, which indicate that a high degree of formal equality exists.\textsuperscript{19} Furthermore, Indonesia resorted to violence to thwart the merger plans, which Bilveer Singh regards as “the assertion of regional authority”.\textsuperscript{20} This was simply because Indonesian views were not expressly sought concerning the formation of Malaysia; it then wanted to express its displeasure in no uncertain terms.\textsuperscript{21}

5.2.1 Indonesia’s Confrontation Campaign

Although the Confrontation campaign was not a high intensity conflict, Indonesian troops did infiltrate Singapore in a number of separate incidents.\textsuperscript{22} In the most serious of such incidents, two Indonesian commandos infiltrated Singapore and detonated a bomb at the Hong Kong & Shanghai Banking Corporation Branch on Orchard Road, at the heart of the city. This terrorist act killed three civilians and injured scores others. They were arrested and the Singapore courts imposed a capital sentence on them, which drew a violent reaction from the Indonesian public. They demonstrated against the Court’s decision and attacked Singapore’s embassy in Jakarta to express their utmost displeasure.

One of the first acts Suharto performed as President concerning Singapore was to seek clemency for the two arrested Indonesian commandos. He was unsuccessful. The

\textsuperscript{17} Leifer, \textit{Indonesia’s Foreign Policy}, 79.
\textsuperscript{18} Bull, \textit{Anarchical Society}, 167.
\textsuperscript{19} Ibid., 168.
\textsuperscript{20} Singh, \textit{Vulnerability of Small States Revisited}, 58.
Singapore government rejected Suharto as well as Adam Malik’s personal pleas “in part to assert the rule of law and in part to assert Singapore’s sovereignty and independence by a manifestation of strength”. Singapore’s objective was to impress upon Indonesia that the basis of their interaction must be based on the mutual respect for the sanctity of laws, and that both actors, regardless of size and status, must adhere to this basic principle. In other words, although obvious disparities exist, Indonesia must recognise Singapore as its equal. Singapore was in a very vulnerable position in 1968 as a small and newly independent state when Suharto made the request. However, Singapore stood firm for if it were to give in to Indonesia then, Singapore “would lose credibility and prestige among its own Chinese electorate, and spread the impression that it was afraid of the joint voice of the 130 million Malays to the north and south”. Singapore “would [then] be dismissed in future as a timid, pliant neighbour, easy to push around”.24

Singapore, by consistently adhering to the above policy, is likely to encourage other actors to develop farsightedness. It is very likely that the other actors will eventually learn that negative behaviour towards the Republic does not pay off in the long term, and they are unable to accrue any gains from persisting in such actions.25 Since a “state’s reputation for action” is dependent on “other countries’ beliefs [their leaders’ beliefs, that is] about how the country can be expected to behave… [it] is one of the few things worth fighting over”,26 according to Schelling. As expressed by Lee in 1966, Singapore wants to be itself.27 In order for Singapore to accomplish this objective, it is therefore necessary for the Republic “to always, or almost always, stand firm”28 in the face of pressure applied by larger states and not be cowed by them.29

29 Lee Hsien Loong: “My neighbours both have problems with their Chinese. They are successful, they’re hardworking, and therefore they are systematically marginalised, even in education. And they want Singapore, to put it simply, to be like their Chinese, compliant. So, every time we say ‘no’ to some scheme to knock down the Causeway and build a bridge, he says ‘Oh, you are not cooperative. You are only thinking of yourself…But you need a government that will be able to not only have the gumption but also
The more hawkish individuals in the Indonesian Cabinet considered Singapore’s action to be unnecessarily hostile and provocative. They wanted Suharto to retaliate to remind Singapore of its place in Southeast Asia. In spite of significant domestic pressure, Suharto did not allow the volatile situation to worsen; his restrained approach was intended to emphasis his focus on economic rehabilitation, and to signal a clear departure from the foreign policy excesses associated with Sukarno’s tenure. Even when Suharto was the deputy commander in charge of military operations under Dhani during the Confrontation campaign, he made known that “the support of the Indonesian Armed Forces for the conflict was neither born out of conviction nor conducted with enthusiasm”.\(^\text{30}\)

### 5.3 Suharto: International Society at its Strongest

The best period in bilateral ties between Singapore and Indonesia occurred during Suharto’s tenure. Suharto focused primarily on internal governance instead of the overt pursuit of international adventurism manifested by an active foreign policy that was the hallmark of Sukarno’s tenure.\(^\text{31}\) With this change in focus, Indonesia’s relations with regional states became less adversarial and there was a marked decrease in tension. Due to Suharto’s inclination towards pursuing a more conservative foreign policy, Dewi Fortuna Anwar rightly describes it to “[lack] the glamour and flamboyance of Sukarno’s earlier Third World leadership posture”.\(^\text{32}\)

Sukarno could implement an active and outward looking foreign policy since he had a very strong domestic base built up during the nationalist struggle against the Dutch and the Japanese,\(^\text{33}\) as evidenced by his self–conferred title – *Pemimpin Besar Revolusi*

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32 Dewi Fortuna Anwar, “Key Aspects of Indonesia’s Foreign Policy,” (Singapore: Institute of Southeast Asian Studies, 2003), 4.
Indonesia [the Great Leader of Indonesia’s Revolution]. Since Suharto lacked his predecessor’s nationalist credentials, it was not politically astute for him to emulate Sukarno, and maintain a high profile foreign policy. Suharto recognised that in order to establish and maintain the New Order’s political legitimacy, he had to deliver on the economic front. Consequently, his emphasis was on improving internal governance capacity rather than on pursuing an active foreign policy, and so he “discarded the bombastic, even reckless pursuit of non–alignment and leadership in the third world…for a more conscious display of moderation in foreign relations”. As such, Indonesia’s foreign policy during Suharto’s tenure tended to be low–key and less confrontational than Sukarno’s, a welcome change that presented less challenges to its bilateral ties with neighbouring states, including Singapore. Furthermore, when Suharto came to power, states such as Singapore and Malaysia were already independent, which removed the need for Indonesia to exercise any leadership in this area as compared to during Sukarno’s tenure. The nationalist fervour of the 1950s and 1960s had already largely dissipated when Suharto came to power; economic development had replaced national liberation as the most important issue the newly independent Southeast Asian states faced.

Under Sukarno’s leadership, Indonesia was largely isolated from the developed Western states. He equated capitalism with colonialism and so pursued a policy of economic autarky; tariffs on imports were increased and foreign investment was discouraged. Consequently, Sukarno’s disdain for capitalism also reduced Indonesia’s economic interaction with Southeast Asian states. This policy impeded the development of closer bilateral ties, especially with Singapore, which was a trading state, and its chief value proposition was mainly in the economic and commercial domains. Furthermore, due to Sukarno’s economic mismanagement, the Indonesian economy was very poor. When Suharto took over, the highest priority was given to resolving the economic problems and he reversed many of Sukarno’s economic policies. This reversal proved to be a significant turning point for Singapore–Indonesia relations. As a trading state,

36 Terence O’Brien, “Indonesia in the Region: Leadership or Declining Influence”, in New Zealand Asia Institute, ed. Indonesia after Soeharto (Auckland: University of Auckland,1999), 155.
Singapore’s primary value-proposition to other states was the economic benefits it could provide. With Sukarno at the helm, an economically autarkic Indonesia had less need to have close bilateral ties with Singapore. Under Suharto, his new emphasis on promoting economic development elevated Singapore’s importance to Indonesia. Consequently, Suharto’s conscious efforts to tone down the excesses of Sukarno’s foreign policy and improve Indonesia’s economy also removed the impediments to improving bilateral relations with Singapore. This period therefore represented a high point in bilateral relations between Singapore and Indonesia. Bilateral relations between Singapore and Indonesia were positive due in large part to the personal friendship between Lee Kuan Yew and Suharto. For instance, Lee Kuan Yew was the first foreign leader to visit Suharto when the former Indonesian leader was admitted to hospital in January 2008. Although Suharto had been widely criticised in both Indonesia and abroad for human rights abuses, nepotism and economic malfeasance when he was in power, Lee defended Suharto and expressed his personal lament that the former Indonesian leader had not been given due recognition for his immense contribution to Indonesia during his 32-year tenure.

As early as 1987, Barry Desker, Singapore’s ambassador to Indonesia, pointed out that the excellent bilateral relations between the two states were due primarily to the

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37 Ganesan, Realism and Interdependence in Singapore’s Foreign Policy, 90. However, Indonesia’s takeover of East Timor did result in some tensions between the two states. As expected, Singapore was wary of any policies that undermined the sovereignty of other states. Singapore broke ranks with the other ASEAN states because it did not want to be “Timorized” by its larger neighbours to the North and South respectively. When resolution 3485 [XXX] concerning Indonesia’s takeover of East Timor was put forward at the United Nations General Assembly in December 1975, Singapore abstained from voting. In response, Suharto cancelled a trade delegation visit and troops were also placed on alert, and there was a temporary return to the tense relations during the Konfrontasi. However, this tense period proved to be an interlude. Having sent a strong diplomatic signal to Indonesia, Singapore voted with other ASEAN states on the East Timor issue at the UN, and bilateral relations with Indonesia rapidly improved.

38 Sujadi Siswo, “MM Lee Says Indonesia’s Suharto Not Getting the Recognition He Deserves,” *Channel Newsasia*, http://www.channelnewsasia.com/stories/singaporelocalnews/view/322309/1.html. Jusuf Wanadi also provides a similar defence of Suharto. Wanadi argues that despite the allegations of corruption, collusion and nepotism, credit must still be given to Suharto for implementing “a foreign policy that was pragmatic and promoted national interest, and that for the first 20 years, this meant economic stability and growth. He established a solid regional institution, ASEAN, in order to create a stable and peaceful region, conducive to Indonesia’s economic development. For that purpose he did not mind putting Indonesia within that regional structure and forfeited adventurism in foreign policy as had happened under Sukarno during the confrontation with Malaysia”. Quoted in Jusuf Wanandi, “The Suharto regime 1967–1998: What Went Wrong?” Thang D. Nguyen and Fran–Jürgen Richter, eds., *Indonesia Matters: Diversity, Unity, and Stability in Fragile Times* (Singapore: Times Edition, 2003), 25.
“close personal rapport” 39 between Lee Kuan Yew and Suharto. Consequently, the removal of the personal element, when Suharto stepped down resulted in significant divergences and fissures, a development that undermined bilateral relations.40

5.4 Rapid and Unexpected Pace of Change: Decline of International Society

One of the recurring motifs of Indonesian politics is its unpredictability and the rapid pace in which drastic changes take place. For instance, the military coup that unseated Sukarno in 1965, and Suharto’s unexpected resignation, a mere 72 days after his re-election on 10 March 1998 for his seventh term by the People’s Consultative Assembly [MPR] in 1998 took most political analysts by surprise. Even Habibie, arguably his closest aide, was shocked by Suharto’s decision.41 This was because in Suharto’s 11 March acceptance speech, he gave no indications he was not planning to finish the full term of office.42 Likewise, S. Wiryono, Indonesian Ambassador to Australia confessed, “it never occurred to [him] that change in Indonesia would come so swiftly, so dramatically and in the context of an economic debacle and social turmoil”.43

Similarly, Abdurrahman Wahid’s 1999 Presidential election victory over both the incumbent Habibie and favourite Megawatti was just as unexpected. Greg Barton recalled the account of the rehearsals he witnessed for the swearing in of Indonesia’s fourth President. Rehearsals were held in anticipation of either Megawatti or Habibie winning the ballot. The rehearsals ended late. As the participants were about to leave, someone in the party asked what they would do if Wahid won instead. The other individuals in the party responded by laughing at that suggestion.44 The significant issue to note is that even

42 Elson, Suharto, 289.
seasoned Indonesian watchers both within and without, are unable to predict accurately the direction Indonesian politics is heading.\textsuperscript{45}

It is important to recognise that Indonesia’s foreign policy towards Singapore changes most drastically during political transitions such as when Suharto replaced Sukarno, when Habibie took over from Suharto, and when Wahid succeeded Habibie. David Welch argues that a state’s foreign policy tends to be relatively stable. Although it can change over time, there is a lot of inertia in this area that makes a state’s foreign policy largely immune from both internal and external influences. His argument is applicable to Singapore–Indonesia relations, which were very stable during Suharto’s long tenure. Foreign policy changes, Welch posits, are most likely to occur when political elites want to minimise losses, rather than to maximise gains. Given the critical situation Indonesia was in during the Asian financial crisis of the late 1990s which forced Suharto to step down, it was likely that drastic changes were implemented to stem losses it was suffering in other areas. For instance, Indonesia lost its reputation as a dynamic economy and it had to restore its national pride in other ways. At the same time, Welch also raises the impact of what he terms “liminal” events, such as the transition between political eras and leadership, as potential catalysts for unexpected foreign policy changes to take place.\textsuperscript{46} When a state’s domestic situation changes rapidly and unexpectedly, as was the case in Indonesia during the late 1990s, political elites often adopt drastic actions and policies to ameliorate the problem for prior measures have proved or have been perceived to be ineffective. Furthermore, adopting a new plan of action indicates that the new government is actively confronting the problem. Although such new policies may not be effective, nevertheless they are useful in buying time for the new administration.

During the late 1990s, Indonesia was facing serious political and economic problems. Habibie and Wahid had to divert attention away from these domestic problems and so they altered Indonesia’s foreign policy during this time. For instance, by criticising Singapore, the Indonesian elites could shift the spotlight away from the problems within the country during the economic crisis. Consequently, Wahid stated very

clearly that his administration would not uncritically accept and abide by the conditions imposed by foreign lenders, including Singapore on how to use the funds, which he perceived to be exaggerating the gravity of the situation.47 With Indonesia heavily dependent on the International Monetary Fund [IMF] and the World Bank for financial assistance, it could not afford to alienate these major supporters.48 However, Indonesia was in the position to direct its criticisms at Singapore. Furthermore, ethnic tension in Indonesia was increasing due to the belief that ethnic Chinese were somehow responsible for Indonesia’s economic problems. Historically, according to Mozingo:

the dominant position of the Chinese minority in the local economy is greatly resented by [the] Javanese…As a result one of the few political sentiments that unite the indigenous classes is a deep antipathy toward the Chinese community. Indonesians have tended to project this hostility onto any Chinese government – whether in Singapore, Taipei, or Peking – in the belief, not entirely unfounded that this community gives its true loyalty to one Chinese state or another, but certainly not to Indonesia.49

During the Asian financial crisis, the Taiwanese and Chinese economies were less affected. Indonesia required financial assistance, be it foreign aid or foreign direct investment in order to expedite its recovery. Relatively unaffected by the financial crisis, Taiwan and China were in the position to provide financial assistance, and so it was in Indonesia’s national interest to tone down its anti–Chinese rhetoric towards them. However, there were still significant anti–Chinese sentiments within Indonesian society at that juncture, and since “Indonesian foreign policy is a function of domestic politics”,50 it needed an outlet to vent the underlying ethnic tension. Expectedly, Singapore, as the smallest and only Southeast Asian state with an ethnic Chinese majority, therefore became the natural target.

5.5 Ethnic Tensions in Indonesia

Historically, indigenous Indonesians distrust ethnic Chinese migrants in their midst, and by extension, Singapore as well, given its large ethnic Chinese population. For instance,

48 Sukma, Islam in Indonesian Foreign Policy, 88–92.
50 Sukma, Indonesia and China, 7.
ethnic Chinese in Indonesia are commonly referred to as non–asli and non–pribumi, which are translated to mean “original” and “native” respectively.\(^{51}\) Local Indonesians have historically viewed the ethnic Chinese in their midst with distrust as they were not regarded as belonging to Indonesia, with ethnic Chinese in Indonesia commonly referred to as “Vreemde Oosterlingen” [Foreign Orientals].\(^{52}\) Leo Surydinata argues that historically Southeast Asian states distrust the ethnic Chinese in there midst because there was a lingering misperception that they could be used by China to influence internal developments.\(^{53}\)

Chinese migrants left China in large numbers during the last years of the Qing dynasty [1616–1911] to seek better economic prospects overseas such as in Southeast Asia.\(^{54}\) Indonesia was one of the destinations. Even though their numbers were still significantly smaller than indigenous Indonesians, these newly arrived ethnic Chinese migrants soon accumulated much wealth and in time rose up in their economic standing and displaced indigenous Indonesians to a lower rung within the Dutch colonial social and economic hierarchies. Over time, the socioeconomic gaps between the two ethnic groups increased rather than decreased, which exacerbated racial tension in Indonesia.\(^{55}\)

Unlike indigenous Indonesians, newly arrived Chinese migrants usually went into commerce. By dint of the nature of their economic activities, they tend to concentrate in urban areas.\(^{56}\) In contrast, indigenous Indonesians were more likely to remain in agricultural activities and stayed on in rural areas. With changes taking place in the global economy, the economic focus slowly changed from primary industries to tertiary industries. This shift in economic emphasis benefited ethnic Chinese living in the urban


\(^{53}\) Leo Suryadinata, ed., _Ethnic Chinese as Southeast Asians_ (Singapore, Institute of Southeast Asian Studies, 1997), 10.

\(^{54}\) Lee Kuan Yew: “Why did we come here? To find a livelihood and to get rich. My great–grandfather came from China to seek a living, just like the others”. Quoted from Josey, _Lee Kuan Yew_, 73.


centres more than it did for indigenous Indonesians residing in rural areas.\textsuperscript{57} Since the urban–rural income disparity represented itself most evidently along ethnic lines, it was inevitable that antagonism and hostility towards the ethnic Chinese would develop among the indigenous Indonesians.\textsuperscript{58}

Apart from the different economic roles, ethnic Chinese were also different from the indigenous Indonesians in their political outlook. The ethnic Chinese had no major reservations about working for the Dutch colonial administration since it was economically lucrative and socially beneficial for them to do so.\textsuperscript{59} The Dutch colonial authorities gave them more rights than indigenous Indonesians.\textsuperscript{60} For instance, ethnic Chinese faced less discrimination than indigenous Indonesians did; some restaurants admitted the Dutch and the Chinese but not Indonesians.\textsuperscript{61}

These antagonisms naturally increased during times of economic hardships or periods of nationalist fervour among the indigenous Indonesians.\textsuperscript{62} To compound matters, a certain cross–section of the ethnic Chinese population did not support the Indonesian nationalist struggle; instead, they supported the Chinese Nationalist government in China.\textsuperscript{63} This was because some ethnic Chinese in Indonesia regarded China to be their homeland; they viewed themselves merely as expatriates working overseas for only a certain period and would return to China eventually. They regarded Indonesia merely as a place for employment and not as their country of residence. Hence, in troubled times, many ethnic Chinese still looked to China for assistance.\textsuperscript{64} Even though most of Indonesia’s ethnic Chinese later took up Indonesian citizenship when Indonesia became independent in 1949, they were still distrusted by the local population, and this sentiment

\begin{thebibliography}{9}
\item \textsuperscript{57}Ibid.
\item \textsuperscript{59}Kahin, \textit{Nationalism and Revolution in Indonesia}, 8–10.
\item \textsuperscript{60}Bertrand, \textit{Nationalism and Ethnic Conflict in Indonesia}, 59.
\item \textsuperscript{61}Franklin B. Weinstein, \textit{Indonesian Foreign Policy and the Dilemma of Dependence: From Sukarno to Soeharto} (Singapore: Equinox, 2007), 89.
\item \textsuperscript{62}Suryadinata, \textit{Chinese and Nation–Building in Southeast Asia}, 77.
\item \textsuperscript{64}Bertrand, \textit{Nationalism and Ethnic Conflict in Indonesia}, 60.
\end{thebibliography}
is summed up by “sekali Cina, tetap Cina” [once a Chinese, always a Chinese], a commonly heard refrain in Indonesia.65

When Sukarno and Suharto were in power, they were able to exercise relatively strict and effective central control on the Indonesian population and so ethnic Chinese were left relatively unmolested. However, the Indonesian government did implement various measures to assimilate ethnic Chinese into Indonesian society. For instance, Chinese publications were banned and Chinese characters were also prohibited from public display.66 Even though there were still occasional outbreaks of hostilities against ethnic Chinese, these incidents tended to be spontaneous and disorganised. Moreover, during Suharto’s period in office, his New Order administration managed to improve the socio-economic conditions of most Indonesians. As long as the Indonesian economy was doing well, the trickle-down effects kept ethnic tension in check.67 However, ethnic tension is always present because ethnicity is a convenient marker to delineate which individuals belong to the “in–group” and “out–group” respectively. As ethnic Chinese in Indonesian and within Southeast Asia formed a distinct minority, they have become a “convenient whipping boy”68 and scapegoat for any problems Indonesia encountered. Similarly, Singapore, with its ethnic Chinese majority, would also remain as the most likely target of Indonesia’s discontent,69 which became evident during the Asian financial crisis in the late 1990s when Habibie became Indonesia’s third President, a development that severely undermined Singapore–Indonesia relations.

5.6 Habibie: Drastic Decline of International Society

During Suharto’s penultimate presidential campaign, he unexpectedly invited Habibie, who was formerly the Minister for Technology, to be his running mate. In the midst of

65 Sukma, “Indonesia’s Perception of China,” 187. Linkages were believed to be very strong for “to be Chinese, anywhere in the world, was to be a representative of the motherland, to have a stake in the future of China, and to recognize the claims of China and Chinese culture over one’s loyalty”. Adam McKeown, Chinese Migrant Networks and Cultural Change: Peru, Chicago and Hawaii, 1900–1936 (Chicago: University of Chicago Press, 2001), 94.
68 Lee, From Third World to First, the Singapore Story: 1965–2000, 270.
69 Ganesan, Realism and Interdependence in Singapore’s Foreign Policy, 98–9.
the Asian financial crisis, Indonesia needed leaders who were able to manage the economy, and Habibie did not appear to possess the necessary qualities. Indonesia needed all available financial resources to bolster the economy, and yet Habibie was still keen on pursuing his pet project of building national planes despite the financial crisis Indonesia was facing. In his former capacity as the Minister for Technology, Habibie started an indigenous aircraft industry. He did not have a good grasp of economic theories, and his “curious and extravagant” policies strained the national budget, depriving other ministers funding for their own projects, which affected Indonesia’s economic development further. Consequently, Senior Minister Lee Kuan Yew openly questioned the choice of Habibie’s appointment as Indonesia’s new vice-President:

Although President Soeharto has said and shown that he intended to carry out its terms after he signed the second IMF agreement, the Indonesian rupiah and the stock market have not stabilised like the Korean Won and the Thai baht. What is it that the Indonesian President did not get right? It is the political factor. The market was disturbed by his criteria for the Vice-President that required a mastery of science and technology, announced shortly after the second IMF agreement. They believed that this pointed to a Minister whom they associated with Indonesia’s high cost projects. If the market is uncomfortable with whoever is the eventual Vice-President, the rupiah would weaken again.

Although Suharto’s choice of Habibie was also criticised by other Indonesian ministers, Habibie regarded Lee Kuan Yew’s comments as a vote of no confidence and character assassination. Lee Kuan Yew’s perceived interference in Indonesian domestic politics soured bilateral relations after Habibie’s eventual accession to become the vice–

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71 Elson, Suharto, 287.
72 Ibid., 264–5.
73 Lee Kuan Yew, “Currency Crisis–Is the Worst Over?,” in Speech by Senior Minister Lee Kuan Yew at the Tanjong Pagar Lunar New Year and Hari Raya Aidilfitri Gathering at the Tanjong Pagar Community Club (Singapore: Singapore Government, 1998). In mid–August 1997, the exchange rate was approximately Rp3000 to the US dollar. In January 1998, the value dropped to approximately 17,000 to the dollar. Lee Kuan Yew was not the only critic. Jusuf Wanandi dismissed Habibie to be “a clown, a joker, an entertainer”, quoted in Schwartz, A Nation in Waiting, 381. Wahid described Habibie to be “truly crazy”, quoted in Agence France Press, “Indonesia Can’t Have Woman President: Top Muslim Leader,” AFP, 24 March 1999. See also Keith Richburg, “Indonesia Oracle, or Oddball? B.J. Habibie Guides a Nation,” Washington Post, 19 February 1998.
President, and later, the President. In response to Lee Kuan Yew’s blunt and abrasive comments, Habibie emphasised Indonesia’s immense size in comparison to Singapore. He mentioned nonchalantly in an interview: “It’s OK with me, but there are 211 million people (in Indonesia). . . Look at that map. All the green (area) is Indonesia. And that red dot is Singapore. Look at that.” Expectedly, Indonesia under Habibie was keen to emphasise its considerable size advantage to remind Singapore of its inferior position in the regional hierarchy, and that it had to be mindful of its position vis-à-vis a sprawling Indonesia.

Apart from the personal animosity between Habibie and Lee Kuan Yew, Habibie also criticised Singapore to be less forthcoming than the United States, Japan and Australia in assisting Indonesia during the Asian financial crisis. Hence, he said that Singapore was not a true friend of Indonesia. In Goh Chok Tong’s 1998 National Day Rally speech, the Singapore Prime Minister used the small size of Singapore’s economy in comparison to that of the United States, Japan and Australia to justify why Singapore’s economic assistance to Indonesia in absolute terms were less than what these significantly larger states offered. Consequently, it was not logical for Indonesia to perceive the lower absolute value of Singapore’s financial assistance in comparison with other states as being indicative of Singapore’s unwillingness to assist Indonesia during the economic crisis.

During Habibie’s term in office, Singapore’s relations with Indonesia plunged to a new low because the element of international society between them was very weak. The economic crisis had destroyed the base upon which the New Order under Suharto built up its political legitimacy. Even though Habibie was not directly responsible for Indonesia’s economic problems, his close political association with Suharto resulted in the popular perception that he was complicit in causing Indonesia’s problems. Habibie’s cabinet

consisted of 16 individuals who served under Suharto. Even though there was a new president, the Cabinet remained largely unchanged. This development was not surprising since Habibie describes Suharto to be his professor and called him SGS – short for “Super Genius Suharto”.  

Given the close personal links between Suharto and the Singapore’s political elites, Habibie’s hostility towards Singapore could be a calculated move to distance himself from Suharto when the extent of Indonesia’s financial problems – widely believed to be a legacy of Suharto – became known. To achieve this objective, Habibie had to do what Suharto did not do, in terms of both domestic and foreign policies. Consequently, Habibie’s foreign policy activism through repeated criticisms of Singapore could be interpreted as a way for him to garner domestic support. Furthermore, due to the prevailing hostility towards Indonesian ethnic Chinese, Habibie’s vocal and repeated criticisms of Singapore were an outlet for the release of pent-up political frustration prevalent in Indonesian society. Habibie needed the assistance of ethnic Chinese to assist in expediting Indonesia’s economic recovery. However, ethnic tension was still present and attacking Singapore was thus an indirect way to relieve internal tension in Indonesia. Jusuf Wanadi puts forward a very simple explanation as to why relations between Indonesia and Singapore deteriorated during this period:

"Habibie’s view was partly based on a sense of ‘jealousy’ of Singapore’s success to becoming a first world within one generation. This view has racial overtones and perhaps has something to do with his view on the position of Sino–Indonesians, who are seen as ‘foreigners’ that are milking the riches of Indonesia.”

5.7.1 Singapore’s Conceit

Habibie’s criticisms were not wholly unjustified as Singapore’s “level of development and reputation for excellence have bred a sense of national confidence which expresses itself, at times, in a quality of hubris which has been less than palatable to its…

79 Schwartz, A Nation in Waiting, 372.
80 Suryadinata, Chinese and Nation–Building in Southeast Asia, 164.
neighbours”. As early as 1965, in an interview with *Time–Life*, Lee Kuan Yew said ethnic Chinese posed a threat to indigenous populations in various Southeast Asian states. This was because ethnic Chinese in the region, even in the absence of express political patronage by various colonial powers, were still able to dominate their respective local economies, a comment that directly disparaged the abilities of the indigenous populations.

To compound matters, even though Indonesia has a much longer history than Singapore and possesses the pre–requisites to be the outright dominant regional leader, Singapore has overtaken it in terms of economic development, a sore point for Indonesian political elites. Due to Singapore’s economic achievements, it has acquired a diplomatic presence much greater than is usually endowed on a state as small as Singapore. Consequently, Indonesia under Habibie perceived Singapore as a regional upstart. Hence, Chin Kin Wah attributes Indonesian dissatisfaction to Singapore’s rather insensitive behaviour of playing up its exceptional and rapid economic success. Singapore’s emphasis on its exceptional economic development, was then at least indirectly responsible for why Indonesia harboured greater expectations of more generous and forthcoming assistance from Singapore during the financial crisis. Chin reasons that: “There is perhaps too much misplaced expectation on the part of neighbours. In a sense we may be fuelling these expectations too because we keep emphasising our resilience and achievements”.

Likewise, Tan See Seng writes:

The unfortunate impression some in the region have of us is that Singapore is egotistical, conceited and cares little for its neighbours. We are seen as always desiring to “leapfrog” and transcend the region. Of course, it helps little when at times we trumpet the image of Singapore as a piece of First World real estate on a dilapidated Third World neighbourhood. Whether Singapore’s destiny is to drive or suffer the Southeast Asian region, or both, it would doubtless serve our interests better if our approach is characterized less by hubris.

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82 Leifer, *Singapore’s Foreign Policy*, 41.
Elsewhere, Chua Beng Huat observes, “By the end of the twentieth century, “success” has become part of the identity and boast of the island–nation and its people”.86 Alex Josey argues that even though a “certain brashness, a certain preoccupation with self and survival, with overstriving for achievement” is typical of migrant societies, such an attitude is detrimental to Singapore in the long term. It is, he rightly concludes, “unnecessary, and perhaps dangerous to highlight the successes by pointing out the weaknesses and failures of others”.87 Hence, when Indonesia’s State Enterprise Minister, Tanri Abeng, visited Singapore in 1999, he complained that that the city–state was neither sincere nor forthcoming in providing Indonesia with economic assistance during the crisis.88 Drajad Wibowo, an Indonesian legislator in an interview with the New York Times, summed up the polarised relationship between Singapore and Indonesia in 2007 after Indonesia suddenly banned sand exports to the city–state, “On one hand [it is] a role model for development; on the other hand, many see Singapore as an arrogant economic giant, which is prepared to use its financial muscle to undermine neighboring countries.”89

5.8 Abdurrahman Wahid: Continual Decline of International Society

Given the personal differences between Habibie and Lee Kuan Yew, it was not surprising that bilateral relations were poor during his tenure. However, bilateral relations also did not improve when Abdurrahman Wahid took over, because he also found Singapore to be overly–arrogant. Wahid was the leader of Nahdlatul Ulama [NU], the largest Muslim organisation in Indonesia, and had no national political experience. As a result, his accession to the Presidency was largely unexpected. Since personal diplomacy between the two former long–time leaders Lee Kuan Yew and Suharto formed the foundation for the bilateral relations between the two states, these sudden and unexpected leadership changes in Indonesia caused a rupture in bilateral relations during the post–Suharto

87 Josey, Singapore, 163.
period as new leaders introduced new and unexpected changes to Indonesia’s foreign policy.

In Suharto’s concentric foreign policy approach, ASEAN states were the most important and they constituted the inner most concentric circle. Japan, China, and South Korea, which are part of the ASEAN plus Three grouping, constituted the second concentric circle. The last concentric circle consisted of states that are geographically distant from Indonesia, yet important, such as the United States and Britain. Instead of conforming to this traditional approach of attaching the most importance to neighbouring Southeast Asian states, Wahid broke with tradition and instead adopted an ecumenical approach in which he attempted to establish as many contacts and relations with as many countries as possible during his tenure.  

Due to his “well–known predilection for travelling”, Wahid implemented this foreign policy to diversify Indonesia’s external links since he also regarded “all countries as being equally important for Indonesia”. Consequently, Wahid visited 26 states in a four–month period because he wanted “to rebuild the good image of Indonesia in the eyes of the international community”. According to Anthony Smith, Wahid’s frequent travels had two objectives. Apart from improving Indonesia’s international image, the travels were also meant to establish Wahid’s status of an international statesman. With his focus on foreign relations, Wahid appointed Megawatti as the First Minister tasked with managing Indonesia’s day–to–day affairs. 

Wahid’s new approach did not achieve the desired outcomes. His ecumenical approach needed resources to succeed. In the aftermath of the Asian financial crisis, the Indonesian Foreign Service lacked the means and capabilities to carry out the increased workload. Hence, Dewi Fortuna Anwar criticised Wahid’s travels, which she perceived to

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92 Dewi Fortuna Anwar, “Megawatti’s Search for Effective Foreign Policy”, in Hadi Soesastro, Anthony L. Smith, and Han Mui Ling, eds., *Governance in Indonesia* (Singapore: Institute of Southeast Asian Studies, 2003), 78.
be “wide-ranging and eclectic”, as they lacked focus and did not result in any concrete gains for Indonesia. During his term, Wahid visited or planned to visit states such as Cuba, Iraq and Syria, which could do little to help Indonesia recover from the effects of the economic crisis. Demonstrating his lack of political foresight, Wahid went to Cuba after he visited the United States. Given the poor relations between the United States and Cuba, Wahid’s Cuba visit undid much of the good that came out of his United States visit. During this period, Indonesia needed the assistance of the United States and other United States–dominated organisations such as the IMF and the World Bank in order to recover from the worst effects of the crisis. However, by visiting states such as Cuba that were hostile to the United States meant that Wahid’s efforts at garnering support from this important partner were not as successful as they could have been.

Apart from not consolidating relations with close regional states by devoting time, albeit unsuccessfully, in order to establish improved relations with distant states, Wahid also did much damage to Indonesia’s relations with Singapore and ASEAN. For instance, Wahid attempted to undermine Singapore and ASEAN’s significance, the organisation traditionally deemed most important by Indonesia, when he attended the ASEAN leaders’ summit Singapore hosted in 2000. During the summit, Wahid proposed the admission of Papua New Guinea and East Timor into the regional grouping. However, Senior Minister Lee Kuan Yew dismissed the proposal outright. This was because Papua New Guinea was already a member of the South Pacific Forum, and so it cannot be a member of ASEAN as well. As for East Timor, its domestic political situation was not stable and its membership in ASEAN would be detrimental to the organisation’s interest. In response to Lee’s outright dismissal, Wahid suggested that Indonesia, Australia, New Zealand, Papua New Guinea and East Timor should form a separate West Pacific Forum that did not include any of the other existing ASEAN member states. This proposal to start a new regional multilateral institution was a blatant attempt by Wahid to show his displeasure against the perceived lack of help ASEAN provided to Indonesia during the economic crisis and the arrogance of the host state, Singapore.

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In response to Singapore’s perceived lack of assistance to Indonesia during the crisis, Wahid alleged: “It appears that Singapore and some other countries in the region only want to develop relations with China”. In retaliation to Singapore’s perceived lack of assistance, Wahid in November 2000 publicly stated that “Singaporeans despise Malays. We are considered non-existent”, and suggested that Malaysia turn off the taps that supplied water to Singapore. In another instance, Wahid threatened to “bomb” the new submarines Singapore bought. For Wahid to encourage Malaysia to cut off Singapore’s water supply, and for Indonesia to attack Singapore militarily, demonstrated both the extent and the rapidity of the deterioration in the bilateral ties between Singapore and Indonesia in the immediate post-Suharto period. More significantly, Wahid’s hostile pronouncements directed at Singapore evoked memories of Sukarno’s Confrontation policy, and again highlighted Indonesia’s desire to exercise regional leadership and not to conduct its bilateral relations based on the recognition of formal equality.

To argue that an international society of states between Singapore and Indonesia existed under Suharto’s leadership does not mean that bilateral problems did not exist; it simply means that when problems arise, there is a conscious decision by political elites from both states to resolve them in a manner acceptable to both parties based on the recognition of formal equality. Previously, Lee Kuan Yew and Suharto frequently heldanguage mata [four eyes] meetings. Since only the two leaders were present, they were able to discuss matters in a frank and direct manner. Under Habibie and Wahid, the consultative element was clearly absent as Indonesia repeatedly attempted to pressure Singapore into yielding to it by emphasising its status as the region’s primus inter pares through various public pronouncements.

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5.9 Megawati: A Brief Interlude

Under Megawati, relations between Indonesia and Singapore stabilised. This was because international and domestic developments made its regional foreign policy a less important issue. For instance, Megawati had to deal with renewed separatist movements in both Aceh and Papua after the East Timor episode; maintaining Indonesia’s territorial integrity therefore became one of the most important issues confronting her during her tenure. Furthermore, the 11 September terrorist attacks in the United States also diverted Indonesia’s attention away from conducting an active foreign policy. In 2002 and 2003, the Indonesia–based terrorist organisation Jemaah Islamiyah carried out bombings in Bali and at the Marriott Hotel in Jakarta. There was much international pressure on Jakarta to step up efforts to combat terrorism within its boundaries. Furthermore, the threat of terrorism also confronted other Southeast Asian states. Hence, the most important and pressing task was for regional states to cooperate and deal with this problem. This common goal led to a convergence of expectations that reduced regional friction. Consequently, Singapore worked very closely with its Indonesian counterparts in their joint bid to fight terror, a move that reduced much of the bilateral tension evident in the previous two administrations.

5.10 Susilo Bambang Yudhoyono: Singapore’s Negative Regional Reputation

The current bilateral relations between Singapore and Indonesia have yet to fully recover under Susilo Bambang Yudhoyono’s tenure; recent events such as the investigation into Temasek’s business activities in Indonesia’s telecommunications industry; the problems with ratifying the Defence Cooperation Accord [DCA] and the Extradition Treaty [ET]; and the sand ban suggests that Indonesia is not conducting its foreign policy based on notions of formal equality. In view of these developments, it is not in Singapore’s interests for the regional situation to be solely determined by Indonesia; there is a need for the presence of external powers in order to reduce the potential for Indonesia to adopt political brinkmanship in areas that threaten Singapore’s stability and security.

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100 Ganesan, Realism and Interdependence in Singapore’s Foreign Policy, 80.
5.10.1 Temasek issues

In October 2007, Indonesia’s Business Competition Supervisory [KPPU] charged Temasek Holdings, which is the investment arm of the Singapore Government, for price-fixing and anti-competitive actions in the Indonesian telecommunications sector. Temasek owns 76 percent of PT Telkomsel and Indosat – the two biggest telecommunication providers in Indonesia. Between them, these two companies have 80 percent of the cellular market in Indonesia.\textsuperscript{101} In November 2007, the KPPU found Temasek to be in breach of Indonesia’s anti-competitive laws for collusion and price fixing through its ownership of these two telecommunication firms.\textsuperscript{102} The Indonesian courts ordered Temasek to sell its stakes in two years time. At the time of writing, Temasek has indicated that it will lodge an appeal against the court’s decision. In the event that the appeal is overruled, Temasek is considering the use of international arbitration to fight its case.\textsuperscript{103} Even though this current case is between the Indonesian government and Temasek Holdings, which is essentially a commercial entity, it is imperative to remember that the Singapore Government owns this company. When Singapore Technologies Telemedia, a subsidiary of Temasek Holdings, finalised the deal, the \textit{New York Times} bluntly noted that, “The sale has political overtones; ST Telemedia is controlled by the government of neighboring Singapore”.\textsuperscript{104}

A degree of political fallout is to be expected from this fiasco. Temasek’s acquisition of these two telcos during the Asian financial crisis coincided with the


gloomy investment climate in Indonesia during Megawati’s presidency, when she was forced to privatise the telco industry in order to meet the conditions associated with the IMF’s $5 billion economic assistance package. At the time of the deal, Temasek’s actions boosted international confidence among investors and were welcomed by the Indonesian government as the revenue from the sale was used to reduce the budget deficit. When the deals went through, it was not regarded as an astute business move since values of Indonesian companies were falling drastically. Temasek was judged to have paid too much for its investments as it paid a 51 percent premium over the stock price to beat three other competing bids. However, with Indonesia’s economy recovering from the worst effects of the crisis and improved internal economic governance, these two previously under–performing companies Temasek invested in have turned the corner and became profitable again. The timing of the investigation into Temasek’s business activities coincided with the lead–up to the 2009 Indonesian presidential elections. With Megawati expected to be one of the frontrunners, the KPPU decision against Temasek was perceived to be politically motivated. This was because Megawati approved the sale when she was the President. Since the telcos are becoming profitable again, it would be very likely that the Indonesian public would blame her for her role in the telco sale, which would derail her election bid.

In business, there is always a degree of risk. However, unlike financial risks, political risks of this nature cannot be hedged against. As then–President and CEO of SingTel, Lee Hsien Yang pointed out in 2002, “going abroad is not without its risks. There cannot be absolute certainty and indeed going abroad in this region probably carries much more risks than going abroad in Europe in US or in Australia because the environment and the political situations are often more fragile”.

Although the Indonesian ruling against Temasek Holdings is unlikely to deal a heavy blow to bilateral relations, some negative effects are to be expected. This is because these regional commercial disputes only serve to entrench, if not confirm, the

prevailing perception of Singapore as a parasitic entity that benefits from exploiting its neighbours,\textsuperscript{109} thereby cementing Singapore’s reputation as an outsider. As Leifer notes, when Singapore became independent in 1965, it relied on attracting multinational corporations [MNCs] rather than depending on import substitution, which was the more conventional approach then. Due to the implementation of this unconventional economic strategy for development, the ensuing success Singapore enjoyed rendered it “an irritating exception” in the region.\textsuperscript{110} In 1978, Lee Kuan Yew said Singapore managed to develop economically more rapidly than other regional states because the Republic has “never suffered from any inhibitions in borrowing capital, know–how, managers, engineers and marketing capabilities”.\textsuperscript{111} Earlier in this same speech, Lee explained that Singapore did not adopt import substitution as it had seen the detrimental effects of such an undertaking Sukarno’s Indonesia experienced. It is exactly this sense of Singapore’s exceptionalism and superiority that does not endear the city–state to its larger and more populous, yet less developed states to the North and South respectively.

5.10.2  DCA/ET Issues

The deteriorating bilateral relations between Singapore and Indonesia do not just manifest themselves in the economic domain; it is also evident in the political domain as demonstrated by the problems associated with ratifying both the DCA and the ET. In 2005, Lee Hsien Loong and Susilo Bambang Yudhoyono held a retreat in Bali and both leaders agreed to negotiate for a DCA and an ET. They also committed in advance to negotiate and conclude these two treaties as a package. These two agreements aimed to foster greater bilateral cooperation and to improve ties that became strained in the post–Suharto period.

The two agreements benefit both states. As a land–scarce state, Singapore welcomes the DCA which allows it to conduct military training on Indonesian soil. For Indonesia, the ET was also beneficial. Its ratification was supposed to remove the thorny

\textsuperscript{109} Leifer, \textit{Singapore’s Foreign Policy}, 69.
\textsuperscript{110} Ibid., 68.
\textsuperscript{111} Lee Kuan Yew, “Extrapolating from the Singapore Experience,” in \textit{Special Lecture by the Prime Minister, Mr. Lee Kuan Yew at the 26th World Congress of the International Chamber of Commerce, Orlando} (Singapore: Singapore Government, 1978).
issue of wealthy Indonesians who have breached Indonesian taxation laws and later sought refuge in Singapore. They choose Singapore because it is the regional financial centre and is also very close to Indonesia. Furthermore, Singapore has no extradition treaty with Indonesia and so it was difficult for Indonesian authorities to deal with them legally, which perpetuated the vernacular belief in which many “[Indonesians] believe that Singapore has become a safe haven for criminals, particularly economic criminals, and that this has placed them beyond the law.”

Although there is no official estimate on the amount of the outflow of Indonesian capital to Singapore, the popular perception in Indonesia is that such outflows have had a detrimental impact on its economy, and especially so during the Asian financial crisis.

As was to be expected, the negotiation process was difficult and time consuming given the divergent nature of these two agreements. However, despite these difficulties, both states successfully concluded the negotiations for the ET and the DCA on April 23 2007. It was confirmed that these two agreements were to be signed on 27 April. The conclusion of the negotiations and the signing of the agreements were also reported in the press. However, the Indonesian government then unexpectedly changed its stance, and sought “to impose substantive changes and new conditions” concerning the training arrangements of the DCA. Singapore opposed Indonesia’s request to make changes to any terms that had already been discussed and agreed. Singapore’s stand was that as “the agreements are already settled, and the terms cannot be changed casually or piecemeal, without risking the whole package of ET and DCA unravelling”. As a result, talks on the revised agreement have been suspended indefinitely and “[w]hether or not the agreement will materialize, the two governments agree not to have further talks on the

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114 Leifer, Singapore’s Foreign Policy, 142, 144.
The Singapore Government consistently maintained that legal agreements between states cannot be changed unilaterally as doing so would undermine the sanctity of agreements in the future, or those already signed.

Indonesia placed undue pressure on Singapore in order to get its way during the negotiation phase. When the negotiations were underway, Indonesia imposed a sudden ban on the export of sand to Singapore. Previously Indonesia had also suspended the sale of sand to Singapore when Fisheries and Maritime Affairs minister Rohmin Dahuri accused Singapore of encroaching into Indonesia’s maritime borders due to land reclamation. During this period, there were several large-scale civil engineering projects in Singapore such as the construction of the new integrated resorts and extension of the Mass Rapid Transit system. Consequently, there was a strong demand in Singapore for a continual and steady supply of sand from Indonesia.

Initially, the Indonesian Government announced that environmental considerations were responsible for stopping the export of sand. However, Primo Alui Joelianto, Indonesia’s Foreign Ministry’s director general for Asia, the Pacific and Africa, stated in a Jakarta Post interview that the sand ban’s underlying rationale was to put pressure on Singapore to resolve political issues such as extradition and border negotiations. Further undermining Indonesia’s official stance that environmental protection was the sole motivation behind the sand ban, Vice Admiral Djoko Sumaryono admitted the move was to pressure Singapore into resolving outstanding bilateral issues such as the extradition agreement. Likewise, Fisheries and Maritime Affairs minister Freddy Numberi admitted, “Politically we banned the export of sand because we wanted it to have a larger economic value and we also wanted to settle our border disputes with Singapore”. However, these statements “contradict categorical assurances” from Foreign Minister Hassan Wirajuda that environmental concerns were the only

considerations behind the termination of the sale of sand.\textsuperscript{124} Singapore does not have any natural resources and it is dependent on Indonesian sand exports to meet its construction industry’s needs. Despite being the most developed Southeast Asian state, Singapore is still unable to transcend its dependence on regional states, a condition that prompted \textit{Asiamoney} to conclude “it just goes to show that even AAA-rated, first–world states can still be bullied if their developing neighbours are big enough”.\textsuperscript{125}

During this fiasco over the export of sand, the Indonesian Democratic Party of Struggle [PDI–P] argued that Indonesia should not give in to Singapore. “As a big country, we don’t have to be afraid of taking action against Singapore, including breaking diplomatic relations.”\textsuperscript{126} This episode again demonstrated Indonesia’s continual perception of itself as Southeast Asia’s leader and another attempt to remind Singapore of its subordinate position in the regional hierarchy. Singapore Foreign Minister George Yeo was philosophical about the situation. He reasoned, “from time to time, we must expect countries to pressure us in the hope that we will then give way to their demands. Singaporeans know that if we give in to such pressures, we would only invite more such pressures”.\textsuperscript{127} Currently, Singapore is actively seeking alternative sources for sand, and the Singapore government is releasing sand from its stockpile to meet the local construction industry’s demand.

\textsuperscript{125} “Final Word: Singapore’s Sandstorm,” \textit{Asiamoney}, 14 March 2007. There was also an unofficial ban on the supply of granite to Singapore. A month after the imposition of the sand ban, the Indonesian navy detained 22 barges ferrying granite bound for Singapore on the grounds that they were smuggling sand to the city-state. Even though there was no official restriction on the export of granite, the detention amounted to a \textit{de facto} ban since large barge operators were not keen to sail to Singapore for fear of having their barges and cargo detained by the Indonesian authorities.

5.12 Conclusion

In August 2004, Lee Hsien Loong took over from Goh Chok Tong and became Singapore’s third Prime Minister. Indonesia’s Department of Foreign Affairs took this opportunity to register Indonesia’s unhappiness over the perceived arrogance of Singapore towards Indonesia in the post–Suharto period. Indonesia’s Foreign Ministry stated it hoped Singapore would become a better neighbour under Lee Hsien Loong’s administration and not “merely concentrate on the progress of its people, but also – as they have previously conducted – will pay more attention to the efforts in enhancing cooperation among ASEAN member countries”.128

The above quote very succinctly sums up the state of the bilateral relations between Singapore and Indonesia post–1998 and illustrates the retreat of the element of international society. Although both states continue to interact after Suharto stepped down, the above analysis has shown that the nature of such state–to–state interaction tends to be not only adversarial, but more importantly, ad hoc. An international society can exist in the presence of bilateral disputes if there is a conscious decision by both states to resolve them in a mutually acceptable manner. This congruence of expectations is currently lacking; consequently, this retreat of international society has had a detrimental effect on their bilateral relations in the post–Suharto era.

By virtue of its history as well as its geographical and population sizes, Indonesia is arguably the most dominant state in Southeast Asia; Singapore is cognizant of this fact. Yet, at the same time, Singapore has resisted Indonesia’s dominance on either Singapore or the region. If Indonesia were not to conduct its bilateral relations with Singapore based on the continual recognition of formal equality between them, and Singapore were to tolerate this development, the city–state would be exposing itself to unnecessary interference in future. Given the rapid pace of drastic changes among the top echelons of Indonesia’s political elite, any Indonesian thrust to be the sole kingmaker in Southeast Asia would be detrimental to Singapore’s regional viability. To borrow Tan Sri Ghazali Shafie’s gastronomic metaphor, Singapore then has to play a double game with Indonesia,

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128 Department of Foreign Affairs, “Main Points of Press Briefings by the Spokesperson of Department of Foreign Affairs Dr. Marty Natalegawa,” http://www.deplu.go.id/?hotnews_id=415.
similar to Malaysia’s policy towards China of “serving sweet and sour fish”.  

129 What is meant by this metaphor is that Singapore’s foreign policy ought to demonstrate self-restraint to induce Indonesia to exercise restraint and to observe the principle of formal equality in their interaction, which is also important in the context of Singapore–China relations.

6. SINGAPORE–CHINA RELATIONS: A FINE BALANCE

Singapore normalised relations with China on 3 October 1990 following Indonesia’s decision to do so on 8 August 1990. However, even before diplomatic relations were established, Singapore already had substantive ties and interactions with China on multiple levels. The rise of China is an important issue facing Singapore’s foreign policy. Singapore recognises that closer relations with China are beneficial. Yet, given the region’s ethnic composition, Singapore cannot be perceived by neighbouring states to be overly eager in engaging China for fear of being accused as bandwagoning with China against the dominant Malay populations. Consequently, Singapore’s foreign policy towards China has to achieve a fine balance. Just as the city–state seeks to improve relations with China, and to facilitate its interaction with regional states through meaningful participation in various ASEAN–centric multilateral groupings, Singapore also has to ensure that any such actions would not be detrimental to its regional position. The city–state has to ensure the pace and depth at which its relations with China develop are not regarded to be out–of–step with regional sensitivity. At the same time, Singapore also does not want China to dominate the regional geopolitical environment. In order to resolve these issues, Singapore has consciously pursued a policy of balance of power through its ties with Taiwan and India respectively so that China is not in either a socially or politically dominant position, and at the same time, to re–assure regional neighbours that sharing a common ethnicity does not mean that Singapore is an extension of China.

This chapter argues that for Singapore to achieve these two objectives, it has to ensure its interaction with China takes on the form of an international society, which is this chapter’s dominant motif. Establishing an international society is important because it ensures a congruence of interests as well as expectations, a move that safeguards Singapore’s continual importance and relevance to China. To form an international society, Singapore and in particular, China, which has more resources at its disposal and therefore more likely to regard itself as the primus inter pares, must be made “conscious of certain common interests and common values”. Consequently, this awareness of shared values and objectives makes them “conceive themselves to be bound by a common set of rules in their relations with one another, and share in the working of
common institutions”,¹ a development that increases the elements of stability and predictability in this bilateral relation. Through focusing on the evolution and the factors behind such changes, this chapter puts forward a narrative of how Singapore is constantly re-inventing itself to maintain its continued relevance to China, and how the city-state has, at the same time, anchored itself through bettering relations with Taiwan and India to balance against China and not be drawn into China’s political orbit.

To this end, this chapter discusses how Singapore judiciously maintains the balance of power by moderating its interactions with China through both bilateral and multilateral channels. Bilaterally, Singapore has leveraged on its military and economic ties with Taiwan to dispel, or at least minimise, regional allegations of Singapore as a Sinic outpost. Multilaterally, Singapore has been a keen advocate for Chinese membership in various ASEAN-centric institutions. Admittedly, this policy is expressly pursued in order to minimise any claims by regional states that Singapore is overly enthusiastic in establishing relations with China. At the same time, Singapore’s support for Chinese participation in these multilateral groupings ensures that China is given an opportunity to influence and shape the rules and norms that govern their interaction. In this scenario, it would be less likely that China would either ignore or transgress these rules and norms that it had a direct part in writing, which makes the resulting code of conduct legitimate. Singapore’s objective aim in pursuing these different policies is to ensure that its immediate strategic environment remains orderly, and its pursuit of order is congruent with the English School theory. Adjusting and allowing for increased Chinese involvement is vital for “a society without the means of change is without the means of preservation”.²

However, given China’s growing economic and political presence, it is increasingly in the position to influence the regional geopolitical agenda. To minimise the risk of this development, Singapore has also sought to institutionalise relations with India to ensure that it has a wider range of options at its disposal, so that China does not become the sole arbitrator of the regional geopolitical agenda. Singapore’s ability to pursue and achieve these aims show that states are able to influence the anarchical

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¹ Bull, Anarchical Society, 13.
structure they inhabit. More importantly, Singapore is able to pursue this course of action against a state as large and powerful as China demonstrates that states do observe rules and norms thereby explaining the existence of order in international relations.

6.1 Singapore–China Relations: Historical Overview

After Raffles founded Singapore in 1819, it developed rapidly into a thriving free port. Economic opportunities in Singapore attracted many ethnic Chinese migrants to seek employment there. Within a short span, ethnic Chinese overtook indigenous Malays to become the largest ethnic group on the island. The influence and significance of China to Singapore is evident in Lee Kuan Yew’s memoirs where he writes: “No foreign country other than Britain has had a greater influence on Singapore’s political development than China, the ancestral homeland of three-quarters of [Singapore’s population].”

Despite the close historical links between Singapore and China, their relations during the Cold War deteriorated. With the threat of Communist expansion being very real, Singapore remained diplomatically aloof and distant from China in order to prevent Communist ideology from taking root in Singapore. Predictably, Singapore’s relations with China did not get off to a good start. When Singapore became independent in August 1965, China did not recognise the city-state. This was because China supported its ideological counterpart – the Malayan Communist Party [MCP], which opposed the People’s Action Party and wanted to use force to overthrow the government. Even though Singapore did not normalise relations with China until October 1990, there were still substantive contacts between them, only that they were not labelled to be diplomatic in nature. For instance, Singapore allowed a Bank of China branch to operate in the city-state since 1936. Initially, the bank was set up to provide a channel for ethnic Chinese in Malaya and Singapore to provide financial support for anti-Japanese activities in the mainland. In later years, apart from carrying out its usual commercial operations, the bank also served the functions of a quasi-embassy until 1981 when trade offices were established in both Singapore and China.

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3 Lee, From Third World to First, the Singapore Story: 1965–2000, 573.
4 Leifer, Singapore’s Foreign Policy, 109.
5 Ibid., 112.
When Singapore merged with Malaya to form the Federation of Malaysia in 1963, the new Federal government passed a law banning foreign government–owned banks, such as the Bank of China, from operating in the Federation. Although this was a blanket ruling, Tungku Abdul Rahman was targeting the Bank of China branch in Singapore. The Malaysian leader charged the bank in the post–war period to be a front for the Chinese government to raise funds to undermine the formation of the Federation of Malaysia. The Bank of China’s operating licence was due to lapse on 31 August 1965. The new Federal government indicated that it would not be renewed, meaning that the bank had to cease its operations. As part of the Federation, Singapore had to abide by this new law.

However, since Singapore left the Federation unexpectedly on 9 August 1965, this banking regulation no longer bound it. The Bank of China was dealt a lifeline as the new Singapore government allowed the branch to continue operating, which was the only one in Asia outside of China. It is important to note that the government of a newly independent Singapore made the conscious effort to renew the bank’s operating license. This conciliatory gesture indicated that Singapore was keen to maintain some form of working contact with communist China. This episode demonstrated that even though there were serious ideological differences between Singapore and China during the Cold War, economic and commercial considerations continue to exercise significant influence on Singapore’s foreign policy towards China. This pragmatic separation of politics from economics is hardly unexpected as Singapore’s national role conception is that of a trading state.

Even during the ideological excesses of the Cultural Revolution from 1965 to 1975, not only did trade not follow the flag and decrease as expected, it instead registered a healthy increase. Although Singapore opposed Communism, it recognised the economic and social benefits from having closer commercial relations with China. From Singapore’s perspective, allowing cheap Chinese imports helped keep its domestic inflation low, which was vital in maintaining Singapore’s domestic stability. In his

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8 Ibid., 3–4.
9 Leifer, *Singapore’s Foreign Policy*, 111. See also Josey, *Singapore*, 186.
memoirs, Lee Kuan Yew reiterated Singapore’s flexible and pragmatic approach towards China. For instance, the Singapore government “arrested and prosecuted [its] own citizens who indulged in [pro–Communist activities], [the government] left Chinese nationals alone to keep open trade with China”. ¹⁰ Although there were instances of Chinese propaganda materials circulating in Singapore such as when Chinese seamen brought copies of Mao Zedong’s books and other Communist literature onshore, and the Bank of China broadcasted Communist propaganda in its Singapore branch, ¹¹ the Singapore government did not enforce a complete ban on such activities even though it could do so.

According to Leifer, Singapore’s decision to renew the Bank of China’s operating licence was why China tolerated Singapore despite its strongly anti–communist record. ¹² However, bilateral relations remained poor as reflected by the New China News Agency’s report on the above decision. The agency only reported that the move was “beneficial to the development of the economy of Singapore” and also “beneficial to the development of friendly ties between the peoples of Singapore and China”. ¹³ The report did not touch on the development of friendly state–to–state relations as China had yet to recognise Singapore’s sovereign status due to its committed anti–Communist stance. This omission by the official Chinese state media indicated that although economic interactions were important, they were unable to eradicate all friction present in this bilateral relationship. There were obvious limitations to what economic considerations could achieve.

Although Singapore and China interacted with each other, such contacts did not constitute an international society. This was because the two states did not share common values; they did not perceive themselves to be bound by a common set of rules or norms. China during the Cultural Revolution did not recognise Singapore’s sovereign status. This ensuing lack of recognition meant that such engagements lacked “substance” and “a prospect of permanence” for they were conducted “outside the framework of an international society of which the parties of both sides were members with like rights and

¹⁰ Lee, From Third World to First, the Singapore Story: 1965–2000, 637.
¹² Leifer, Singapore’s Foreign Policy, 111.
¹³ Wu, The Strategic Land Ridge, 83.
duties”. From the English School perspective, members of international society have the same duties and obligations, but this principle does not mean that equality extends to all spheres or to the same extent. Equality, from the English School perspective, places primacy on order over justice, and does not indicate formal equality in all areas. The theory recognises that states have varying capacities to perform these duties and obligations. Rather, it emphasises the recognition that all states within international society can expect to enjoy the same rights because “each state accepts the duty to respect the sovereignty or supreme jurisdiction of every other state over its own citizens and domain, in return for the right to expect similar respect for its sovereignty from other states”. Formal equality, as opposed to absolute equality, between states is therefore a key condition for the formation of an international society of states.

China’s initial non-recognition of Singapore’s sovereign status therefore indicated that the “sense of common interests is tentative and inchoate” and so their interaction did not take on the form of a common international society then. This is because both states see the other as not existing in their respective international societies; each state exists in a different one and the rules of co-existence are not present. On this point, Hedley Bull explains that such a development is possible as the respective actors consider the other as “person non grata” on the same basis – namely that the other actor does not conform to their particular version of an international society.

6.2 The Road to Normalisation: Foundations of International Society

A breakthrough in Singapore’s bilateral relations with China came in March 1975 when Foreign Minister S. Rajaratnam visited China and met with Chinese Premier Zhou Enlai. This meeting was a historic event as it represented the first time senior leaders from both sides met face to face in an official context. Even though Malaysia had already exchanged trade missions with China in 1971, and subsequently recognised China on 31 May 1974, Singapore deferred to Indonesia and did not use the occasion to normalise

14 Bull, Anarchical Society, 15.
15 On this point, Bull quotes Aristotle who argues “injustice arises when equals are treated unequally and also when unequals are treated equally”. Ibid., 80.
16 Ibid., 70.
17 Ibid., 42–3.
diplomatic relations with China. Given the underlying ethnic tension in Southeast Asia, China understood Singapore’s position and was “willing to wait for Singapore’s convenience” to do so. Recalling his first visit to China, S. Rajaratnam commented that Chinese Foreign Minister Qiao Guanghua invited him because China “wanted to find out where the loyalties of the only largely Chinese–controlled independent state outside China lay. Unlike Taiwan and Hong Kong, Singapore was not a part of China. “How strong, they wanted to find out, was the pull of the ancestral homeland”.

After Rajaratnam visited China in March 1975, Lee Kuan Yew made his first official visit to China in May 1976. As a reflection of China’s desire to improve ties with Singapore, Chairman Mao, despite his ill health, still made time to meet Lee Kuan Yew. In fact, Lee was the last foreign dignitary Mao received as he passed away soon after. According to S. Rajaratnam, Mao’s audience with Lee was an attempt “to categorically affirm China’s friendship with Singapore”. Although Singapore’s relations with China were improving, Lee did not want regional states to perceive Singapore as a Chinese offshoot by purposefully speaking only in English when attending all official functions in China. He also ensured Singapore’s delegation represented the city state’s ethnic composition by including S. Rajaratnam and Ahmad Mattar, who were Tamil and Malay respectively, in order to minimise any possible perception by either China or regional states that Singapore was a Sinic outpost.

6.3 Singapore–China Relations: Heightened Regional Sensitivity

As late as the mid–1980s, Tilman observed, “In some countries there is a tendency to link the PRC with domestic unrest through the vehicle of the local Chinese minority, while others tend to disassociate the local Chinese from the PRC but to hold their domestic Chinese responsible for a major internal economic threat with serious international

18 Lee, “China’s Changing Attitude Towards Singapore 1965–1975,” 36. This account was later confirmed by Lee Kuan Yew, From Third World to First, the Singapore Story: 1965–2000, 673.
20 Ibid., 120.
21 Leifer, Singapore’s Foreign Policy, 113.
implications”. Either way, ethnic Chinese are invariably blamed for domestic problems. By extension, Singapore, with its large ethnic Chinese majority, is then deemed complicit in, or responsible for regional problems.

Ethnicity is exclusive. It is a clear marker of difference. The consequent lack of trust by the indigenous Malay populations towards ethnic Chinese in their states, and by extension to Singapore, although irrational, lingers on and cannot be eradicated. In General L. Benny Moedani’s opinion:

Singapore will remain as a strategic enigma of the region. Some people are saying that Singapore is becoming or going to become part of China. Years ago I read a book calling Singapore the Third China. So you had Communist China, Taiwan China and then Singapore. Now, I have heard that some people in Singapore have mentioned that Singapore should look back at its origins, basically China. I do not really know what is meant by this. That is one scenario, especially if the two strong Muslim neighbours of Singapore, Malaysia and Indonesia, become more aggressive and less accommodating towards Singapore...

To complicate matters further, China has a history of using the term “Overseas Chinese” [华侨] in an ambiguous manner to refer to both Chinese citizens residing overseas and ethnic Chinese who are citizens of other countries. Stephen Fitzgerald writes that one of the ways the CCP has used the term “Overseas Chinese” is to denote “mainly Chinese nationals but also including all those who still maintained some attachment to the Chinese homeland”. These assumed linkages were thought to be very strong. James Rosenau posits that the key explanation is because:

For various reasons the Chinese in Southeast Asia have becoming leading merchants of these countries and in turn, are subject to oppressive taxation and discrimination in many ways. They naturally turn to China for protection ... Hence, this minority group becomes involved in the eyes of the dominant majority in these countries, a potential fifth column, to which is added the

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problem of whether or not the Communist Party will succeed in organizing these Chinese minorities.\textsuperscript{26}

Various Southeast Asian governments therefore question the political loyalties of their ethnic Chinese citizens. A consequence of the Chinese government’s loose usage of this term was that the Malay majority continually view the ethnic Chinese minority with much distrust, a move that contributes to lingering antagonism towards Singapore. This was because even decolonisation, many ethnic Chinese in Southeast Asia were not eligible for citizenship in their countries of residence.

\textsuperscript{27}This historical national inclination of the overseas Chinese looking to China for political leadership is not applicable now. However, this outdated perspective cannot be completely eradicated even in the contemporary context. This is because this notion provides the [flawed] legitimacy for various regional governments to continue to discriminate against their ethnic Chinese populations based on their suspect political inclinations and allegiances. Similarly, older ethnic Chinese who received Chinese education and therefore have stronger Chinese cultural backgrounds in Singapore are still sometimes regarded by Malays in regional states to be Chinese nationals rather than Singaporeans.\textsuperscript{28} This development is very real. For instance, Lee Kuan Yew spoke plainly and described the suspicions regional states have towards Singapore as “visceral”,\textsuperscript{29} since the indigenous peoples of Southeast Asia will always distrust the ethnic Chinese among them.\textsuperscript{30}

\subsection*{6.4 Perception and Misperception}

The image of ethnic Chinese in Singapore and the region described above by Lee and Barber is both outmoded and inaccurate. Yet, this is still a widely held image in

\begin{itemize}
\item \textsuperscript{27} For a comprehensive discussion of ethnic discrimination towards the Chinese during the decolonisation phase in Southeast Asia, see Walter H. Mallory, “Chinese Minorities in Southeast Asia,” \textit{Foreign Policy}, 34, no. 2 (1956): 258-270.
\item \textsuperscript{28} Suryadinata, \textit{China and the ASEAN States: The Ethnic Chinese Dimension}, 18–9.
\item \textsuperscript{29} Lee, \textit{From Third World to First, the Singapore Story: 1965–2000}, 599.
\end{itemize}
Southeast Asia. This discrepancy arises, because as Jervis states, “Accurate images are not automatically accepted, especially when the perceiver has reason to believe a state would like an image accepted whether it is accurate or not”. Boulding also supports Jervis’ stance by arguing that political elites generally interpret and perceive political developments in a haphazard manner. The process of reality formation is based largely on “a melange of narrative history, memories of past events, stories and conversations, etc., plus an enormous amount of usually ill-digested and carelessly collected current information”, which also echoes A.J.P. Taylor’s argument that individuals “use the past to prop up their own prejudices”.

Singapore cannot afford to acquire the reputation of being under China’s political sway, which would prove detrimental to Singapore’s regional well-being. However, what Singapore can do is to emphasize the distinction between its political identity and ethnic identity so as to have a buffer in its relations with its immediate neighbours, which Singapore has done through its ties with Taiwan.

6.5 Singapore and Taiwan Relations: A Buffer

Although ethnic Chinese constitute the vast majority of Taiwan’s population, closer relations with Taiwan may mitigate some of the latent ethnic tension and hostility in Southeast Asia directed at Singapore. Through the bentuhua policy, Taiwan has managed to successfully establish and consolidate its own unique national identity, one that is substantially different from China’s. John Makeham defines bentuhua as “a type of nationalism that champions the legitimacy of a distinct Taiwanese identity, the character and content of which should be determined by the Taiwanese people.” Through implementing this policy, Taiwan strives to achieve its own national and political

31 Lee Kuan Yew asked Vietnamese Prime Minister Pham Van Dong why he had problems with the ethnic Chinese in Vietnam. Pham Van Dong’s “blunt answer was that, as an ethnic Chinese, [Lee] should know that ethnic Chinese would always support China all the time, just as Vietnamese would support Vietnam, wherever they might be.” See Lee, From Third World to First, the Singapore Story: 1965–2000, 599.
32 Jervis, The Logic of Images in International Relations, 11.
identities that are distinct from China’s. Singapore’s development of relations with Taiwan has the potential to reduce tension the city–state faces in the region because of historical misperceptions over the political allegiances of ethnic Chinese there.

In 1949, the Kuomintang [KMT] lost the civil war and formed a government–in–exile in Taiwan. Then, mainland elites, who perceived the KMT to be the legitimate government of both the Republic of China [ROC] and the People’s Republic of China [PRC], dominated the party. However, as more and more Taiwanese were born in Taiwan, this demographic change meant that Islanders became an increasingly significant political force in the ROC. The Islanders perceived themselves to be different from the mainland Chinese in Taiwan. Due to such demographic changes, the KMT introduced the bentuhua policy to appeal to the increasing number of Islanders in Taiwan and maintain its political relevance. These individuals have little to no emotional ties with China, who then perceived the KMT, whose senior ranks were dominated by Mainlanders, to be unrepresentative. The KMT’s fundamental aim of bentuhua was to find common political ground between these two groups and to remain in political power.36

Apart from the increasing numbers of Islanders, the growth of the dangwai [黨外] movement was also another catalyst for KMT to undertake democratic reform and political reorganisation in Taiwan. Due to this ongoing democratisation process, Taiwan began to acquire an overall identity that became increasingly different from that of China’s, so much so that “Chineseness” no longer constitutes the core element of Taiwanese identity.37 Although the populations of both Taiwan and China belong to the same ethnic group, the bentuhua policy has resulted in these two groups developing significantly divergent political identities over the past 20 years. Taiwanese President Lee Teng–hui’s commencement address at Cornell in 1995 explained why Taiwan’s identity is distinct from China. In this speech, Lee described Taiwan’s unique political and

cultural development over the years as the “Taiwan Experience”. Furthermore, the Democratic Progressive Party [DPP] when Chen Shiu–bian was President, also moved to downplay Chiang Kai–shek’s legacy in Taiwan, and the fundamental objective in the process of de–Sinification is to distance present–day Taiwan from its former mainland ties by creating an indigenous identity unique to Taiwan. Politically, Taiwan during the leaderships of Chiang Kai–shek and Chiang Chin–kuo was highly authoritarian. Taiwan’s political culture was therefore, largely similarly to that of China. Economically though, Taiwan was vastly different from China. Taiwan has always been a capitalist economy whereas China is still officially a socialist economy today. However, the implementation of bentuhua expedited the democratisation process, Taiwan’s political culture changed rapidly such that in recent years, democratisation has become the defining trait of bentuhua. As a result, economic differences are no longer the only defining characteristic that differentiates Taiwan from China.

Even though Singapore’s pursuit of closer economic, military and political relations with Taiwan will elicit significant opposition from China, which continually seeks to restrict Taiwan’s diplomatic space, it is still important for Singapore to persist in this potentially costly course of action. As Schelling rightly argues, “Words are cheap [and] not inherently credible…Actions…prove something; significant actions usually incur some cost or risk, and carry some evidence of their credibility”. Lee Hsien Loong’s private visit to Taiwan in July 2005, in spite of “Chinese bullying”, was a manifestation of Singapore’s adherence to Schelling’s argument. Although the Chinese government made “solemna protests” against this trip, he still went ahead with the planned

39 Lee Teng–hui: “What actually is the goal of Taiwan’s democratization? Speaking simply, it is the „Taiwanization of Taiwan”(台灣的本土化).” Quoted from J. Bruce Jacobs, “ „Taiwanization” in Taiwan’s Politics” in Makeham and Hsiau, eds., Cultural, Ethnic, and Political Nationalism in Contemporary Taiwan: Bentuhua, 17.
40 Commenting on Lee Kuan Yew’s first visit to China, Leifer said that “the prospect of Singapore getting too close to Beijing were almost certainly allayed by the inspired revelation that Singapore’s servicemen, including pilots, had been receiving regular military training in Taiwan”. Quoted in Leifer, Singapore’s Foreign Policy, 114.
41 Schelling, Arms and Influence, 150.
It was important to proceed with the visit, as any deviation due to Chinese pressure would undermine the autonomy of Singapore’s foreign policy, and suggest to regional states that China exercises direct control of Singapore’s foreign policy, or that Singapore has a “pseudo–exclusive” relationship with China. Furthermore, as the Prime Minister–elect, Lee’s private visit to Taiwan signalled Singapore’s ongoing commitment towards maintaining links with Taiwan. Even though Lee Hsien Loong’s visit was described as “private”, nevertheless, it was conducted at the highest level as he met with Taiwan’s president, Chen Shiu–bian as well as other senior members of the Taiwanese cabinet. More importantly, the visit demonstrated to neighbouring states that Singapore’s foreign policy is not influenced by China, a move that distances it from the regional belief that the Republic is a Chinese satellite state.

It is important for Singapore to have good bilateral relations with China. However, Singapore has to perform a balancing act because it needs to ensure regional states do not interpret its actions to be overly enthusiastic or that Singapore is bandwagoning with China. Given the regional ethnic composition, the pace and depth in which bilateral ties between Singapore and China develop have to be moderated by these deep–seated sensitivities. For instance during the Asian Financial Crisis, Indonesian President Abdurrahman Wahid alleged: “It appears that Singapore and some other countries in the region only want to develop relations with China”. Wahid was unhappy that Singapore’s economic assistance was not as forthcoming as he would like it to be. An effective way for Singapore to prevent a recurrence of such accusations would be for it to leverage on its existing ties with Taiwan. As early as 1965, Singapore was already indirectly demonstrating its support for Taiwan. Before then–deputy Prime Minister Toh Chin Chye left for the United Nations on 21 September 1965, he stated that although Singapore understood China’s desire for re–unification, it also supported Taiwan’s position. When the membership issue was put to a vote at the UN in 1971, Singapore voted for China’s admission, but abstained from voting for the expulsion of Taiwan as a sign of support. Singapore’s adoption of a hedged position and not to bandwagon with

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44 Richardson, “Wahid Speech Said to Assail Singaporeans.”
China was because the city–state recognised that a successful and viable Taiwan could be a useful foil against the entrenched regional belief that the city–state is influenced unduly by China due to ethnic and cultural similarities.

6.6 Singapore as China’s Sponsor: Ensuring Malleability of Geopolitical Status Quo

Maintaining closer ties with Taiwan may render the regional order more hospitable to Singapore. However, closer links with Taiwan will invariably affect Singapore’s relations with China. In order to successfully execute this precarious balancing act, Singapore has therefore sought to make itself relevant and important to China so as to maximise the prospects for bilateral relations in the latter context to be strong as well. To achieve this end, Singapore has sought to serve as an intermediary for the Chinese government in its early interaction with other states, and later as a domestic governance model for the Chinese government. Singapore is aware of the need to engage China. In 1994, Lee Kuan Yew stated: “For the world’s stability and security, integrating China into an international framework is not a question of choice but of necessity”. There was a need to shift the discourse away from the simplistic Manichean terms, and Singapore’s strident defence of Asian values during the early 1990s focused attention on political pluralism and diversity in international relations, which helped eased China’s membership to international society.

Singapore’s foreign policy seeks to maximise order, which should not be considered as only achievable in the absence of change. As Lee’s earlier quote made clear, order as understood by Singapore is “the expectation of a stable adaptation to change in the relations between states … as a function of the way the whole system is structured”. Consequently, Singapore has been a strong proponent of increasing the avenues available for China to participate meaningfully in the region so that China’s actions as well as the regional response can evolve in tandem with each other. In this

context, both Southeast Asian states and China are then able to slowly calibrate their respective policies towards each other, and not introduce drastic or unexpected policies that may undermine regional order.

According to Lee Kuan Yew, China’s heightened sensitivity towards any real or perceived attempts to check its current rise is due in large part to its marginalisation and exploitation by Western states during much of the 19th and early 20th centuries. China’s period of decline was marked by the signing of the Treaty of Nanking in 1842 after being defeated by Britain in the Opium War.\footnote{Han Fook Kwang, “SM’s Warning over China’s Growing Power,” \textit{Straits Times}, 15 May 1993.} Wang Gungwu also argues that from the 1840s until 1949, this bleak period was a century of humiliation for China as foreign powers dominated the once–powerful Middle Kingdom and reduced it to the status of a pseudo–colony. China’s negative historical experience interacting with more powerful states such as Britain and Japan demonstrated that its previous experience with international society has not been entirely smooth and so other states are somewhat wary of Chinese actions in the present since it is able to assert itself more forcefully now.\footnote{Wang Gungwu, “China and Southeast Asia: Myths, Threats and Culture,” (Singapore: World Scientific, 1999), 16–18. See also Zhang, \textit{China in International Society}, 9–10.} Hence, how other states respond to China’s rise would be one of the key determinants as to whether China observes these institutions or chooses to disregard them. If other states are able to accommodate China’s rise, it then has less need to upset the status quo. If not, then it would be possible that China could become a revisionist state in the long term. This is because if China finds itself to be at odds with international society, it would seek to make changes to the system, a move that undermines international order.\footnote{David Armstrong, \textit{Revolution and World Order: The Revolutionary State in International Society} (Oxford: Claredon Press, 1993), 7.} What Singapore has attempted to do thus far is to be an interlocutor to facilitate and ease China’s re–entry into international society in an orderly manner so that any changes made are within the system.\footnote{For a discussion on the differences between changes to the system and changes in the system, see Robert Gilpin, \textit{War and Change in World Politics} (Cambridge: Cambridge University Press, 1981), 42–49.}

Given the negative Chinese experience with Western states until 1949, it is understandable that China is currently wary of multilateral organisations, which tend to be dominated by Western states.\footnote{On the important of prior experience in determining a state’s present behaviour, see Ibid., 51.} Even when China joins these organisations, “including
those devoted to economic, environmental, nonproliferation, and regional security issues, it joins such organizations to avoid losing face and influence...Chinese analysts often view international organizations and their universal norms as fronts for other powers”.

Hence, Harry Harding and David Shambaugh conclude that the Chinese “ambivalence towards cooperation has not been completely resolved” as “Chinese leaders will continue to view international regimes with suspicion, especially those whose rules they did not help to write”.

To downplay the effects of this mentality, Singapore has therefore been active in engaging with China both bilaterally as well as multilaterally so that the latter is given an input to shape the code of conduct that governs its interaction with Southeast Asian states. With ASEAN–centric multilateral institutions, the above psychological barriers are absent. Unlike most multilateral regimes dominated by Western states, Southeast Asian states, acting as a collective entity, dominate institutions such as ASEAN and the ARF. The geopolitical terrain in Southeast Asia is therefore less threatening for China. Furthermore, it is also important for Singapore and the other Southeast Asian states to engage and socialise China into the regional code of conduct, because if and when it does become a hegemonic power, China can “afford not to learn”, and ignore the rules of engagement.

In broad strokes, it is fair to argue that China is generally more receptive towards observing norms concerning economic issues, and that it is less receptive towards adhering to norms concerning political and security issues. This distinction is very different from saying that international society does not exist at all between China and Southeast Asian states. Jusuf Wanandi makes a valid argument that explains why the element of international society is not as developed in all fronts:

It should be recognised that she has been isolated for so long and therefore needs a lot of understanding and patience. This should not mean “kow–towing” to her or joining the Chinese “bandwagon” to secure a relationship with China for the longer future when she becomes a great power. The problem is how to make her realize when she has made mistakes. If it is done in a friendly way, and not in

public, she might listen. This could take some time to have an effect, because it might not be understood by her or her face is at stake or simply due to her cumbersome layers of bureaucracy.  

6.7 Inducting China to International Society

China has a long and continuous national history, but its existence as a modern state in its current political form dates back to only October 1949. Furthermore, between 1949 and 1978, China was essentially a closed state. Even though it had some contacts with the outside world, they were mostly adversarial in nature such as through military conflicts with India or the support of Communist parties in Southeast Asia; associational aspects were largely missing such as when Mao Zedong suddenly recalled all Chinese ambassadors with the exception of Huang Hua in Cairo in 1969. Furthermore, until 1971, it was the Republic of China and not the People’s Republic of China that held the Chinese seat in the United Nations.

International society, by definition, entails some forms of interaction and cooperation among states. From 1949 until 1978, China was challenging and undermining the legitimacy of international society by exporting its Communist ideology to various Southeast Asian states. Then, it saw itself as the “revolutionary bastion against imperialism, revisionism and all reactionaries”, and formally opposed states that did not subscribe to the same ideology. China requires time to learn the mores of interaction within international society and other states need to be aware that this learning curve exists. However, it is also important to note that China’s orientation and integration into the international society has been relatively rapid and smooth since 1978 after Deng consolidated his power in the CCP. Consequently, J.D. Armstrong argues that it is possible for previously revolutionary states such as China to be successfully socialised into international society. Likewise, Alastair Johnston makes a similar argument.

57 Jusuf Wanandi, Asia Pacific after the Cold War (Jakarta: Centre for Strategic and International Studies, 1996), 13–4.
60 Wang, “China and Southeast Asia,” 67.
62 Armstrong, Revolution and World Order: The Revolutionary State in International Society.
formation of international society is a mutual process, “it is not only China that learns in
the process, the outside world too learns about China”’s thinking and behaviour. It is this
type of mutual learning that is useful in building trust and confidence, and in reducing
tension and settling disputes in a mutually satisfactory way”. This is because as “the more
China is engaged, the more it is exposed to the influence of different worldviews and
ideologies...China...learns to be aware of the different choices of actions and their
consequences”.64

6.7.1 Singapore as Domestic Model for China

Bilateral relations between Singapore and China were normalised in October 1990. However, even before bilateral relations were normalised, Deng visited Singapore in
1978. His only other previous visit to Singapore was during his transit to Marseilles in
1920. When he was in Singapore then, it was an undeveloped British colony. Hence,
when he visited Singapore again in 1978, he expected it to remain largely the same.
However, he was surprised by how modern Singapore had become within a single
generation.65 More importantly, Deng was duly impressed with how Singapore attained
high economic growth while the Government maintained very strong and effective
central political control.66 Singapore’s officials knew he had seen China’s economic and
political future in Singapore’s model of governance “because it showed that rapid
economic growth was not inconsistent with tight central government control”.67 In 1992,
Deng Xiaoping embarked on his historic Southern tour of China. During this
groundbreaking trip, he singled out Singapore as China’s developmental role model. Due
to Deng’s unequivocal and resounding endorsement, Chinese political elites became very
receptive towards Singapore, which they saw as a “younger [emphasis original], though

63 Alastair Iain Johnston, Social States: China in International Institutions, 1980–2000 (Princeton and
64 Gerald Chan, China’s Compliance in Global Affairs: Trade, Arms Control, Environmental Protection
65 Lee, From Third World to First, the Singapore Story: 1965–2000, 668.
66 Rosemary Foot, Rights Beyond Borders: The Global Community and the Struggle over Human Rights in
China (New York: Oxford University Press, 2000), 153–7, Paul J. Bolt, China and Southeast Asia’s Ethnic
67 Yuen Foong Khong quoted in Leifer, Singapore’s Foreign Policy, 114–5.
more successful brother and comrade”. Bilateral ties between Singapore and China were arguably at their best during the early 1990s as Singapore received unalloyed support from the most senior Chinese leader as a developmental model for China to emulate.

Singapore is indeed a suitable role model for China. Apart from its large ethnic Chinese population, Singapore is also the most modernised Southeast Asian state. Yet, at the same time, Singapore is not a liberal democracy in the Western mould, a political system which the Chinese government disapproves. Furthermore, Singapore, as a former British colony, is familiar with interacting with Western states. Hence, Singapore is able to straddle both spheres and act as an interlocutor for China during its initiation into international society. What Singapore offered to China when it first started its modernisation in 1978 was a very viable alternative. Singapore was, and continues to be, the best example that modernisation is not necessarily synonymous with Westernisation, which assures the Chinese government that there is no need to “transform the oldest existing civilizational nation into a Chinese suburb of the Western hemisphere”. Singapore’s success in adjusting to and integrating itself in international society even though its internal governance model is significantly different from Western models provides a precedent that can facilitate Western states’ acceptance of Chinese differences.

In a speech to the National People’s Congress in March 2009, Wu Bangguo, Chairman of the National People’s Congress and the CCP’s second ranking member, emphasised China’s political development would never conform to the Western model. He issued “a terse and complete disavowal of interest in Western–style democracy”. As the Asian values debates during the early to mid–1990s made clear, although Singapore is

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70 Evelyn Goh, “Singapore’s Reaction to a Rising China”, in Khai Leong Ho and Samuel C.Y. Ku, eds., China and Southeast Asia: Global Changes and Regional Challenges (Singapore and Kaoshiung: Institute of Southeast Asian Studies and Centre for Southeast Asian Studies, 2005), 311–3.
72 Latif, Between Rising Powers, 89.
a small state, it was still able to dominate the international ideational agenda. Singapore’s ability to formulate and communicate its position in a highly articulate manner that resonated with the West is a skill China does not currently have as reflected by Wu Bangguo’s rather blunt recent comments concerning China’s refusal to adopt liberal democracy. Likewise, Lee Kuan Yew believes that if China had initially called its current ascendency as a process of “cultural renaissance” instead of “peaceful rise”, it might have encountered less resistance. It is precisely Singapore’s ability to frame issues in a manner acceptable to the West that makes Singapore important to China. During the Asian values debate, Singapore was arguably the most forceful and articulate proponent of the viability of a third way: economic development need not necessarily have to depend on adopting liberal democracy as understood by Western states. Although the Asian values are no longer in vogue, Singapore’s ability and experience in challenging Western orthodoxy remains instructive to China.

6.7.2 Singapore’s Declining Role as Intermediary for China in International Society

Singapore’s role as an interlocutor for China’s interaction with other states was most apparent when the city–state was selected as the venue for the historic Wang–Koo cross–straits talks in 1992. The talks were named after Wang Daohan, chairman of China’s Association for Relations across the Taiwan Straits and Koo Chen–fu, chairman of Taiwan’s Straits Exchange Foundation. This represented an early effort by China and Taiwan to work towards eventual reunification. Although the talks did not result in any concrete results, nevertheless it cemented Singapore’s position as a neutral and mutually acceptable channel, as well as demonstrating the excellent bilateral relations Singapore had with both China and Taiwan.

75 Ibid.
78 Latif, Between Rising Powers, 183.
However, as China’s diplomatic dexterity develops, Singapore’s importance in this regard decreases. Even though the Chinese government does respect Lee Kuan Yew, he acknowledges the diminishing role Singapore plays in this issue. He notes:

the Chinese government has made clear that this [reunification] was a family matter. And family means China – the mainland, Taiwan, Hong Kong and Macau. Singapore is not in the family.

I have in the past, at the request of one or both sides, conveyed their views to each other, but I have not mediated as such. Any compromise to resolve the difficulties, they have made themselves.\(^79\)

This admission was a very clear signal that the Singapore Government no longer sees itself as an interlocutor in this issue. China now possesses the ability and confidence it lacked during the early 1990s when it did not have the necessary international experience or exposure.

China’s increasingly assertive nature and the growing tendency to register its unhappiness were put on display when Prime Minister–elect Lee Hsien Loong, as has already been explained, paid a private visit to Taiwan in July 2004. In response to this private and unofficial visit to Taiwan, Zhang Yun, China’s Ambassador to Singapore, in an interview with the Singapore press, reiterated that the “Taiwan issue is China’s domestic affairs. It is directly related to China’s sovereignty and territorial integrity, and involves China’s core interest”.\(^80\) Since Singapore, “neglecting China’s repeated solemn representations”, proceeded with the visit, it “should [then] take full responsibilities for results from the event”.\(^81\) The *China Daily* also reported that Lee’s private visit had “dampened the mood” for bilateral trade talks,\(^82\) as evidenced by the postponing of Singapore’s Minister for National Development, Mah Bow Tan’s trip to China. China also cancelled a visit by China Central Bank Governor Zhou Xiaochuan and suspended other government talks because it disapproved of this visit.\(^83\) China’s muscular and public response to the visit was in sharp contrast to its earlier tacit acceptance of Singapore’s


close ties with Taiwan during Lee Kuan Yew’s tenure. When asked about this recent change in the Chinese attitude, Lee Kuan Yew commented:

The discomfort is primarily that it is becoming a very powerful country and that it’s not averse to making its power felt. For instance when we did not sufficiently make amends for having visited Taiwan, they just froze all economic ties at the official level. We are a very small part of their economy, but they are a significant part of ours – and they are fully aware of this. It’s a lever they will use from time to time. The day before yesterday, I was an old friend of China; today I’m a new enemy. It’s volatile.  

6.8 Problems in Singapore–China Relations

A rapidly growing economy has bolstered China’s international stature and contributed to an increasingly assertive nature that has developed into heightened sensitivity towards criticisms. Such a change was clearly demonstrated by its reactions towards Singapore’s public criticisms of its handling of the Severe Acute Respiratory Syndrome [SARS] outbreak in 2003. Before the true extent of the outbreak was made public, Goh Chok Tong planned to visit China. However, he cancelled the trip when the actual severity came to be known. Worldwide, there were about 800 fatalities, of which 348 were in China. The disease could spread so fast because China was slow in both informing the World Health Organisation when it first broke out as well as in implementing quarantine measures.

Senior Chinese political elites perceived Goh’s cancellation of his visit, the first by a foreign leader due to the epidemic, as a very visible snub to China. Goh’s absence drew unwelcome international attention to China’s poor mishandling of the SARS crisis. Apart from cancelling his planned visit to China, Goh also made disparaging remarks over the way the Chinese government handled this health crisis to the effect that if the Chinese authorities had informed health authorities in other states earlier, the outbreak could have been better managed. In contrast, foreign leaders from other states such as France, Germany and India proceeded with their planned visits to China, which made Goh’s absence all the more pronounced. Even though Goh cancelled his China trip, he still went ahead with his official visit to India. According to the statement released by the

Singapore Ministry of Foreign Affairs, the Indian government “[had] been alerted to the SARS problem in Singapore but would like the visit to proceed as scheduled”. The Indian government’s measured response was in sharp contrast to Singapore Government’s unfriendly action towards China. Reacting to Goh’s no-show, the Chinese Ministry of Foreign Affairs commented that the Singaporean leader was going ahead with the Indian visit because the city–state was going to sign important commercial deals in India. Since Singapore was not signing any commercial deals with China at that time, visiting China was deemed trivial, and therefore could be cancelled.

With China’s growing political clout and adroit diplomacy, Singapore has to exercise and demonstrate increasing levels of self–restraint in its interaction with China as Lee Hsien Loong’s Taiwan visit as well as the SARS episode demonstrated. Chen Baolin, former Chinese Ambassador to Singapore, commented she hoped “[her] Singaporean friends can drop their arrogance” so that the “special relationship” based on “blood ties, common language and culture” can be maintained and strengthened in the future. She acknowledged that Singaporeans speak better English, live in a more developed country, and have more contact with foreign cultures. However, she also stressed that as China is developing so rapidly, these comparative advantages would almost certainly be eroded over time as China inevitably catches up with Singapore on these various fronts.

As China becomes more experienced and successful in its interaction with other states, Singapore’s previous role as its guide and mentor in international society becomes less relevant, and the city–state ceases as “the prime mover for Chinese participation in [multilateral] institutions”, supporting Lee’s earlier comments. Furthermore, with the Chinese economy’s rapid growth, more and more states now want to establish relations with China as compared to the late 1980s and early 1990s due to its draconian crackdown on the pro–democracy protesters at Tiananmen. There are now more opportunities available for China to deal directly with other states as it becomes more confident and

\[89\] Evelyn Goh, “Singapore’s Reaction to a Rising China”, in Ho and Ku, eds., China and Southeast Asia: Global Changes and Regional Challenges, 316.
Correspondingly, there is less need for an interlocutor such as Singapore in the current context. In an interview with the East Asian Institute of Singapore, Lee Kuan Yew gave a realistic assessment. He noted Singapore’s importance as an interlocutor would diminish over time as China deals directly with other states as manifested by the 1998 Sino–EU Meeting, its involvement in the World Trade Organisation and the Shanghai Cooperation Organisation in 2001. These instances point to increasing Chinese confidence and capacity to function in international society. Over time, as China becomes more politically and diplomatically astute, it has more options at its disposal, and so Singapore–China relations have evolved from being “learning [xuexi] to cooperation [hezuo]”. Speaking at the fifth anniversary of the Lee Kuan Yew School of Public Policy, Lee again stated that the relationship between Singapore and China is not what it was when the latter sought advice from the former. Lee stated, “Now, we’re talking at a different level. The relationship is at a more realistic level. You can’t ask me with four million people to give advice to 1.3 billion people”.

Despite the obvious disparity between Singapore and China, it is apparent that China still values its ties with Singapore. For instance, when Hu Jingtao visited Singapore in November 2009, it was announced that China would loan Singapore a pair of pandas for 10 years to commemorate the 20th anniversary of the formal establishment of diplomatic ties. Other countries such as the United States, Japan, Taiwan and Australia have also received pandas from China. In a sign of the good Sino–Singapore ties, Zhao Xuemin who chairs the China Wildlife Conservation Association stated that, “Among all the countries we’ve negotiated panda loans with, Singapore took the shortest time. This shows the warm feelings that the Chinese government has for Singapore”. During Hu’s visit, another three agreements were signed. Apart from the loan of the two pandas, both states also signed the “Framework Agreement between the Ministries of Foreign Affairs of Singapore and the People’s Republic of China on the Exchange Programme with Middle – to Senior – Level Officials MOU between the Ministries of Education of

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92 Yong, “Treat Young Chinese Well.”
Singapore and the People’s Republic of China on the Collaboration between Zhejiang University and Singapore University of Technology and Design MOU between the Governments of Singapore and the People’s Republic of China on the Establishment of the China Cultural Center in Singapore”. 94 These agreements span the spectrum from the elite level to the people–to–people level, and provide concrete evidence of the value China still places on its bilateral ties with Singapore.

6.9 Singapore: Continual Quest to Maintain Relevance–Internal Policy, Regional Policy

Although China’s economy has been developing very rapidly, it still looks towards Singapore as an exemplar for its internal governance. For instance, Lee Kuan Yew points out Chinese political leaders are still very seriously studying Singapore’s experience in managing political and economic changes. As such, Lee concludes that future relations between the two states can be expected to develop further since “the Chinese are adapting and adopting fast because they see themselves moving in Singapore’s direction”. 95 Singapore is therefore carving out a new niche for itself. Rather than provide indirect assistance for its foreign policy as in the past, Singapore is now assisting China with its domestic policy instead. 96

What Singapore can offer China is a very good example of the effective coexistence between strong central political control and a vibrant and liberal economy. Given Taiwan’s democratisation, the pace of which has increased rapidly since the election of Lee Teng–hui, this Taiwanese shift towards democracy throws into sharp relief the comparative lack of democratisation in China. Consequently, the lack of democratic progress in China indirectly implies failure on the part of the Chinese leaders. From this perspective, the importance of Singapore’s continued viability to the Chinese political elites cannot be overstated.

Lee Kuan Yew is also optimistic that Singapore is still able to carve another niche for itself. As China becomes a major power, its interests will naturally transcend its immediate geographical neighbourhood and expand into other areas. Southeast Asia is one such area. As China seeks to play a more prominent role in Southeast Asia, it would require the provision of continual information concerning regional issues and developments. Lee Kuan Yew believes that Singapore, located in the centre of Southeast Asia has heightened sensitivity to the regional mood. Lee reasons that Singapore will continue to remain relevant and important to China because this expertise is possible only because the city–state is part of the region:

This [knowledge] will be with us even in 20–30 years’’ time because their Ambassadors come and go and only have a short appreciation of the region whereas we understand these countries on a long–term basis, e.g. their culture, their people and the directions they are going.  

In order for Singapore to maintain its relevance in this aspect, China must first be involved in the region. To achieve this objective, Singapore has been a vocal proponent of increasing China’s engagement with Southeast Asia by lobbying for its membership in various ASEAN–centric institutions. Singapore has consistently supported China’s involvement so that it is kept abreast of, and more importantly, remain interested in regional developments. Since it is not possible to isolate the region from China, the next best option available is to provide various formal channels that maximise regularity and transparency in their mutual interactions so that the regional geopolitical status quo is deemed legitimate by all relevant actors. By ensuring that interactions become permanent rather than ad hoc, Singapore’s push for Chinese regional involvement sets the foundation for a common diplomatic culture to develop, a move that increases legitimacy and maximises the potential for international society to develop. Hence, China was invited to attend the ASEAN Annual Ministerial Meeting in July 1992 for the first time. It was a significant move because China in the immediate post–Tiananmen period needed to improve its international image and welcomed any increased diplomatic space, and involvement in Southeast Asian institutions provided such an opportunity. Hence, China was keen in cultivating closer ties with Southeast Asian states through both bilateral and

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98 Ibid., 6.
multilateral channels. Some of these multilateral channels include, but not limited to, the ASEAN–China Fund, Mekong Basin cooperation and the Brunei Darussalam–Indonesia–Malaysia–Philippines East ASEAN Growth Area [BIMP–EAGA],\(^9^9\) with the ASEAN+1 being the most prominent. By advocating for increased Chinese participation in various regional initiatives, Singapore then ensures that China requires information on regional developments on a continual basis from a local perspective. Consequently, Singapore would remain politically and diplomatically important to China, thereby ensuring its relevance to China.

Singapore’s push for Chinese involvement in various ASEAN–centric multilateral institutions is not motivated by altruism for it is in Singapore’s national interest to do so. Given the ethnic tension in the region, it is not advisable for Singapore–China relations to be conducted solely on a bilateral basis. By also utilising the multilateral approach, Singapore is able to advance its relations with China as part of a regional initiative. Since regional states such as Malaysia and Indonesia are involved to the same extent with China, Singapore is able to insulate itself from accusations of being overly enthusiastic in pursuit of improved relations with China, while the multilateral approach also serves as an important conduit for China, enabling it to have input in shaping and influencing the nature of various regional institutions, which helps to maintain regional order. Chinese presence and participation in these various initiatives ensure that the rules, values and norms that govern interaction will become more binding on China. Since China is also responsible for shaping the rules that underpin interaction in the region, it can be expected that China is then less likely to transgress on rules that it played a direct part in writing. In this context, China is more likely to have more trust in these multilateral institutions. Over time, it is more likely that a common code of conduct to develop, which then maximises the potential to maintain regional order – the fundamental objective of Singapore’s foreign policy.

6.10 Party–to–Party Relations: Significant Departure from Previous Policy

In recent years, the CCP has undertaken concerted action to establish and consolidate party–to–party ties with various Southeast Asian political parties, and not just with the Communist parties as was the case previously. Since 1990, China has established formal state–to–state relations with all the original ASEAN–5 members. The CCP has also undertaken concerted efforts to establish party–to–party relations with various Southeast Asian political parties as well. Just as Malaysia was the first among the ASEAN–5 to recognise China, its ruling party, the Barisan Nasional [BN], was also the first non–Communist party to establish links with the CCP in the region in 1994. At the time of establishing party–to–party relations, Malaysian Prime Minister Mahathir admitted these two parties had very different political ideologies, which were responsible for delaying the establishment of state–to–state relations previously. However, these differences are becoming less and less apparent since China adopted a pragmatic approach towards its foreign policy. By disavowing support for Communist parties in the various Southeast Asian states, and directing attention towards economic reforms instead, there was more scope for cooperation to take place between BN and the CCP. This significant policy change was first officially expressed by General Secretary Hu Yaobang at the 12th Party Congress in 1982 when he stated that “revolution cannot be exported. It can only be the results of peoples’ choice of each nation”. In effect, Hu signalled China’s intentions to distance itself from Mao’s previously revolutionary approach to the conduct of its foreign policy, a change that laid the foundation for having closer relations with Southeast Asian states.

The establishment of party–to–party ties is a significant milestone for China’s relations with Southeast Asian states. It represents a clear break from the China’s earlier policy of only supporting Communist parties in Southeast Asia. Since Communist
parties were not in power in any of the ASEAN–5 states, the CCP had no working links with any of its Southeast Asian counterparts. Hence, this new Chinese policy of cultivating party–to–party ties by the CCP is likely to increase mutual trust and confidence, a move that would improve bilateral relations. This observation is especially true for Malaysia and Singapore since the respective ruling parties have held on to political power since the two states became independent. Hence, closer party–to–party ties, in essence, equates to closer government–to–government ties. Furthermore, through this change in policy, the CCP has managed to reduce the prevailing regional parties” distrust towards the CCP, especially after the excesses of the Cultural Revolution.\(^\text{104}\)

As former Thai Prime Minister Thaksin Shinawatra expresses, a country”s government comes and goes during elections, a fact he is now well aware of, political parties are here for the long haul.\(^\text{105}\) Furthermore, in Southeast Asian states such as Thailand where political changes can occur very rapidly, today”s opposition party may be tomorrow”s ruling party. Therefore, establishing party–to–party ties in addition to state–to–state ties is beneficial to cementing bilateral relations:

\begin{quote}
A government is not to stay in office forever, but cooperation between political parties can stay much longer. It is important for parties to communicate and understand each other so as to help solve problems between the two countries.\(^\text{106}\)
\end{quote}

Similarly, Jose De Venecia, Philippine Lakas chairman, argues that “a peaceful, stable and prosperous Asia depends on the cooperation of countries in the region, for which the existing state–to–state and parliament–to–parliament cooperation is not enough and should be supplemented by party–to–party cooperation”.\(^\text{107}\)

6.11 China Threat Theory: Hedging Strategy

Reservations remain in Southeast Asia towards Chinese intentions. Despite the establishment of party–to–party relations, regional states still subscribe to various versions of the Chinese threat theory. As early as 1973, C.P. Fitzgerald argued, “in

\(^{105}\) Ironically, his party Thai Rak Thai was banned on 30 May 2007 by the Constitutional Court of Thailand.
\(^{107}\) Ibid., 17.
Southeast Asia, the realization of the fact of the new powerful China...is causing the nations of the region to explore the possibility of closer co-operation, but still dividing them as to whether this should be directed against Chinese influence, or seek to accommodate with it.”¹⁰⁸ This Janus-faced observation concerning China’s rise is still valid and confronts Singapore’s foreign policy today. Just as Singapore perceives China’s current rise to represent an opportunity, its rise is also seen to represent a threat as well.¹⁰⁹ Since Deng Xiaoping introduced market reforms in 1978, the Chinese economy has been growing steadily, making it the main engine for global economic growth. Like many other states, Singapore has benefited from increased Chinese demand for various goods and services. However, China is also seen as a threat because its growing strength may make it the preponderant power in the region, thereby upsetting the present geopolitical status quo through re-invigorating the latent “Middle Kingdom” mentality in which it was the dominant Asian power.¹¹⁰ As Leifer explains:

The rising power in Asia-Pacific as the twenty-first century approaches is China, whose leaders harbour a historical resentment of national humiliations inflicted on their weakened state by a rapacious West. China’s successful post–Cold War economic reforms have provided it with a historic opportunity to realize a sense of national destiny, which many regional states view with apprehension.¹¹¹

With China assuming the mantle as the engine driving much of Asia’s economy from Japan, Chinese influence and stature have increased in recent years, providing a major boost to its national pride as well as its capacity to influence the region in significant ways:

In fact, China could remind its Asian neighbors of the once powerful tributary system of the Ming and Qing dynasties when the “Middle Kingdom” was in fact at the center of an Asian system of trade, cultural eminence and respect. Though Beijing may have no aspirations of re-creating such a system, just as Japan had

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¹¹⁰ Even though economic growth by itself is benign in nature, nevertheless, it is crucial in expediting political changes, which in turn generates unease among states. For a discussion of this point, see John Harsanyi, “Explanation and Comparative Dynamics in Social Science,” Behavioral Science 5, no. 2 (1960). See also Lance E. Davis and Douglass C. North, Institutional Change and American Economic Growth (Cambridge: Cambridge University Press, 1971), 4.
failed to create its Asian Sphere of Co–Prosperity during World War II, this “Middle Kingdom” mentality cannot be totally neglected today.\textsuperscript{112}

The reasons for apprehension are real. China’s immense size and population makes for a very large internal economy. Consequently, it is less vulnerable to economic sanctions or embargoes. Furthermore, China is an authoritarian state that is less constrained by public opinion as a democratic state would be. There are then comparatively less constraints on China’s ability to exercise its considerable political, economic, and military powers. Incidentally, these are the very same factors Kenneth Waltz outlines as key conditions for a state to become a major power.\textsuperscript{113}

Despite Chinese leaders’ repeated assurances of China’s intentions for a peaceful rise and development, Southeast Asian states are not entirely sanguine about this view given that China’s “Middle Kingdom” mentality, is still very strong.\textsuperscript{114} Furthermore, “the very fact that China decided it was [even] necessary to emphasize its peaceful intent indicates that it has yet to win over regional acceptance as a responsible and welcome neighbour”.\textsuperscript{115} If China were perceived as a benign power, the notion of “China threat” theory would not even be present. For China to convince other states of its benign intentions, its words and deeds must be congruent. Goh Chok Tong in 1994 argued that:

It is not preordained that China’s military power will turn into a threat, or that it will behave like the former Soviet Union...[but] China must show through its attitude and action that, big as it will be, it intends to be a responsible member of the international community.\textsuperscript{116}

Implicit in this statement is that even though Singapore is willing to give China the benefit of the doubt, it remains that China needs to go out of its way to convince other states of the convergence between its stated objectives and its actual actions. This degree of unease arises because China’s rapid economic growth and success in shifting from socialistic to capitalistic economic structures have reinvigorated Chinese pride; a more confident and self–assured China is becoming increasingly assertive:

\textsuperscript{113} Waltz, \textit{Theory of International Politics}, 129–31.
\textsuperscript{114} Leifer, \textit{The ASEAN Regional Forum [Adelphi Paper]}, 54.
\textsuperscript{115} Daojiong Zha and Weixing Hu, \textit{Building a Neighborly Community: Post–Cold War China, Japan, and Southeast Asia} (Manchester and New York: Manchester University Press, 2006), 12.
The construction of new China, the great achievements in reform and opening up for over twenty years is a further manifestation of the vitality of Chinese civilization. Thus the success of over twenty years of reform and opening up firstly affirms the great revolution and the construction of China, it then also affirms the strength of the Chinese nation, but mostly it affirms the authenticity of the Chinese civilization and tradition. It is this strength rather than some song and dance in praise of globalization and international practices that has brought China through.\(^\text{117}\)

China’s rapid development on its own terms refutes Fukuyama’s end of history thesis, and the above quote encapsulates the resurgent Chinese belief in the strength and vitality of its innate qualities, which differentiates it from the West. Furthermore, the quote also hints at the continuing Chinese belief of itself as the “Middle Kingdom” – the centre of the world.\(^\text{118}\)

Wang Gungwu points out that for the most part of Chinese history, “No armies marched out of traditional Middle Kingdom lands”.\(^\text{119}\) Although this observation is historically accurate, it is not applicable to China since 1949. For instance, China supported North Korea from 1950–1953, annexed Tibet in 1959, fought a war with India and Vietnam in 1962 and 1979 respectively. Furthermore, its support for Communist parties in Southeast Asia have also given regional states grounds to fear the foundations of a Pax Sinica in Asia since China is becoming increasingly powerful.\(^\text{120}\) Likewise, in the long term, it is not possible to know if China would adopt an expansionist policy. As Murray writes on the causes of World War I, “War does not always arise from mere

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\(^{119}\) Wang Gungwu, *The Chinese Way: China’s Position in International Relations* (Oslo: Scandinavian University Press, 1995), 54. Peter Lorge provides an alternative. He argues that China’s current geographical boundaries are the result of the use of force. Peter Lorge, *War, Politics and Society in Early Modern China, 900–1795* (London and New York: Routledge, 2005). Of course, what constitutes China’s “traditional” Middle Kingdom lands remains essentially contested. Hence, the ongoing problems with Taiwan and Tibet. Likewise, F.S. Northedge reasons that China is not traditionally seen as an aggressive and expansionist power because it “never spoke of acquiring new territory; they always thought of and used the word for recovering it”. Northedge, *The International Political System*, 41.

\(^{120}\) Zhang, *China in International Society*, 54.
wickedness or folly. It sometimes arises from mere growth and movement. Humanity will not stand still”. 121

This observation is pertinent to understanding why a China threat theory exists. This is because China is undergoing rapid changes and the effects are not known. Nazli Chourri and Robert North, in their analysis of the structural causes responsible for WWI, introduced the concept of “lateral pressure”. They argue that as states’ economies grow and population density increases, the demands for resources also increase. As more and more states face the same predicament and expand, their interests will eventually collide and lead to conflict. 122 Although Chouri and North are largely right in attributing internal dynamics as factors responsible for conflict, external dynamics need to be considered as well. A powerful state neighbouring weaker states is more inclined to expand and fill up the political vacuum; expansion is warranted because this powerful state cannot be certain that other powerful states will demonstrate restraint as well and not move to occupy the power vacuum. Even if a state were not consciously expanding its power, it would still become powerful indirectly for weaker states, as Wight points out, are more likely to align themselves with the emerging rather than the declining power. 123 Hence, Schweller posits that if a powerful state “[resists] the temptation to expand when the opportunity presents itself”, it would be perceived to be “weak and irresolute”. 124

As the preceding argument makes clear, an emerging power such as China need not be overtly aggressive in order to be perceived as a threat by other states. Without a central authority to ensure compliance with rules and regulations within international relations, the possibility of a conflict is always present. In spite of repeated and public Chinese reassurances of its intentions of a peaceful rise, scarcity of resources, in the long term, will increase the competition for them. This is arguably an inevitable development. However, the resultant tension and competition can be ameliorated if the states are able to abide by a common code of conduct. A balance of power is able to contribute to this common code of conduct because it ensures that no one state is in the position to impose

123 Wight, “Power Politics,” 163.
its own values and laws onto other states, and in the Southeast Asian context, a multi–polar balance of power is necessary in order to render it legitimate as all relevant actors are present. As Kissinger noted, “the distinguishing feature of a revolutionary power is not that it feels threatened – such a feeling is inherent in the nature of international relations based on sovereign states – but that nothing can reassure it [emphasis original].”\footnote{Henry Kissinger, \textit{A World Restored: Castlereagh, Metternich, and the Problem of Peace} (Boston: Houghton Mifflin, 1957), 2.} This insecurity arises because no power “will submit to a settlement, however well balanced and however „secure” which seems totally to deny its vision of itself”.\footnote{Ibid., 146.} Conversely, nothing can reassure the countries and commentators who suspect that China is, and will remain, a threat. As such, it is important for the prevailing order to be deemed legitimate by all actors involved, especially China. In order to achieve this objective, the prevailing rules and norms that govern conduct must be “\textit{capable of adaptation} [emphasis original] to changing needs and circumstances – there must be ways of rescinding or modifying old rules and replacing them with new ones”.\footnote{Bull, \textit{Anarchical Society}, 57.} Within Asia’s context, China must be able give its input into the new geopolitical status quo so that the new one will bear its \textit{imprimatur} – a move that will make the new equilibrium sustainable.

6.12 Engaging India

Despite the considerable progress made in both state–to–state as well as party–to–party relations between China and Southeast Asian states discussed earlier, doubts and uncertainties of the effects of China’s rise remain. Currently, China “goes along to get along”\footnote{Margaret M. Pearson, “China in Geneva: Lessons from China’s Early Years in the World Trade Organisation”, in Alastair Iain Johnston and Robert S. Ross, eds., \textit{New Directions in the Study of China’s Foreign Policy} (Stanford: Stanford University Press, 2006), 257.} but this phase may not persist long into the future. As China gains more diplomatic confidence and plays a bigger role in the region and as its economy continues to grow at the present rate, it is likely that more issues will tend to infringe on China’s interests, and increase tension with Southeast Asian states.
In order to prevent or to mitigate possible tension and instability arising from a possibly belligerent hegemonic power such as China in Southeast Asia, a durable and stable balance of power is necessary. India can play a potentially significant role in this context. Unlike China, India has no history of territorial disputes with any of the Southeast Asian states. India is therefore more likely to be perceived as a benign power. In comparison, China would then appear to be a belligerent power that would invite other states to balance against it. In order to prevent, or at least, reduce hostile balancing against it, it is in China’s interest to abide, or at least not blatantly ignore norms and rules that govern regional interaction.

It is vital for Southeast Asian states to engage with India sooner rather than later. This is because China is still not a global power yet. It is therefore not in the position to protest against India’s presence in the various regional groupings. If Southeast Asian states were to engage with India after China had established itself as a major power within the international system, China is more likely to interpret Southeast Asia’s efforts at courting India as an explicit attempt to balance against it. From the English School perspective, a stable and durable balance of power is dependent on both physical capabilities and the acceptance of a common code of conduct that allows for co-existence. As such, China at this juncture is less likely to react negatively towards Southeast Asian states’ present efforts at engaging India.

Due to China’s relatively recent entry into the various ASEAN–centric organisations, its influence has not been very strong. Writing on China’s behaviour in the World Trade Organisation [WTO], Pearson observes that it does not yet have a coherent and concrete plan of action. This is because, as a later entrant to this organisation, China is still in the process of defining its interests there, and so is not seeking to play a prominent role.129 Her observations are equally applicable to China’s participation in various ASEAN–centric organisations. At this present stage, it is in China’s interest to be regarded as a system maintainer rather than a system modifier. If China’s intentions were deemed aggressive and hostile by Southeast Asian states, they would balance against it,

which would be detrimental to China’s aspiration to become a major power. At this juncture, the opportunity costs involved with engaging India would then be lower.

Accordingly, Singapore has then sought to expedite its engagement of India. The underlying rationale is to ensure that all relevant actors, especially an India that is comparable to China in many aspects, have a stake in the regional order. Furthermore, Singapore’s attempts at engaging China have not been entirely successful. Singapore’s experience in cooperating with China to set up the Suzhou Industrial Park [SIP] is instructive. Despite having the professed support of the Chinese government as well as perceived cultural affinity between the two states, the project did not pan out the way Singapore envisioned.

Cooperation was difficult to achieve and maintain due to the diffusion of control over the project from the central government to the local government. The SIP was supposed to receive preferential treatment but the local Suzhou government set up a similar industrial park – Suzhou New District – modelled after the SIP nearby, and competed directly with the SIP for similar investments and funding opportunities. This unfortunate turn of events caused Lee Kuan Yew to admit that this joint project was not a success.\footnote{Barry Porter, “Singapore Drops Control of Suzhou Park,” \textit{South China Morning Post}, 29 June 1999, Foo Choy Peng and Barry Porter, “Suzhou: Sino–Singapore Bid Fails Test,” \textit{South China Morning Post}, 30 June 1999.} In his memoirs, Lee wrote that the SIP issue was “a chastening experience”, and at best, “a partial success”.\footnote{Lee, \textit{From Third World to First, the Singapore Story: 1965–2000}, 723–4.} The problems associated with the SIP highlighted the limited success Singapore has had in gaining a foothold in the Chinese economy even when there was sustained and explicit government support from both sides. Singapore’s negative experience in penetrating the Chinese market explains why the city–state has now looked favourably on improving bilateral relations with India in order to increase its chances of success in the Indian market. Although the Singapore government continues to encourage investment in China, the impetus now comes mainly from the private sector, and not from the public sector, as was the case previously.\footnote{Economist Intelligence Unit, “Country Report: Singapore,” ed. Kilbinder Dosanjh (London: Economist, 2003), 28.}
6.13 Conclusion

The effects of China’s rise remain uncertain. Consequently, Singapore’s foreign policy towards China has been Janus–faced as well. Singapore seeks closer relations with China, and yet at the same time, Singapore does not want to be drawn into China’s orbit. As a trading state, Singapore has been keen in exploring various avenues to establish and maintain economic relations with China even when ideological and political circumstances have proved to be difficult. Singapore’s pragmatic separation between the economic as well as the political domains is congruent with Martin Wight’s argument that commercial contacts and exchanges laid the foundation for the development of an international society of states.

In order for commerce to take place, both actors must be willing to abide by the rules and norms present. Over time, it is highly reasonable to expect China to be socialised into international society. However, in order for international society to be durable, it is important to have a balance of power in place that would prevent the rise of a hegemonic state with the ability to lay down the law to others. It is vital that rules – not commands – apply to all actors, which then indicates the acceptance and recognition of parity between diverse members of international society continue to govern ongoing interactions. Likewise, it is equally important that rules are flexible, to a certain extent, to ensure they remain equitable when circumstances inevitably change over time. For such changes to the rules be deemed equitable, it is very important for all actors to have the opportunity to shape them; the surest way to undermine regional order is through increasing dissatisfaction from states perceiving themselves to be disadvantaged by present circumstances without any viable recourse to changing them. Consequently, Singapore has been instrumental in involving China with various ASEAN–centric groupings. The aim is to have to have mechanisms in place to ensure problems and disputes are dealt with in a predictable and acceptable manner.

However, it is necessary for Singapore to proceed cautiously in its engagement with China. Singapore is the only Southeast Asian state to have a predominantly ethnic Chinese population. Regional sensitivity therefore dictates that Singapore has to exhibit self–restraint in its engagement with China in order to distance itself from the image of
being a Chinese affiliated state that bandwagons with China. To this end, Singapore has maintained close links with Taiwan in order to stress the divergence between ethnic and political identities. At the same time, Singapore has sought to engage with China through various ASEAN–centric multilateral institutions. The obvious rationale is to place “constraints on [China’s] foreign conduct as well as incentives to adapt to the prevailing norms in contemporary international relations”. Another less obvious rationale, but equally important, is to ensure that other regional states are just as responsible in shaping the rules concerning China’s presence in the region. Should China’s presence and involvement in regional affairs become problematic, Singapore could not then be held solely responsible since other Southeast Asian states are equally involved as well. Engaging China through the multilateral channel therefore serves as insurance that indemnifies Singapore against regional allegations of bandwagoning for profit with China.

Engaging China through bilateral and multilateral channels, though useful, has limitations. For both sets of policies to work requires faith that China continues to exercise a high level of restraint in its interaction with Singapore. As the Melian dialogue makes clear, considerations of morality and justice are only applicable between those equal in power. Clearly, Singapore is not an equal to China. There is then a pressing need for Singapore to gain some degree of parity with China so as to prevent it from dominating either itself or the region, which is detrimental to maintaining order. To this end, Singapore has also been keen to engage with India. Just as Singapore had been an early sponsor of China, Singapore is now doing the same with India. Given India’s population and geographical size as well as its rapidly growing economy, it is a viable counterweight to China’s growing presence and influence in the region. By making it possible for India to play a significant role in the region, Singapore ensures that it is more difficult for China to dominate Southeast Asia. The establishment of a balance of power arrangement that involves both China and India therefore maximises the potential for order to be maintained. How Singapore’s foreign policy seeks to engage India will be covered in the next chapter.

7. SINGAPORE–INDIA RELATIONS: A RETURN TO HISTORY

Given Singapore’s ethnic composition, the city–state’s relations with China needs to develop in a measured and restrained manner as discussed in the preceding chapter so as to ensure a hospitable regional order, an objective that could also be strengthened through increased engagement of India, which this chapter discusses. This chapter addresses a gap in the literature by presenting a comprehensive overview of Singapore–India bilateral relationship that takes into account not only developments on the economic front, but also recent developments on the political, defence, as well as social and cultural fronts. This overview demonstrates that their current multifaceted interaction, in contrast to the sporadic nature during the Cold War, takes on the form of an international society.

Michael Leifer’s authoritative work on Singapore’s foreign policy describes Singapore–India relations to be “diplomatically distant”. ¹ A survey of works on Singapore’s foreign policy supports Leifer’s belief as “India” only appears sporadically in the indexes.² This lack of scholarly interest was understandable during the Cold War. Then, differing ideologies prevented Singapore and India from developing warm bilateral ties even though they were historically very close. However, with the Cold War over, both states are now making up for lost time as demonstrated by the great strides made in their bilateral relations, especially on the economic front. Consequently, most current scholarly attention has focused on this issue,³ at the expense of significant developments in other aspects of their bilateral relations.

The rise of China has also directly contributed to closer ties between Singapore and India. For instance, in March 2005, Senior Minister Goh Chok Tong in a speech at the Singapore Conference in London, he likened Asia to a jumbo jet. East Asian states such as China constituted one wing, ASEAN states constituted the fuselage, and South

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¹ Leifer, Singapore’s Foreign Policy, 129.
² Regnier, Singapore: City State in South–East Asia, Singh, Vulnerability of Small States Revisited, Ganesan, Realism and Interdependence in Singapore’s Foreign Policy, Acharya, Singapore’s Foreign Policy: The Search for Regional Order.
Asian states such as India constituted the other wing. Through this metaphor, it appears that India is regarded by Singaporean elites as a potential balancer against China. 4

As a small state, Singapore has a heightened sensitivity towards domination by a hegemonic state, whereas an aspiring global power such as India does not want to be marginalised by its main rival and competitor. After the Cold War, both states realised that benefits could be realised through joint efforts to promote a sustainable balance of power in the region. A balance of power is vital because from the English School perspective, other “softer” elements of international order … [such as international law and diplomacy] will be so many castles in the air” if it were absent, 5 a point Rodolfo C. Severino, in his then-capacity as the ASEAN Secretary-General emphasised in 2001:

I am confident that I speak for ASEAN when I say that ASEAN values immensely India”s strategic engagement in our part of the world. I am sure that India will also find its involvement with Southeast Asia useful to itself. This is both because of Southeast Asia”s inherent value and because such an involvement will help to strengthen and enlarge India”s ties to East Asia, a part of the world that is of great strategic and economic importance to it. 6

A balance of power cannot be wished into existence. Although Singapore–India bilateral relations may conform to an international society, for it to persist, no hegemonic power with both the capacity and intention to dominate and set the agenda should be present. China is a rising power and has the potential to produce this outcome. Apart from discussing the mechanics of Singapore–India post–Cold War relations, this chapter also looks at the internal dynamics of Indian politics to explain the extent to which India is a viable counterweight to China. Such a discussion is important, for it highlights both the effectiveness as well as the inherent limitations associated with Singapore”s pursuit of closer relations with India. Democracy in India, with its checks and balances, might cause it to underbalance against an authoritarian China. This is not addressed by current literature, but is a form of an analysis of Singapore”s foreign policy which must be taken into account. In essence, this chapter seeks to put forward a case detailing the challenges

5 Alderson and Hurrell, eds., Hedley Bull on International Society, 5.
6 Rodolfo C. Severino, Southeast Asia in Search of an ASEAN Community: Insights from the Former ASEAN Secretary-General (Singapore: Institute of Southeast Asian Studies, 2006), 204.
confronting Singapore’s foreign policy as it seeks to maintain a hospitable regional order through leveraging on India, and how the benefits and limitations associated with this approach conforms to the prescriptions of the English School theory.

7.1 India–Singapore Relations: Background

Singapore’s current closer links with India are not unexpected as the ties between them have “ancient and deep roots”. Britain founded Singapore to service the lucrative India–China trade route. From 1819 to 1867, the East India Company [EIC] governed Singapore from Calcutta. Naturally, during British rule, Singapore’s colonial government, as well as its penal code, were based on the Indian model. Furthermore, due to the presence of economic opportunities, many ethnic Indians came to seek employment in Singapore. The majority were migrant labourers who played a vital role in building up Singapore’s colonial infrastructure. From 1824–1830, the Indian population in Singapore increased by 16.7 percent.

Singapore did not forget its “debt” to India after becoming independent in 1965. During Indira Gandhi’s 1966 visit to Singapore, Lee Kuan Yew affirmed the important similarities between the two states. Correspondingly, in 1970, when V.S. Giri visited Singapore, the first to the latter by an Indian President, Singapore’s President Benjamin Sheares again emphasised the close historical links between them. More than 30 years on, George Yeo, in his former capacity as Singapore’s Minister for Trade and Industry, again stressed the close historical links between Singapore and India and stated it was logical for them to cooperate in the contemporary context. Elaborating on Yeo’s observation, Raymond Lim, Singapore’s Minister of State for Trade and Foreign Affairs, provides a more detailed explanation as to why Singapore and India are developing closer bilateral

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relations so rapidly after the Cold War by outlining Singapore’s “4C” value proposition to India: Capital, Connectivity, Capabilities, Comfort.

As a regional financial hub, Singapore’s banking and financial markets are well-developed and so it is easier for Indian companies to raise capital and funds. Given Singapore’s excellent geographical position, it has extensive transport links with many states, making it a good transport hub for Indian exports. Furthermore, Singapore also has a dense network of FTAs [Free Trade Agreement] that stretches from Asia to Europe and to North America, providing Indian firms with access to multiple major overseas markets. Without any natural resources except the human variety, Singapore has given much attention into improving its human capital, a move that complements India’s role as a major actor in a knowledge-based economy.

The three advantages cited above are very important. However, they can also be found or replicated in neighbouring states. Comfort, therefore, holds the most value. Comfort arises due to the long history of contact between Singapore and India during the colonial period. Consequently, Indian culture, values and cuisine have taken root in Singapore and this high level of familiarity is a big pull factor. This new wave of interaction between India and Singapore after the Cold War can be characterised, in Kagan’s parlance, though out of context in this usage, as a “return to history”. Hence, Goh Chok Tong concluded that: “Just as India has looked east, Singapore has looked west towards India. Our ties are intertwined through history, language and culture”.

India also recognises the benefits associated with closer links with Singapore. According to the 2003 report of the Joint Study Group, set up to examine the benefits of concluding a Closer Economic Cooperation Agreement [CECA] with Singapore, Indian officials also highlighted the synergy of closer cooperation with Singapore:

Both countries share a similar legal system modelled on English common law. English is widely spoken and used in both countries, particularly in commerce. Both countries are gateways to their respective hinterlands, and are used by the business community. There are increasing opportunities for Singapore businesses to invest in India. Similarly, India can leverage on Singapore’s strengths in

finance, manufacturing and marketing and use Singapore as a gateway to East Asia.12

Despite the disparity in their geographical size, both states have conducted their post–Cold War relations on the basis of equality and reciprocity, which are necessary in the establishment of an international society.

7.2 India’s Early Foreign Policy

India gained its independence from Britain in August 1947. Even though India at that time was neither a major military nor economic power, it enjoyed a high status among Third World states for the dignified manner in which it gained independence. Due to its colonial past, an independent India had strong reservations about establishing close bilateral ties with Western states, especially Britain and the United States.13 During a radio broadcast on 7 September 1946, Jawaharlal Nehru stated that the principle of non–alignment would constitute the basis of India’s foreign policy after gaining independence:

We propose, as far as possible, to keep away from the power politics of groups, aligned against one another, which have led in the past to world wars and which may again lead to disasters on an even vaster scale…The world, in spite of its rivalries and hatreds and inner conflicts, moves inevitably towards closer cooperation and the building up of a world commonwealth. It is for this One World that free India will work, a world in which there is the free cooperation of free people, and no class or group exploits another.14

Under Nehru’s leadership, India became committed to non–alignment. During the Fifty–Ninth session of the Indian National Congress in 1954, Nehru reiterated India’s strident support for this principle:

Our policy has been one of non–alignment and of development of friendly relations with all countries. We have done so not only because we are passionately devoted to peace but also because we cannot be untrue to our national background and the principles for which we have stood. We are convinced that the problems of today can be solved by peaceful methods and that each country can live its own life as it chooses without imposing itself on others.

We are a democratic country and our objectives have been laid in the Constitution that we have framed. We can never forget the teaching of our Master that the ends do not justify the means.¹⁵

C. Raja Mohan reasons Indian political leaders did not gravitate towards power politics during the early post–independence period as they perceived India, with its Gandhi–influenced ethos of non–violence and morality, “as the harbinger of a new set of principles of peaceful coexistence and multilateralism which if applied properly would transform the world”.¹⁶ Bajpai has gone as far as to assert that ethics and morality constitute the cornerstone of India’s foreign policy.¹⁷

As a newly independent state with no previous foreign policy experience, India needed a set of principles that had traction with the Indian public in order to gain support for its nascent foreign policy. Given the Indian population’s reverence towards Gandhi, it was hardly surprising that Nehru and successive leaders chose to articulate their foreign policies in Gandhi–influenced idealist terms. Over time, these principles became entrenched as India’s foreign policy elites internalised them.¹⁸ In later years, when India sought to play a more prominent role in international relations, former Minister for External Affairs Jaswant Singh criticises “the woolliness of India’s policy approaches”¹⁹ of previous years, as he believes that “idealism often obscured purpose” and “we were preoccupied with imagery, and with how we were viewed by the rest of the world”.²⁰ India’s idealistic and moralistic approach was not feasible during the Cold War, and so it was soon considered by other states to be “a country which could not face its own problems and economic reforms, but [still] wanted to play a dominant role in the world”.²¹

¹⁹ Singh, In Service of Emergent India, 133.
²⁰ Ibid., 135.
²¹ Lei Qi Zhun, Contemporary India (Chengdu: Sichuan People’s Press, 2000), 405.
Although moral considerations were usually presented as the primary motivation for India’s non-aligned stance, C. Raja Mohan argues such a policy was also materially necessary:

For a country with hardly any real power to exercise in the international system, non-alignment seemed to offer India the best route to promote its diplomatic presence on the world stage. Non-alignment gave the nation a voice and a distinct political profile in international politics of the second half of the twentieth century. It also offered India the opportunity to lead the newly-decolonized nations in raising their collective demands against the continued dominance of the international system...22

The Non-Aligned Movement [NAM] was arguably one of the most important multilateral institutions for newly independent states during the 1950s and 1960s. During the movement’s formative years, states such as Indonesia and India assumed key leadership roles.23 However, since all the member-states were recently decolonised, they were neither economically developed nor politically influential. Furthermore, the movement’s large size meant that it was difficult for the members to cooperate; the NAM could pass resolutions but not find solutions. Consequently, it was unable to play a significant political or diplomatic role during the Cold War period. India therefore did not become a prominent actor in the international system during this period.

7.3 India’s Cold War Foreign Policy

Indian political elites regarded non-alignment as a manifestation of their ability to exercise free will in determining the country’s foreign policy that was formerly under the British colonial authority. With its professed commitment towards non-alignment, India therefore had strong reservations against any policies that entailed involving foreign powers in Asia. Consequently, India opposed the establishment of the Southeast Asia Treaty Organisation [SEATO]. This was because India perceived SEATO as a continuation of Western presence in Asia and was anathema to what India stood for.24

22 Mohan, Crossing the Rubicon, 37.
24 Rosemary Brissenden, “India’s Opposition to SEATO: A Case Study in Neutralist Diplomacy,” Australian Journal of Politics and History 6, no. 2 (1960), B.M. Jain, Global Power: India’s Foreign
During this period, although Singapore was not a member of SEATO, it identified more closely with Western states such as the United States and Britain, which India did not have good relations with. Due to different ideologies, it was therefore politically difficult for India to have close diplomatic relations with Singapore.

Apart from political considerations, India’s inward looking economic policy also further reduced interaction between India and Singapore. Upon its independence in 1947, India embarked on a policy of import substitution to start the industrialisation process and be less economically reliant on Western states.\(^\text{25}\) India’s decision to be economically self-reliant was due to its experience with the British East India Company during the colonial period. Then, the large-scale importation of British manufactured goods undermined the viability of small-scale Indian enterprises. Economic power was firmly entrenched with the colonial elites, a development that gravely damaged the previously vibrant indigenous Indian economy.\(^\text{26}\) As Karl Marx puts it in 1853, the British colonial policy towards India “has broken down the entire framework of Indian society, without any symptoms of reconstitution yet appearing”.\(^\text{27}\) Unsurprisingly, an independent India therefore developed reservations towards integrating itself with the global economy, one that Western states dominated.\(^\text{28}\) Furthermore, dependencia theory, which advocated newly–independent states to decouple their national economies from the world market, was in vogue then. Due to its inward looking approach to economic policy, India did not have much commercial contact with the outside world, which included Southeast Asian states, a development that further reduced opportunities for interaction between them, especially with a trading state such as Singapore.\(^\text{29}\)


\(^{28}\) Satu P. Limaye, “India’s Relations with Southeast Asia takes a Wing”, in Institute of Southeast Asian Studies, ed. *Southeast Asian Affairs 2003* (Singapore: Institute of Southeast Asian Studies, 2003), 42.

7.4 India’s alignment with Soviet Union: A Major Roadblock

Even though India subscribed officially to non–alignment, it was nevertheless, drawn ideologically closer to the Soviet Union. Through an alignment with the Soviet Union, India was attempting to minimise British and American influence in the sub–continent. Furthermore, India needed to prevent China from developing closer ties with the Soviet Union. India’s objective of cultivating ties with the Soviet Union was therefore to deny or restrict China’s diplomatic presence in South Asia. Consequently, India’s ideological identification with the Soviet Union was a calculated move to balance against China. Indian Foreign Minister Jaswant Singh explained that India’s courting of the Soviet Union was implemented to contain “a possible adversary through the leverage converting that adversary’s own neighbours into hostiles”, a policy congruent with Kautilya’s argument that the enemy of one’s enemy is one’s ally.

Apart from gaining geopolitical benefits, closer links with the Soviet Union also provided India with industrial development. India wanted to achieve economic autarky. However, it needed external assistance as it lacked the indigenous capacity to do so. Given its wary attitudes towards Britain and United States, the Soviet Union was an attractive alternative economic model. For instance, Soviet assistance and support was instrumental in India’s establishment of the steel and heavy machines plants in Bhilai and Ranchi respectively. A sign of the closer bilateral relations between them was that Soviet Union became a major destination of Indian exports during the 1960s and 1970s.

Just as India found closer links with the Soviet Union useful, the latter also found closer relations with India beneficial as well. From the Soviet perspective, closer ties with India could allow it to consolidate its position among Asian and African states, and undermine the United States during the Cold War. As a result, India found itself to be a de facto Soviet ally in Asia. Furthermore, the Sino–American rapprochement in the early 1970s and its 1971 conflict with Pakistan again made India align itself more closely with the Soviet Union as reflected by the conclusion of 1971 Treaty of Peace, Friendship and

30 Jain, Global Power, 21.
31 Singh, In Service of Emergent India, 133.
Co–operation between them, which caused Singapore to distance itself further from India.\textsuperscript{34}

During the Cold War, the threat of Communist expansion, as evidenced by the military situation in Cambodia, Laos and Vietnam, meant that Singapore considered India, with its strong Soviet links, to be politically suspect. Consequently, there were only low levels of contact between them. Soviet Union’s invasion of Afghanistan in December 1979, and India’s tacit approval of this move, became another obstacle for the normalisation of relations between India and Singapore as Soviet action went against ASEAN’s commitment to non–intervention and respect for sovereignty.\textsuperscript{35} India’s formal recognition of the Vietnamese–backed Heng Samrin regime that overthrew the Khmer Rouge government in Cambodia also strained its relations with Singapore.\textsuperscript{36} Although the Khmer Rouge government committed genocide against its own population, Singapore consistently and officially maintained that the lack of effective internal governance standards did not justify Vietnam’s armed intervention that infringed upon Cambodia’s sovereignty and violated the regional norm of respect for sovereignty.\textsuperscript{37}

\textsuperscript{34} Manjeet S Pardesi, “Deepening Singapore–India Strategic Ties,” (Singapore: IDSS, 2005), 1.
\textsuperscript{35} On Soviet’s invasion of Afghanistan, Tommy Koh stated that: “…In the first place, the use of Soviet troops to depose one ruler and substitute another is clearly in violation of the principle of non–interference in the internal affairs of other states and of the principle of non–use of force against the political independence of other states. The actions of the Soviet Union also violate some of the principles contained in the declaration on principles of international law concerning friendly relations and cooperation among states…” Tommy Koh, “United Nations Tenth Special Session on Disarmament, Statement of the Chairman of the Singapore Delegation,” (Singapore: Singapore Government, 1978).
\textsuperscript{36} Latif, India in the Making of Singapore, 72–3.
\textsuperscript{37} Tommy Koh: “Where my Vietnamese colleague and I differ, is over the question whether the Government of Vietnam has the right…to launch a large scale military invasion of Kampuchea, to overthrow its Government and to impose a puppet regime on the Kampuchean people. My contention is that what the Vietnamese Government has done exceeds the act of self–defence. It exceeds the act of self–defence because the invasion and occupation of Kampuchea are completely disproportionate to the incidents along their common border. It is also my contention that the gross and extensive violations of human rights of the Kampuchean people by the Pol Pot government give no right to Vietnam to invade Kampuchea and overthrow its Government”. Tommy Koh, “Speech by Mr Tommy Koh, Singapore’s Permanent Representative to the United Nations, in the Plenary Session During the Debate on Kampuchea,” (Singapore: Singapore Government, 1980). Likewise, at the NAM Summit held in Cuba, 1979, Rajaratnam reiterated Singapore’s opposition towards any moves to expel Kampuchea from the NAM due to its internal governance. He argued that: …if this Conference accepts the argument that a member could be expelled because some of us do not approve of its domestic policies, then–not because we charge him with breaking non–aligned principles, that we do not like his domestic policies–then we would be establishing a new precedent which would make all of us vulnerable. Because as I said, not all of us love one another, and we change our love from one to the other. For the first time, the Non–Aligned Movement would be giving a mandate to not only interfere in the internal affairs of a member country but also to intervene militarily, should that country insist on managing its own affairs in ways some of us may disapprove of.
expected, India”s association with, and tacit approval of, Soviet policies during the Cold War minimised any opportunities for constructive engagement between Singapore and India; relations were therefore mutually “uncomfortable and insecure” during this period.\(^{38}\)

### 7.5 Post–Cold War Changes to India’s Foreign Policy

With the Cold War over and the Soviet Union”s unexpected dissolution, India was, according to C. Raja Mohan, “in deep mourning”.\(^{39}\) Not only did India lose a valuable and long–time political and economic ally, it represented the “loss of an entire world”.\(^{40}\) A stark choice confronted India. It could either “persist with an inward–looking policy that marginalizes the country and slides it inexorably into increasing international irrelevance. Or it can take a good hard look at itself and at other former developing countries that have achieved success essentially by dint of their own efforts”.\(^{41}\) To cope with the changing global situation, India was compelled to reconsider the ideological basis of its economy. It then introduced economic liberalisation to improve its sluggish economy. With a new economic policy premised upon liberalisation and free–market principles in place, conditions became conducive for India to forge closer ties with Singapore.

Apart from the end of the ideological divide, Singapore was experiencing rapid economic growth during this period. As such, there was an added incentive for India to increase its efforts to improve bilateral ties with the city-state so as to learn from its developmental experience. Manmohan Singh, the then–Finance Minister, launched the policy of economic liberalisation to overcome the problems associated with the previous autarkic policy. One of the outcomes of India”s economic liberalisation was the......Because, remember, once you have set a precedent, then you have forged opportunities for those who want to follow the precedent. And if you are the victim of that precedent, and if you have endorsed the precedent, you have no defence. You can”t have one law for your enemy and another one for yourself. A precedent applies to all of us.” H.E Sinnathamby Rajaratnam [sic], “Address Delivered at the Sixth Conference of Heads of State or Government of Non–Aligned Countries.”


improvement of its relations with Southeast Asian states through the “Look East” policy. At the end of the Cold War, apart from membership in South Asia Association for Regional Cooperation [SAARC], India was not party to any other economic blocs. By instituting the “Look East” policy, India planned to leverage on its new ties with Southeast Asia, and gain membership in various other groupings such as the Asia–Pacific Economic Co–operation and the Asia–Europe Meeting that would be economically and politically beneficial for India. The fundamental objective was for India to first establish an economic presence in the region that could then lead to an increased political presence at a later stage. A further catalyst for India to improve its links with Southeast Asian neighbours was China’s success at establishing formal diplomatic relations with economically vibrant states in Asia. By the early 1990s, China had formal diplomatic relations with states such as South Korea, Saudi Arabia, Indonesia and Singapore. It was not in India’s interests to remain distant from Asian states when China was becoming closer.

7.6 India’s “Look East” Policy

Narasimha Rao unveiled India’s “Look East” policy in Singapore in 1994. Essentially, this policy had two aims. One, India after the Cold War placed primacy on economic development and so it wanted to establish closer economic links with the Southeast Asian states that were booming economically. Two, India wanted to establish a more prominent political and diplomatic presence in the area since China was becoming more influential there.

Singapore has been an active proponent of increasing India’s engagement with it and, more broadly the region, or in Goh Chok Tong’s words, to infect Singapore with

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42 Hu Shisheng, “India’s Approach to ASEAN and Its Regional Implications”, in Saw, Sheng, and Chin, eds., ASEAN–China Relations: Realities and Prospects, 142.
44 Mohan, Crossing the Rubicon, 211–3. See also Satu P. Limaye, “India’s Relations with Southeast Asia take a Wing”, in Institute of Southeast Asian Studies, ed. Southeast Asian Affairs 2003, 42.
45 Atal Bihari Vajpayee, India’s Perspectives on ASEAN and the Asia–Pacific Region (Singapore: Institute of Southeast Asian Studies, 2002), 7–9.
46 Chulacheeb Chinwano, “The Dragon, the Bull and the Ricestalks: the Roles of China and India in SE Asia”, in Saw, Sheng, and Chin, eds., ASEAN–China Relations: Realities and Prospects, 159.
47 Jain, Global Power, 31.
“Indian fever”. Consequently, Singapore served as the first Country Coordinator for India, and its main role was to facilitate India’s participation in various regional organisations. Singapore’s efforts ranged from elevating India to full dialogue partner status in ASEAN to increasing economic and people-to-people contact between the two states. Likewise, India was keen to capitalise on the post-Cold War mood and increase its engagement with the region as well. Vajpayee noted that, “We are conscious that in the first few decades after our independence, we did not attain the full promise of our relationship… the full scope of our partnership was constrained by divergences in economic ideology, political outlook and security assumptions, which the Cold War imposed on us”. With the Cold War over, it was now possible for bilateral relations to normalise.

With India emerging as a potential major Asian power, its “Look East” policy is not just an economic exercise. It is, as E. Ahamed, Indian Minister of State for External Affairs, observed, a “strategic shift in India’s vision of the world” and a means to reach out to “civilisational neighbours” in that region”. This remark echoes former Minister for External Affairs Yaswant Singh’s observation that India’s interaction with Southeast Asia is moving “away from exclusive focus on economic issues in phase one to a broader agenda”. The ASEAN–India Vision 2020 captured the mood and highlighted this return to historical normalcy:

The India–ASEAN economic relations are now becoming much stronger as they traverse through the science and technology route instead of the silk route of olden times and businessmen and IT professionals taking the place of religious and cultural emissaries leading to a deepening social, cultural, commercial and political interface. In a sense, the synergies now being rejuvenated centre around past performance, shared vision towards development, and common economic and political challenges ahead.

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48 Goh, “Acceptance Address by Singapore Prime Minister Goh Chok Tong for the Jawaharlal Nehru Award for International Understanding.” See also Chok Tong Goh, “Engaging India,” in *Speech by Mr Goh Chok Tong, Senior Minister, at the Pravasi Bharatiya Divas Conference* (Singapore: Singapore Government, 2008).
When India first implemented the “Look East” policy in the early 1990s, it focused most of its attention on Singapore. Since Singapore is the most economically developed state in the region, it was natural for Singapore to be India’s focal entry point into the region after the prolonged lack of mutual contact during the Cold War. India’s early interaction and engagement with Singapore provided the former with access to the region, and laid the foundations for the establishment of the Mekong–Ganga Cooperation and the BIMSTEC Forum in later years, which is important since China has a growing presence in continental Southeast Asia. With the deepening levels of economic interaction between them, India is rapidly becoming a credible and serious economic player in Southeast Asia, a development that augurs well for India’s desire to play a more prominent role in the region.

7.6.1 Economic Developments

Michael Leifer, drawing inspiration from United States president Calvin Coolidge, once remarked: “Singapore is primarily about the business of business”. This observation is to be expected since Singapore is a trading state. Apart from not wanting China to dominate the region politically, Singapore also does not want China to dominate either Singapore or the region economically. China implemented its economic reforms before India did and so enjoys a substantial advantage. Consequently, Singapore has been very active in exploring new and emerging markets to address this growing imbalance.

In the early 1990s, India was one such candidate. Apart from gaining economic benefits through closer commercial links with India, closer relations with India in other areas also play a significant geopolitical role in promoting a more hospitable regional order for Singapore. Through cultivating its relations with India, Singapore is able to project a multi-ethnic image rather than a mono-ethnic image, which directly re-assures neighbouring Muslim states, as well as its own sizeable Muslim population that it is not

55 Leifer, Singapore’s Foreign Policy, 14.
overly enthusiastic in capitalising on the Chinese economic bandwagon. India is a good candidate as it has the second largest number of Muslims in the world after Indonesia. Hence, increased engagement of India increases Singapore’s strategic and economic manoeuvrability, making for a win–win situation.\(^56\)

With India’s “Look East” policy, Singapore immediately recognised and seized the opportunity to increase economic interaction with it. Economic links therefore constitute the foundation of Singapore–India relations after the Cold War. For instance, on 27 May 2003, Prime Ministers Vajpayee and Goh Chok Tong commissioned a joint study group to examine the viability of the two states in signing a Closer Economic Cooperation Agreement [CECA] to foster greater economic cooperation between them. After 13 rounds of formal negotiations, the agreement was concluded on 29 June 2005. This agreement was significant as it represented the first time India had entered into such a comprehensive economic agreement with another state; likewise, it was also Singapore’s first such agreement with a South Asian state.

A sign of the rapidly developing economic integration after signing the CECA is that India became Singapore’s 11\(^{th}\) largest trading partner in 2007, and the 2007 bilateral trade figures stood at S$23.9 billion, which were almost 20 percent better than the trade figures for 2006. After signing the CECA, there were fewer trade barriers and bilateral trade increased. The Singapore–India CECA therefore represented the first step in economic integration between South and Southeast Asia. As Singapore Prime Minister Lee Hsien Loong noted: “CECA is a strong signal that India is committed to continuing economic liberalisation and market reforms. It heralds further moves by India to engage the outside world, not just ASEAN, but also with major partners”.\(^57\) Signing the CECA, which Vivian Balakrishnan, Minister of State for Trade and Industry for Singapore, regards as “a pathfinder for the ASEAN–India FTA”,\(^58\) represents a step in the right direction as India aims to increase its economic interaction with other Southeast Asian states. Signing an India–ASEAN FTA is important. It establishes the framework for future economic activities between them and allows all states involved greater access into

\(^{58}\) Vivian Balakrishnan, “Keynote Address at the Second India–ASEAN Business Summit by Dr. Vivian Balakrishnan, Minister of State for Trade and Industry at the Plenary Session with ASEAN Ministers in New Delhi,” (Singapore: Singapore Government, 2003).
the respective markets, thereby increasing mutual interaction within a rules–based environment that makes for enhanced regional order and stability in the long–term.

7.6.2 Political Developments

Apart from tapping into the increasing economic opportunities present in India’s vast domestic market, Singapore’s early engagement of India was again a reiteration of the city–state’s consistent belief in having a durable and stable balance of power in the region. In order to achieve this objective, all legitimate actors must be present. Given India’s territorial size and its geographical proximity to Southeast Asia, it is clearly one such actor. Consequently, it is important for India to be able to participate meaningfully in regional affairs as China is becoming increasingly influential in Southeast Asia through adroit diplomacy and the lure of access to its vast domestic market as well as that of Greater China.

ASEAN is the pre–eminent regional multilateral institution, and India’s participation constitutes a concrete step to realise the above aim. Singapore, as India’s former Country Co–ordinator, has therefore “played a leading role in ensuring India’s inclusion in ASEAN, first as Sectoral Dialogue Partner (Singapore, 1992) and then as Full Dialogue Partner (Bangkok, December 1995), which in turn ensured India’s membership in the ASEAN Regional Forum (ARF) and finally, India’s inclusion in the East Asia Summit. Singapore has also supported India’s participation in the APEC Working Groups and India’s candidature in other multilateral fora, including UN organizations”.59 Singapore has been keen in ensuring India’s interaction with it and the region as a whole is multifaceted, not confined to a particular aspect, such as politically or economically. The objective is to make such contacts permanent and not merely ad hoc, so that their bilateral relations then take on the form of an international society, which is conducive for maintaining regional order.

As a hedge against possible Chinese regional domination, Singapore lobbied hard for India’s inclusion in the inaugural EAS in 2005. Southeast Asian states, as the primary proponents of this new grouping which also included China, Japan, and South Korea and Australia, New Zealand and India, outlined three main conditions for inclusion. Firstly, states must have substantive relations with Southeast Asian states; secondly, they must have already achieved Full Dialogue Partner status in ASEAN; and lastly, to have acceded to the Treaty of Amity and Cooperation [TAC]. Directly supporting India’s membership in the EAS, Singapore’s Foreign Minister George Yeo stated that “India obviously qualifies on all three counts and it will be included in the first EAS”. Yeo also reiterated that ASEAN states retained the prerogative to decide on the membership of this regional bloc “to ensure that [it] remains in the driver’s seat of the EAS process”. Such an attitude is expressly borne out in the ASEAN Charter which seeks to ensure “the centrality and proactive role of ASEAN as the primary driving force in its relations and cooperation with external partners in a regional architecture that is open, transparent and inclusive”. More importantly, India’s inclusion signals to China the Southeast Asian states’ collective commitment to stand firm against domination by any one state within this grouping.

The EAS was intended to be a regional organisation that fostered increased interaction and cooperation in Asia–Pacific. However, Mohan Malik argues that given the historic rivalry between some of the states such as Japan, China, and India, this new regional organisation “created more discord than accord”, as demonstrated by China’s behaviour at the inaugural summit. Then, China attempted to moderate India’s potential influence in the EAS by proposing that the existing members of the ASEAN plus Three [APT], which it was a member, and the not the newly expanded 16 member EAS

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60 “India Included in Summit on Asia Bloc,” *Straits Times*, 12 April 2005.
grouping should “control the formation of any Asian community–building exercise”.\(^{64}\) China’s objective was to prevent or at least reduce India’s ability to dilute Chinese influence within this fledgling regional organisation, and to confine India to an outsider role in East Asia, an area China perceives to be its historical sphere of influence.\(^{65}\)

Just as China wants to consolidate its position, India is also very keen to establish a strong presence in Southeast Asia “because of the uncertainties in the future, and especially out of her deep concern towards China’s role, the Indian ruling bloc wants to see a multi–lateral security order in Asia–Pacific region through building partnerships with ASEAN”.\(^{66}\) India therefore attaches much importance to its participation in the EAS as Prime Minister Manmohan Singh describes it as “one of the most ambitious exercises of community building and integration ever attempted in Asia”.\(^{67}\) From Singapore’s perspective, it was important for India to be involved in the EAS and its insistence is consistent with the English School theory’s prescription for a sustainable balance of power, which is based on legitimacy. Lee Kuan Yew elaborated:

It happened in an unplanned, almost accidental, way. Abdullah Badawi, the Prime Minister of Malaysia, offered to host an East Asia summit: ASEAN plus three – the three being China, Japan and South Korea. China’s premier Wen Jiabao, then offered to host the second summit. That would move the centre of gravity away from Southeast to Northeast Asia and make some countries anxious. We agreed that we should also invite India, Australia and New Zealand and keep the center in ASEAN; also India would be a useful balance to China’s heft. This is a getting–together of countries that believe their economic and cultural relations will grow over the years. And this will be a restoration of two ancient civilizations: China and India. With their revival, their influence will again spread into Southeast Asia. It would mean great prosperity for the region, but could also mean a tussle for power. Therefore, we think that it best that from the beginning, we bring all the parties in together…It’s a neater balance.\(^{68}\)

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\(^{68}\) Elegant and Elliott, “Lee Kuan Yew Reflects.”
Singapore’s objective in engaging with India through multilateral institutions such as the EAS is to ensure that the political gravity remains in Southeast Asia. This development means that Singapore is then literally in a better position to shape the kind of powers China and India will be in future. At the same time, having India and China participate in the EAS from its inception ensures that they are intimately involved with the writing of rules that govern regional interaction, and that the resultant framework is deemed legitimate by all actors involved.

### 7.6.3 Defence Relations

Apart from political relations, defence ties are also arguably one of the best indicators demonstrating the great strides made in bilateral ties between Singapore and India after the Cold War for high levels of mutual trust need to be present prior to their establishment. As early as 1994, Singapore and India have been conducting annual naval training operations codenamed Anti–Submarine Warfare [ASW] as part of the Singapore–India Maritime Bilateral Exercise [SIMPBEX]. On the tenth anniversary of the ASW in 2003, Singapore Ministry of Defence affirmed the exercise’s importance as a “platform for the IN [Indian Navy] and the RSN [Republic of Singapore Navy] to interact professionally” and in the process, has also managed to “foster closer relations, mutual understanding and goodwill between the two navies”. Given their invested interest in maintaining the security of the sea lanes of communication, naval cooperation has proved to be mutually advantageous. The close naval collaboration between them is therefore a confidence–building mechanism that serves as a model for other branches of their militaries, or for other Southeast Asian militaries as well.

In 2003, the conclusion of the Defence Cooperation Agreement again improved bilateral defence ties between Singapore and India as it facilitated the establishment of the annual India–Singapore Defence Policy Dialogue. The dialogue aims to provide a regular forum for both sides to discuss defence cooperation as well as various regional and defence issues. The first such meeting was conducted in Singapore in March 2004.

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70 Ali and Pardesi, “ASEAN–India Strategic Engagement,” 3.
Due to the presence of these various confidence-building mechanisms, Singapore and India were able to further their defence cooperation – for instance in 2004, SINDEX 04, the inaugural bilateral air exercise that was held in Gwalior Air Force Station in Western India.\textsuperscript{71} In 2005, new ground was broken when both militaries conducted their first joint artillery and armour exercises codenamed “Ex Bold Kurukshetra” and “Ex Agni Warrior” which was held at Deolali and Babina respectively.

Another sign of the maturing defence ties between them was the signing of the 2007 Joint Military Exercises agreement allowing the Singapore air force to train at Indian military bases in Kalaikunda, West Bengal for five years in return for payment and the understanding that the Singapore air force maintains, and upgrades, the Indian facilities provided.\textsuperscript{72} This military agreement is very significant because it is the first time the Indian government has allowed the stationing of foreign troops on its soil, and attests to the excellent bilateral ties between them in both high and low politics. In November 2008, a three–week long joint training exercise was conducted, which Singapore’s Ministry of Defence considered to be yet another significant milestone in bilateral defence relations.\textsuperscript{73}

In August 2008, both states entered into a new bilateral defence agreement that allowed their infantry forces to undertake joint training exercises in India.\textsuperscript{74} More significantly, India’s willingness to allow all three branches of the Singapore military to train there is a strong indicator of this rapidly developing bilateral relationship that was largely overlooked during the Cold War. In less than 20 years, Singapore–India defence relations have gone from virtually non-existent to ones that are characterised by close and enduring cooperation between all three branches of their military forces.

Just as India’s enhanced economic interaction with Southeast Asia as a whole was facilitated with Singapore as an intermediary, and made clear by Manmohan Singh’s

\textsuperscript{74} Ministry of Defence, “Singapore and India Sign Bilateral Agreement on Joint Army Training and Exercises,” (Singapore, 2008).
belief that to “market New India, [we] would have to begin in Singapore”, the same development could also be happening on the defence front now. Singapore has been keen in establishing closer defence ties with India because it recognises that given India’s size and geographical location in the Indian Ocean, India plays a vital role in maintaining general regional stability. India also recognises the importance of Southeast Asia to its own strategic interests. In a speech to the Singapore Institute of Defence and Strategic Studies in June 2000, former Indian Minister for External Affairs Jaswant Singh stated that “considering [India’s] size, geographic location and EEZ [Exclusive Economic Zone], [its] security environment certainly includes Persian Gulf in the West, Central Asia in the Northwest, China in the Northeast and Southeast Asia”. Likewise, Vajpayee reiterated India’s strategic priorities:

Our security environment ranges from the Persian Gulf to the Straits of Malacca across the Indian Ocean, includes Central Asia and Afghanistan in the North West, China in the North East and South East Asia. Our strategic thinking has also to extend to these horizons, especially to some of the areas of interest that have a bearing on India’s security.

These various pronouncements by senior Indian politicians indicate the geopolitical importance of Southeast Asia to India, which explains why it has been keen to cultivate closer defence relations with Singapore.

Significantly, China, at the time of writing, has yet to have such close defence links with Singapore. Thus far, Singapore and China have only signed the Agreement on Defence Exchanges and Security Cooperation in January 2008. This current general defence-related agreement between Singapore and China only covers personnel exchanges and port calls between their navies and is neither as comprehensive nor as far-reaching as the multiple defence agreements signed between Singapore and India. On the other hand, Singapore has very close military links with Taiwan as evidenced by

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75 Manmohan Singh quoted in Goh, “Engaging India.”
77 Jaswant Singh quoted in Saw, Sheng, and Chin, eds., ASEAN–China Relations: Realities and Prospects, 137.
“Exercise Starlight” where the Singapore military trains in Taiwan. In a bid to reduce contacts between Singapore and Taiwan, China has offered alternative training area and facilities in Hainan Island for the Singapore military to use. However, the Singapore government very politely declined this Chinese overture.\(^8^0\) A possible reason is to reassure neighbouring states that is not leveraging on its ethnic affinity with China to establish closer defence relations.

The close defence links between India and Singapore attest to the high levels of trust between them. Also, implicit in this development is the continuing distrust Singapore and the other Southeast Asian states have towards China. More importantly, the various defence agreements between Singapore and India could be a model the latter could use for establishing defence ties with various other Southeast Asian states, a move that could prove conducive for promoting multilateral defence cooperation in the future.

7.6.4 Social and Cultural Developments

An indirect measure of CECA’s success and improved bilateral relations between Singapore and India is the increased demand for Indian education by Indian expatriates in Singapore. The presence of Indian international schools is significant for it not only indicates the sizable presence of Indian nationals in Singapore, but also that these Indian expatriates expect to be based in Singapore for extended periods. As of 2008, there were three Indian international schools in Singapore. Furthermore, in December 2008, Singapore Press Holdings launched a new weekly newspaper – *tabla!*, which targets overseas Indians residing in Singapore, providing further evidence that more Indians are living and working there.

Apart from an increasing expatriate population, the number of Indian tourist arrivals to Singapore has also increased. Likewise, just as there are increasing numbers of Indian nationals in Singapore, there are increasing numbers of Singapore nationals in India as well.\(^8^1\) In 2005, the Indian High Commission issued 60,000 business and travel


\(^8^1\) Teo Cheng Wee, “Catching „India Fever”,” *Straits Times*, 4 May 2008.
visas to Singaporeans, and this figure increased by more than 30 percent in just two years to 80,000 in 2007. These healthy numbers indicate that the people–to–people links between Singapore and India are very strong, and augurs well for the future of their official bilateral ties. These people–to–people links are set to become stronger. In a clear sign of the excellent bilateral relations between the two states, India is considering a proposal to issue Singaporeans with visas upon arrival without the need for application. Right now, this concession is only extended to the citizens of Nepal and Bhutan.\(^{82}\) Without the need to apply for visas, the number of Singaporean tourists to India is likely to increase.

Although there have been many recent developments highlighting the rapid improvements in bilateral relations, it is important to note the long gestation periods before present effects become apparent. For instance, Singapore’s Asian Civilisation Museum staged the „Nalanda Trail” exhibition in 2007. It was a clear sign of the warm bilateral relations between the two states as it was the first time since 1947 that India had sent such priceless historical artefacts abroad.\(^{83}\) This exhibition was possible as the two governments concluded an agreement in 2003 for the loan of such artefacts from the Archaeological Survey of India and the National Museum, New Delhi. Singapore, once again, was the first state to have concluded such a long–term agreement with India.\(^{84}\) However, the 2003 agreement itself was based on a Memorandum of Understanding signed in 1993 to increase mutual exposure to their respective cultural heritages.

In another sign of their rapidly developing bilateral ties, the Indian government invited Singapore’s deputy Prime Minister Jayakumar to be the chief guest of the 2007 Pravasi Bharatiya Divas conference for Indian diasporas. When he was there, Jayakumar expressed Singapore’s interest in hosting the event in future. Just a year later in 2008, India selected Singapore to be the host, the first time the event had been held in another Asian country. To choose Singapore as the venue for this international conference ahead of other Asia–Pacific states provides more evidence that bilateral ties between Singapore

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\(^{82}\) Ravi Vellor, “Easier Entry to India,” Straits Times, 3 December 2009.


and India are rapidly becoming closer. In the present context, Leifer’s earlier description of Singapore–India relations as “diplomatically distant” is no longer applicable.

Aware of such improvements, the Singapore and Indian governments established the India–Singapore Joint Ministerial Committee in order “to take stock of bilateral initiatives, exchange views on regional and international issues, as well as to identify new areas for cooperation”. This joint initiative shows that political elites from both states attach much importance to exploring new ways to consolidate and increase the present levels of cooperation between the two states. Given the developing diplomatic, economic and people-to-people contacts between Singapore and India, it is more accurate to describe their interactions in the present context as “deep and multifaceted”. In a concrete sign of Singapore’s devoting more importance to the Indian sub-continent, the National University of Singapore set up the Institute of South Asia Studies in July 2004. This new institution “reflects the increasing economic and political importance of South Asia, and the strong historical links between South Asia and Southeast Asia”.

In another bid to strengthen ties with the region, this institute set up a new project in November 2009–South Asia Link – the brainchild of President Nathan to “make Singapore the focal point for the 30 million members of the South Asian diaspora around the world”.

7.7 India–ASEAN Relations

The previous section has established the close links between India and Singapore, which are arguably considered as the most developed in Southeast Asia. India, on its part, has also leveraged on its ties with Singapore to make inroads into establishing a more prominent political and diplomatic presence in Southeast Asia. Consequently, India has

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87 Raymond Lim, “Address by Mr. Raymond Lim, Minister of State for Trade & Industry and Foreign Affairs at the Inaugural Session of the Fourth “India Calling” Summit,” (Singapore: Singapore Government, 2004).
89 “Project to Link South Asians,” Straits Times, 5 November 2009.
been keen to be involved in ASEAN – the most important multilateral organisation in Southeast Asia. In a bid to increase interaction with East Asia, ASEAN invited South Korea, Japan and China to participate more actively in the organisation in 1999, a process that came to be known as the ASEAN plus Three [APT]. Given the regional focus, India was excluded from this expanded grouping.

Even though India was not part of the APT, it was not totally excluded from ASEAN per se. Due to Singapore’s continuing support, India was invited to become ASEAN’s Sectoral Dialogue Partner in 1992 and it was elevated to be a Full Dialogue Partner in 1996. Since then, India’s links with ASEAN have improved considerably. For instance, India proposed holding annual ASEAN–India summits to increase communication channels between them. Southeast Asian states welcomed India’s initiative and the first such summit was held in Phnom Penh in 2002. As Sudhir T. Devare notes, the venue for the first ASEAN–India summit in Cambodia is very significant. After all, it was India’s stance on the Cambodian issue that was responsible for the delay in normalising relations between them. Hence, holding the inaugural session in Cambodia effectively demonstrated that Southeast Asian states as well as India have moved on from its support of Vietnam’s actions towards Cambodia, a development that augurs well for their future relations. During this summit, India proposed establishing an ASEAN–India FTA within 10 years. It aims to minimise taxation and increase economic contact between them. Significantly, it was India, and not the Southeast Asian states, that proposed the FTA, which clearly indicated India’s strong desire to increase both the scope and depth of its engagement with Southeast Asian states. The 2nd ASEAN–India Summit held in Kuala Lumpur in 2003 represented a milestone in bilateral relations between them as key agreements were signed. In a major step towards the conclusion of the ASEAN–India FTA, leaders from both sides signed the “Framework Agreement for Comprehensive Economic Cooperation”. India also acceded to the ASEAN Treaty of Amity and Cooperation [TAC]. Ratifying the TAC resulted in a major improvement in bilateral relations between them because it paved the way for India to play a more active role in Southeast Asia.

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Apart from signing the TAC, the conclusion of the “India–ASEAN Partnership for Peace, Progress, and Shared Prosperity” in 2004 again reflected India’s historically benign intentions in its increased engagement with Southeast Asian states in the present.\(^91\) This treaty re-affirmed India’s commitment to be a responsible stakeholder in the region, and is an important confidence-building mechanism between them. Significantly, through the conclusion of this agreement, both sides – ASEAN and India – “formalized a comprehensive, conceptual and executive framework for the totality of relationship” that augurs well for future relations by formalising their interaction in a rules-based environment.\(^92\) Signing this agreement lent support to remarks Vajpayee made at the inaugural session of the Pravasi Bharatiya Divas. Then, he stated that “[Indian migrants] went in peace, often with nothing more than faith in their destiny. No country can claim that Indians entered its territory in the spirit of colonialism…Few people who entered foreign lands can claim such a testimony”\(^93\).

In a highly symbolic act to demonstrate India’s geographical continuity with many of the Southeast Asian states, and to “draw dramatic attention to [their] geographical proximity”,\(^94\) and to “rediscover the essential oneness of our integrated region”,\(^95\) India proposed to hold an ASEAN–India overland rally. This idea was welcomed by the Southeast Asian states, and it was held in 2004 to coincide with the 3\(^{rd}\) ASEAN–India Summit. The rally started in Guwahati, capital city of Assam, traditionally India’s gateway to Southeast Asia, and went through Laos, Vietnam, Thailand, Malaysia, Singapore, and concluded in Indonesia, via a ferry ride to Batam. The rally demonstrated the pace and extent of the improvement in bilateral ties that had taken place since India announced its “Look East” policy after the Cold War. These annual ASEAN–India Summits have served to foster greater interaction and cooperation between ASEAN states

\(^{91}\) Satu P. Limaye, “India Relations with Southeast Asia takes a Wing”, in Institute of Southeast Asian Studies, ed. *Southeast Asian Affairs 2003*, 40. See also Kripa Sridharan, “the Evolution and Growth of India–Singapore Relations”, in Mun Cheong Yong and V.V. Bhangoji Rao, eds., *Singapore–India Relations: A Primer* (Singapore: Coronet Books Inc,1995), 24.

\(^{92}\) Devare, *India & Southeast Asia*, 133.


and India on a number of diverse areas, and are in sharp contrast to their pre–1991 relations. Judging from the rapid pace in the improvement of their bilateral ties, the prognosis for future bilateral ties is optimistic. Apart from increased interaction between India and the Southeast Asian region, India has also been keen to increase contact between other South Asian and Southeast Asian states through various multilateral institutions. India is the largest state in South Asia, and the latter region is naturally the focus of India”s foreign policy.

In the Mekong–Ganga Cooperation, established on 10 November 2000, India together with Cambodia, Laos, Myanmar, Thailand and Vietnam are exploring ways to increase tourism, cultural exchange, education, and transport connectivity between them. For instance, the six member states have agreed to implement the East–West Corridor project to improve the transport infrastructure between the two regions. The Mekong–Ganga Cooperation is significant because it involves the CLMV states, the region where Chinese and Indian interests intersect. Although this initiative focuses on low politics, it is still an important confidence–building mechanism that allows India to establish a benign presence in the relatively less developed part of Southeast Asia where Indian influence is arguably at its weakest. From another perspective, the Mekong–Ganga Cooperation could also be interpreted as a sign of Sino–Indian rivalry. This is because China is excluded from this grouping, just as India is excluded from China”s Mekong Basin initiative.

Apart from the Mekong–Ganga Cooperation, the BIMSTEC Forum [Bay of Bengal Initiative for Multi–Sectoral Technical and Economic Cooperation] is another initiative to foster increased interaction between the littoral states of South and Southeast Asia. This second grouping consists of Bangladesh, Bhutan, Nepal, Sri Lanka, India, Myanmar and Thailand. Unlike the Mekong–Ganga Cooperation, the political centre of gravity is located in South Asia, which India dominates, and not in Southeast Asia. The BIMSTEC Forum aims to increase and institutionalise cooperation in a number of different sectors ranging from trade and investment to tourism and poverty alleviation in the respective countries. On 8 February 2004, the foreign and economic ministers of the

97 Apart from China, the other member–states in this initiative are Burma, Cambodia, Laos and Vietnam.
BIMSTEC member–states concluded a draft agreement to reduce tariffs with the aim of establishing a free–trade area by 2017, thereby increasing and cementing the economic interactions between the two regions. The focus thus far has been to improve overland transport links between South and Southeast Asia. Some of the major projects include infrastructural projects such as to link Dawei deep seaport to Kanchababuri in Thailand and the India–Thailand–Myanmar highway proposal.98

7.8 India–Democracy and Underbalancing

On most counts, India is an ideal counterweight to China. Apart from physical indicators such as territorial and population sizes, both states already have a presence in Southeast Asia prior to becoming established Asian powers as discussed in previous sections. Furthermore, both states have also been experiencing rapid economic growth in recent years. Since implementing economic reforms after the Cold War, India’s economy has been growing rapidly, which increased its confidence on the world stage. At the same time, India’s long–established democratic credentials have also contributed to its desire to play a more prominent role in the international system. According to C. Raja Mohan:

    India is not demanding a say in the management of the affairs in Asia and the world merely on the fact that it is an ancient civilization, the large size of its population and its potential to emerge as a major economic force. India’s claim for a special status is rooted in its ideological claim to being the world’s most important democracy.99

However, India’s democratic credentials may, ironically, be an obstacle to realising its aspirations. Paul Kennedy states that the “relative strengths of the leading nations in world affairs never remain constant, principally because of the uneven rate of growth among different societies and of the technological and organizational breakthroughs which bring a greater advantage to one society than to another”.100 Kennedy’s belief echoes Organski’s earlier argument that this issue of uneven development is the main problem within the international system. To him,

99 Mohan, Crossing the Rubicon, 57.
“Industrialization has proceeded unevenly throughout the world. The result has been that first one nation and then another has experienced a sudden spurt in power …[and] it is these sprints in power that keep disturbing the distribution of power in the world”.101 Similarly, Kuznets, an economist, also argues that varying levels and pace of economic growth among states leads to instability within the international system:

Since international relations are greatly affected by shifts in the relative economic magnitude, and hence in power, of countries, one can argue that the very rapidity of modern growth is in a sense a cause of the rapidity with which relative power positions of countries change; and hence possibly of difficulties in adjusting international relations to these shifts in underlying economic power.... It will not be long before the political and power relationship based on this initial inferiority begins to show signs of strain .... In short, one may argue that when growth is rapid and the pace of human history, itself a cause of rapid shifts, is fast, adjustments are more difficult than when rates of growth are moderate and the whole pace of change, internal and external, is slower.102

For democracy to work, achieving consensus is very important. Given the various centrifugal forces present in India due to its population and geographical sizes and the entrenched caste divisions, achieving this objective is not a straightforward task; often, it is a time consuming process.103 Consequently, a democratic India, with a political culture based on “consensus, conciliation, compromise, and accommodation”,104 may not be in the position to fully capitalise on and react to geopolitical changes. By the time a decision is reached, the situation may have changed. This observation is especially pertinent in a comparison between India and China. George Yeo explains that “China’s centralised system is another source of apprehension because it allows Beijing to mobilise resources and pursue policies in ways which democratic countries find much harder to do”.105 Likewise, Goh Chok Tong, Singapore’s current Senior Minister, has argued that even though India’s economy is very likely to maintain its current rate of growth, nevertheless

it is unlikely to be as rapid as China’s. In India, unlike China, a single party does not dominate politics. As a result, the Indian government has to seek and maintain consensus in order to implement its policies. Goh Chok Tong, again in 2008, revisited this theme and noted that in a democracy such as India, policy-making is not straightforward. He said: “Coalition politics and state–central dynamics would also mean that pushing through reforms will not be easy and progress will not be smooth”.106 This issue is likely to impede economic growth in the short term, thereby making it more difficult to close the gap, or even to prevent the gap from increasing, with China in the coming years.107 Shanmugam, Singapore’s Minister for Law, at the 5th International Conference on South Asia reiterated this point of how democracy has affected India’s economic potential, when he spoke about how India democratic governance has rendered it less responsive against a fleet–footed China.108

According to press reports, the Chinese economy is even growing faster than expected, and it is tipped to overtake Japan and become the world’s second largest economy in 2010, five years earlier than expected.109 India is also aware of this problem. In an interview with the McKinsey Quarterly, Manmohan Singh spoke candidly on this issue:

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106 Goh, “Engaging India.”
107 Goh Chok Tong, “Opportunities in a New Asia: China, India and ASEAN In–Between,” in Speech by Mr Goh Chok Tong, Senior Minister, at the Institute of International Finance (IIF) Opening Dinner (Singapore: Singapore Government, 2006).
108 “When such a diverse mix of electorate has the franchise, you are going to get an equally diverse mix of legislators and parties. Many irreconcilably competing interests will find voice and jostle for power. Second, popularity wins you elections. But, those who are popular are not necessarily always those who are best able to deliver governance–particularly when electability depends on being able to champion narrow ethnic/religious causes. The lower literacy levels and level of development has meant that vast sections of the population have not always been able to identify those who are able to govern and separate them from those who can only appeal to emotion. Many will of course remember that Dr Singh himself had difficulties getting elected. Third, such a political system, encourages a mindset of trying to get a share of existing, scarce resources, for a particular community, rather than engaging with others in the broader task of increasing the resources available. All of this imposes economic costs. But the cost is not only economic. The various other costs are well documented. India ranks 134th in the UNDP Development Index. Infant mortality is high. India has a literacy rate of 61 per cent. Female literacy rate is at 48 per cent. UNESCO ranks India 102 out of 129 countries in its Education for All Development Index.” Quoted in K. Shanmugam, “South Asia: Beyond the Global Financial Crisis,”(2009), http://app2.ml.gov.sg/News/tabid/204/Default.aspx?temId=446#mlatop.
…economic policy and decision making do not function in a political vacuum. It takes a lot of time for us to take basic decisions. And furthermore, because we are a federal set–up, there are lots of things that the central government does, but there are many things, like getting land, getting water, getting electricity – in all these matters the state governments come in, the local authority comes in…I do recognize that at times it gives our system the label that it is slow moving. In a world in which technology is changing at such a fast pace, where demand conditions change very fast, we need to look at a more innovative mechanism to cut down on this rigmarole of many tiers of decision–making processes.\textsuperscript{110}

As a result, India may be underbalancing against China, a development largely overlooked by Realist literature, which assumes the balance of power to be an inevitable development brought on by states’’ interaction with one another in the international system. In this context, underbalancing is defined as the inability of a state to adroitly mobilise its material resources against a latent threat.\textsuperscript{111}

### 7.9 Domestic Factors for Balancing

From the English School perspective, a balance of power is not an inevitable development that arises from the demands of the international system; a balance of power is only possible if states make a conscious effort to establish one. However, various factors can undermine a state’s ability to balance against a threat. Yet, this concept of underbalancing has not received much attention in the literature. Realism’s domination provides an explanation since this theory assumes that the balance of power is a natural development and so it does not recognise the phenomenon of underbalancing.\textsuperscript{112}

A durable and stable domestic political situation constitutes the fundamental pre–requisite for a state to embark on an effective balancing strategy. A durable and stable political order implies political elites share a common perspective and this high degree of congruence ensures a uniformed response to external threats. More importantly, elite consensus indicates that there exists a general preference for one particular course of action and results over another competing set, which George Tanham believes is lacking


\textsuperscript{112}Schweller, \textit{Unanswered Threats: Political Constraints on the Balance of Power}. 

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in India due to differing threat perceptions in different regions. In this instance, firm and decisive action cannot be taken. Likewise, a durable and stable domestic political climate indicates the ruling regime enjoys considerable support from the general population. Enjoying strong political support, the ruling regime is able to present a united front against a threat, which makes it possible to take drastic pre-emptive action against an impending threat. A ruling regime that enjoys widespread support is in a better position to devote its attention toward dealing with the external threat as it does not have to work on buttressing its domestic position.

Apart from elite cohesion, the presence of social cohesion among the masses is also more likely to increase the state’s ability to balance against a threat. This observation does not mean that a state has to be homogeneous; social cohesion is achieved when individuals confer legitimacy to domestic institutions and so they all abide by a common set of laws. More importantly, individuals within the same state must perceive themselves to belong to what Benedict Anderson terms an “imagined community”. Ceteris paribus, it is easier to achieve a high level of social cohesion and solidarity with the ruling regime in a homogeneous state. In the case of India and China, the latter is the more homogeneous of the two, which indicates that China is more likely to achieve and maintain social cohesion.

It is possible that the presence of an external threat will increase social cohesion and political support for the ruling regime. However, the question remains whether there is enough time for this particular state to become cohesive enough in time to confront the emergent threat. This is especially pertinent for democratic states. At her testimony before the September 11 Commission, Secretary of State Condoleezza Rice testified that:

…Historically, democratic societies have been slow to react to gathering threats, tending instead to wait to confront threats until they are too dangerous to ignore or until it is too late. Despite the sinking of the Lusitania in 1915 and continued German harassment of American shipping, the United States did not enter the First World War until two years later. Despite Nazi Germany’s repeated violations of the Versailles Treaty and its string of provocations throughout the mid–1930’s, the Western democracies did not take action until 1939. The U.S. government did not act against the growing threat from Imperial Japan until the

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threat became all too evident at Pearl Harbor. And, tragically, for all the language of war spoken before September 11, this country simply was not on a war footing.\textsuperscript{114}

Similarly, Thomas Haas also argues that in order for a balance of power to work as a deterrent against revisionist states, especially in a fluid multi–polar strategic environment, it is important for the states involved to exercise a high degree of flexibility and rationality in their decision making process. In order for a state to maintain the balance of power, it must be ready or be seen to be ready to commit itself to a temporary coalition or alliance with antagonistic states very promptly in response to the current threat.\textsuperscript{115} However, as a democracy, India is less likely to respond rapidly to both internal and external changes because it has to take into considerations the conflicting interests of various groups in society.\textsuperscript{116} It is not always possible to reconcile divergent interests and so governmental inaction is not uncommon in India.

Even though it has been established that Pakistani–based militants carried out the November 2008 bombings in downtown Mumbai, India has been unable to respond in a coherent manner. This ineptitude has led Shashi Tharoor, India’s junior foreign minister to wish that the Indian government could emulate Israel’s strong response towards Hamas” attacks on its citizens.\textsuperscript{117} Writing in \textit{India Today}, the editor Prabhu Chawla made a damning indictment of the Indian government’s inability to bring closure to the Mumbai attacks. In his editorial, he wrote that:

One year later, where are we? And whatever happened to the so–called spirit of Mumbai? The city remains divided and disillusioned; and in the higher echelons of governance, it is business as usual. Even after winning the mandate, it took two weeks for the Congress–NCP coalition to form a government. A safer, stronger Mumbai was not on their mind; they were fighting over plum portfolios …. On the diplomatic front, the mandarins of North Block may continue to prepare

dossier after dossier on the architects of 26/11, but the masterminds of the attack are well protected by a Pakistan that is now used to the weaklings of Delhi. Today, as David Headley hogs headlines as the latest twist in the Mumbai plot, it further exposes the holes in our intelligence network. The Americans did the work.

And post–9/11 America knows the worth of such work. We never get tired of saying 26/11 is our 9/11. There is a huge difference. On September 12, America was not a divided country engrossed in a self–defeating blame game. It was a country united by anger and patriotism – a much–maligned word in this part of the world. There was no red America or blue America then, there was only a nation in sorrow but determined not to give in to the enemies of civilisation. As Le Monde famously said in its editorial, “We are all Americans today”. One year after the infamy, India, divided by politics, doesn’t know what to do with its enemy or with its much–mauled nationalist soul. We are as clueless as we were on that dreadful November night one year ago.118

On the other hand, an authoritarian state such as China with strong centralised political control, and its culture deeply influenced by Confucian ethos of order, may be better able to meet the challenges of changing geopolitical situations.

In India, the era of single–party dominance has been transformed to that of two major political parties. The Congress Party used to be the dominant political party in India but it now has to compete with the Bharatiya Janata Party [BJP]. A two–party system in itself is not unstable as long as whichever political party that forms Government can command a clear majority. However, these two major Indian parties in recent years have been unable to win an effective mandate, making it necessary to form coalition governments.119 Coalition governments tend to be weaker as they are less able to exercise decisive leadership given that that they are highly dependent on achieving consensus.120 Given the many divisions present in Indian society over language, caste, and religion, it is difficult and time–consuming for any Indian coalition governments to achieve unanimity over contentious issues. For instance, in mid–2008, Prime Minister Manmohan Singh pushed to conclude a nuclear agreement with the United States so that India could get access to fuel and advanced technology for nuclear power plants. However, in order for the deal to go ahead, the Indian Prime Minister required support

119 Baxter et al., eds., Government and Politics in South Asia, 63–5.
from his minor coalition partners, and the Communist factions were not in favour. They opposed this nuclear deal because its conclusion would increase India’s strategic engagement with the United States, a development opposed by the Samajwadi Party, Telugu Desam Party and the Communist Party of India. If these three minor partners in the ruling coalition were to withhold their support and defect to the opposition, the Singh–led government would have to be dissolved and new elections called as early as in November 2008.

In order for the Indian government to defeat the vote of no–confidence and prevent the dissolution, it granted bail to five convicted members of parliament, some serving life terms for murder and kidnapping, to vote in the Lok Sabha. Likewise, members of parliament that were ill were arranged to be present to vote on the motion. As such, the Lok Sabha on the day of the vote “[resembled] a prison and hospital ward … with rival parties ordering all MPs, including the seriously ill and the jailed, to show up for a key government confidence vote”. 121 This bill demonstrated the Indian government’s inability to exercise decisive leadership on a politically difficult and divisive issue. Consequently, this debacle gravely undermined the government’s credibility and legitimacy, a development that constrains India’s general ability to balance against China, for similar situations could recur in future.

On the importance of government’s legitimacy in achieving an effective balance of power in the international system, Azar and Moon elaborate that:

Weak legitimacy exhausts domestic capabilities and turns the overall policy capacity rigid and ineffectual. As a regime attempts to ensure its survival through the use of force or by co–optation and appeasement of the opposition, it begins rapidly to deplete the nation’s capabilities and scarce resources...Among the serious side effects of the erosion of domestic policy capacity are: a sharp decrease in people’s loyalty and conformity to, and compliance with, government policies and decisions; a decrease in the government’s ability to mobilize material and human resources in the event of a national security crisis, diminution in the accountability or the virtual termination of the steering function of the

121 Channel NewsAsia, “Indian Parties Rally Sick, Jailed MPs for Support in Key Vote,”
government; and a serious reduction in the co-ordination and implementation of policies.\textsuperscript{122}

In the above example, minor parties in the Indian ruling coalition opposed the civilian nuclear deal based upon ideological concerns, arguably a hangover from the Cold War mentality, and not based on pragmatic and practical considerations. They still oppose India’s closer links with the United States, which indicates that the India’s coalition government is not flexible enough to keep pace with changing geopolitical conditions.\textsuperscript{123}

Writing in the \textit{New York Times}, Somini Sengupta observed that, “The deadlock holds important lessons for the future of the world’s most populous democracy, as the country’s two main political parties diminish in strength, rely increasingly on smaller parties to form a government, and are in turn left ever more vulnerable to the smaller parties’ whims”.\textsuperscript{124} With similar problems expected to recur in future, the increasingly fragmented nature of Indian government may directly undermine India’s ability to respond quickly to geopolitical changes in the region and by extension, its ability to effectively balance against China. This pessimistic view is also borne out by PERC’s assessment of India as the Asian state that faced the most political and economic risks in 2009. China fares much better, occupying seventh place in the rankings.\textsuperscript{125} Ethnic and religious tensions, political stability and economic outlook were some of the key indices used in this survey.

India’s inability to balance against China is also reflected by its historically ambiguous nuclear policy. India conducted what Indira Gandhi referred to as a “peaceful nuclear explosion” in May 1974, but it took another 24 years for India to adopt an overt nuclear stance and develop its nuclear capability further. China is an overt nuclear power and given the historical antagonism between them, India was expected to respond to this


security threat by developing its nuclear arsenal so as to be able to achieve a second-strike capability. Yet, India did not proceed with this policy until 1998. Perkovich argues that domestic disdain towards power politics in India has sidelined the military from policy decision-making and this was partly responsible for the delay. Likewise, there was a strong tension between socioeconomic and military development.\textsuperscript{126} Previously, India lacked the economic resources to pursue both aims concurrently and the situation only changed after the Cold War. In this classic dilemma between butter and guns, a democratic India opted for the former over the latter. Even though pursuing the nuclear option allows India to balance against China, the need to achieve consensus made it more difficult for the Indian government to implement drastic and unpopular measures such as devoting scarce resources to the defence rather than to the civilian sectors. Consequently, even though India has the material and physical resources to balance against China, there may not be belief on China’s part that such a balance exists. Hence, India may not be an effective counterweight to balance against China, a possibility that Singapore’s foreign policy needs to take into active consideration.

7.10 Conclusion

With hindsight, it is clear that the Cold War represented a brief interlude in Singapore–India relations. During this period, adherence to different political ideologies resulted in them being diplomatically distant from one another. However, when the Cold War ended, both states sought to establish closer links, so much so that their current interactions resemble the close links they had during the colonial period. Despite the obvious disparities between them in population and geographical sizes, bilateral relations have been conducted on the basis of formal equality. Rather than a much larger India dominating a miniscule Singapore, both states cooperate within a rules–based framework in areas ranging from high to low politics, and so their present interactions take on the form of an international society.

However, in order for an international society to be present, a balance of power is needed. This is a pressing concern because the full effects of China’s current rise remain unclear, and it is precisely this apprehension that has resulted in the convergence of interests between Singapore and India, which provides the necessary impetus for them to increase bilateral interaction and cooperation. Singapore is a small state. It is inherently sensitive to the presence of any hegemonic power that may possess both the intention and capacity to set and dominate the regional agenda. India, on the other hand, is aspiring to be a legitimate power. Consequently, it also does not want to be sidelined by China, its traditional rival. Pragmatism and practicality therefore play a significant role in the rapid improvement of bilateral ties, which is congruent with the English School’s argument that functional and utilitarian considerations are why states want to form an international society.

Singapore has given much attention to advancing relations with India. Apart from striving for a general balance of power in Asia discussed above, Singapore’s efforts at cultivating closer relations with India are also aimed at making the regional order more hospitable. This is because enhancing ties with a multi-racial and multi-religious India, which also has the second largest Muslim population in the world after Indonesia, allows Singapore to counter potential claims by predominantly Muslim states in its immediate geographical locale that Singapore is overly-enthusiastic in developing closer ties with China. Given Singapore’s predominantly ethnic Chinese population, any policy that allows the city-state to distance itself from its image as a “Third China” and reduce the hostility it faces in the region is a welcome move.

Singapore, in order to entrench India’s presence in Southeast Asia, has adopted a bilateral approach, an approach that, although useful, is not sufficient. Singapore recognises the limitations associated with this bilateral approach and so it has also been a strong and active advocate for India to be involved in various ASEAN-centric multilateral institutions such as the ASEAN Regional Forum as well as the East Asian Summit, the two most notable ones. The rationale is to ensure that Southeast Asian states have, through these various multilateral institutions, the opportunity to shape the kind of power they would like India to be. More importantly, India’s membership in these
various regional groupings allows for their interactions to become regular and predictable as they are conducted within a rules–based framework, which is important in maintaining regional order. Furthermore, since India is given the opportunity to shape and provide its input into various regional developments, it has less reason to want to upset the prevailing status quo, one that it is directly responsible for shaping.

From the English School perspective, a balance of power arises from the contrived efforts of all actors involved to establish and maintain it; a balance of power is not a fortuitous development. At the most basic level, a balance of power indicates that there is a perceived parity between the various states involved. Yet, there is still a very high likelihood that a democratic India may be slower in reacting to and capitalising on geopolitical changes because it needs to win over the Indian public. Furthermore, no major Indian political party has managed to form outright government in recent years. In order for a major Indian political party to form Government, it has to rely on minor parties. In most instances, coalition governments tend to be less stable as they are unable to take unpopular or decisive actions since they are dependent on reaching and maintaining consensus. As an authoritarian state dominated by a single political party, China does not face the problems discussed above. Consequently, it has enhanced capacity to undertake difficult or unpopular measures as compared to a democratic state such as India.

In view of the constraints discussed above, it is reasonable to conclude that India is not as effective as it might be as a counterweight to China. Yet, it has also been already been shown that Singapore has been very active in pursuing closer ties with India after the Cold War. Although India may be underbalancing against China, it does not necessarily mean that Southeast Asian states, and in particular Singapore’s, efforts at engaging India is a lost cause. This is because from the English School perspective, a balance of power is not entirely dependent on a state’s inherent ability to restrain another state; the self–restraint of states is equally important. Given China’s present intentions of reassuring other states of its peaceful rise, it is unlikely to become belligerent in the short to medium term, which means concerns over India’s possible underbalancing is unlikely to come into the fore in the short–term. Furthermore, it is also important to take Indian
interests into considerations because it is a legitimate actor in Southeast Asia. Hence, Singapore’s pursuit of closer relations with India continues to be a viable policy as it is conducive to maintaining order and stability in the region.
8. CONCLUSION

This thesis argues that the English School theory is a better explanatory framework than Realism to analyse Singapore’s foreign policy. There is no need to confine academic investigation of Singapore’s foreign policy to a single paradigm. As a relatively small state, Singapore has less power and influence than larger states, and so it has to make itself fit the regional environment; Singapore is unable to remake Southeast Asia in its own image. Singapore might have economic power but it does not translate into a proportionate amount of political power. When put in economics terms, which is apt since Singapore is primarily a trading state, the Republic is a price–taker, and not a price–setter. Despite its inherently disadvantaged position, not only has Singapore survived, it has thrived, a development indicating that the terrain in which its international relations are conducted is not necessarily nasty, brutish and short. Singapore may be a price–taker, but it does not necessarily mean that the city–state is completely at the mercy of the regional market. Singapore’s post–independence experience therefore questions Realist assumptions of unbridled anarchy and conflicts, supporting the English School’s central argument that a very high level of substantive order is indeed present in international relations.

A high level of substantive order is present because states see the utility of adhering to a minimum code of conduct, which allows Singapore to base its interactions with larger states on the principle of formal equality, even though in Carr’s words, conflicts of interests between states are “real and inevitable”. More importantly, the existence of equality indicates that non–material factors are at least as important as material factors in moderating inter–state interaction even in anarchical conditions. Hence, it becomes clear why Tommy Koh argues that “Singapore is a country that has long punched above its weight; Singapore may be a flyweight nation–state in terms of its geography and size of population, but it carries a lot of weight when it mounts the scales of economic, communication, intellectual and diplomatic power”. Singapore’s prominent role during the Asian values debate in the early to mid–1990s lends much

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1 Bull, Anarchical Society, 4–5.
2 Carr, The Twenty Years’ Crisis, 70.
credence to this argument. Even though Singapore is a very small state, it has nevertheless, managed to put forward a very robust and coherent defence of its own stance, one that was significantly at odds with prevailing Western orthodoxy.

As the Asian values debate made clear, Singapore is acutely aware that it is unable to be competitive if it confines its participation in international affairs within purely material realms, which Mearsheimer terms to be the fundamental basis of power in international politics.\(^4\) In order to overcome and transcend the inherent geographical limitations, Singapore has to embrace policies that reduce the importance of geography. Rajaratnam explains why such a move is both prudent and necessary for Singapore:

> Many have been the times when the prophets of doom predicted the inevitable collapse of an island which they believe should not only survive but had no sound reason for independent existence…Nevertheless, it exists and persists. It does so because it deliberately set out to be a global city, accepting the risks and rewards that go with this role.\(^5\)

Singapore strives to be a global city, and by adopting this role, it is necessary for the Republic to interact with a multitude of states on a continual basis. Such an approach comes with its own set of risks, yet for a trading state, an isolationist foreign policy entails much greater risk, for it would mean that Singapore’s geopolitical destiny would be unduly influenced by larger neighbouring states such as Malaysia and Indonesia. Hence, Singapore has actively sought to increase its engagement of China and India in order to ensure that Singapore’s immediate geographical neighbourhood does not become the enclave of a dominant state, which explains why Singapore favours a multi–polar strategic environment over a bi–polar one.

From the Realist perspective, polarity determines the stability and durability of the balance of power, and generally the fewer the number of poles, the more stable it becomes for fewer variables are involved. However, the English School’s perspective differs significantly from the Realist reading as legitimacy determines the stability of the balance of power, and legitimacy arises when all relevant actors are included. In this case, legitimacy, rather than polarity, determines the durability of the balance of power. Due to Singapore’s geographical location and its national role conception as a trading state, the

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\(^5\) Kwa, ed. *S Rajaratnam on Singapore: From Ideas to Reality*, 163.
city–state interacts with many other states on a continual basis. From Singapore’s perspective, it is therefore also very important for all relevant actors to be involved in the regional order. In this case, multi–polarity contributes to improved regional order as the element of legitimacy is high, which is also congruent with the English School’s model.

As the states geographically closest to Singapore, Malaysia and Indonesia will always remain the most strategically important ones. Singapore’s relations with Malaysia, as a result of their failed merger, comes with much historical baggage, and relations with Indonesia, though free of such baggage, are influenced by ethnic issues to a greater extent than that of Singapore–Malaysia relations. Singapore’s geographical proximity to both Malaysia and Indonesia means that there would always be friction and tension between this triad of states. However, it would be premature to conclude that Realism, with its emphasis on conflictual and adversarial aspects of international relations, is therefore the most suitable theory to analyse Singapore’s foreign policy towards them.

There are unresolved disputes between Singapore and Malaysia over issues of sovereignty as well as natural resources. However, it is important not to overstate the presence of adversarial aspects and overlook the presence of associational aspects, which indicates the presence of a high degree of order even within anarchical conditions. Thus far, these disputes have either been resolved through formal legal channels such as the ICJ or arose through conflicting legal interpretations in the first instance. It is therefore clear that in the context of Singapore–Malaysia relations, the observance of international law is a custom honoured in its observance rather than its breach, which comes across very clearly in the dispute over the supply of water. This is because if international law is considered unimportant by both actors, they would not base their entire argument on legal grounds. Hence, even in the presence of major disputes over substantive issues, international law still forms the basis of the interactions between two states that experienced a failed merger. Problems exist but thus far, they have been resolved through mutually accepted channels, a development that tends to be more elusive in the case of Singapore–Indonesia relations.

Bilateral relations between Singapore and Indonesia did not have an auspicious start. Indonesia opposed the enlargement of Malaya to form the Federation of Malaysia, and started the Confrontation campaign to derail this policy. Since Singapore was part of
the enlarged Federation, Indonesia directed its hostility towards Singapore as well. However, after Suharto took over from Sukarno in 1967, bilateral relations between Singapore and Indonesia improved. Rather than pursuing an activist foreign policy as Sukarno did, Suharto adopted a pragmatic and inward-looking foreign policy. Lacking Sukarno’s political legitimacy gained from his strong nationalist credentials, Suharto focused on improving Indonesia’s economy and governance. This shift in attitude reduced regional tensions and Singapore–Indonesia relations improved rapidly. Furthermore, Suharto’s long tenure in office served as a source of stability and introduced an element of predictability and regularity in its foreign policy. A high degree of substantive order was present in their bilateral relations during this period.

Yet, this long-standing situation, much like Ozymandias’ creation, could not stand the test of time. Suharto’s rather unceremonious exit from the Presidency in May 1998 ushered in a period of instability and volatility for Indonesian politics. Since the bilateral relationship between Singapore and Indonesia was an extension of the personal friendship between the two long-serving political leaders – Lee and Suharto, the removal of this personal factor resulted in a rapid deterioration of state-to-state relations. This was because Singapore elites did not manage to establish good ties with the unexpected next-generation of Indonesian leaders, which was in large part, due to the rapid succession of Indonesian Presidents. Furthermore, in the wake of Suharto’s sudden resignation, new Indonesian leaders such as Habibie and Wahid attempted to bolster their political legitimacy through emphasising their nationalist credentials, which saw Indonesia re-asserting its previously dormant claim of being the region’s *primus inter pares*, and so is not required to conduct its relations with Singapore based on the recognition of formal equality.

The immediate regional context confronting Singapore is not entirely hospitable. Complicating matters further, China and India are emerging as major Asian powers, a new development that will affect Singapore. Even though they are not located in Singapore’s immediate geographical locale, they figure prominently in Singapore’s foreign policy. As Martin Wight explains, it is “the nature of powers to expand. The energies of their members radiate culturally, economically and politically…” Since it is

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6 Wight, “Power Politics,” 144.
arguably impossible for Singapore to isolate itself from either China or India, the next best option is to facilitate their interaction with Singapore and regional states in a predictable manner. Furthermore, both China and India are poised to become major powers. By engaging them, it ensures that there are legitimate avenues available to them to make changes within the prevailing geopolitical status quo. Excluding China and India would make the resulting balance of power illegitimate, which from the English School’s perspective would render this institution to be both unstable and unsustainable, thereby undermining order.

Since Deng Xiaoping implemented economic reforms in 1978, China’s economy has undergone sustained and rapid economic growth, which has enabled it to play a more prominent role in international relations. Singapore, like other states, have benefited greatly from an economically resurgent China. However, regional states remain divided over the nature and effects associated with China’s incipient rise in the present. As an autocratic state, Chinese intentions remain opaque. China has sought to assuage its rapid development by reassuring other states of its intentions for a peaceful rise. However, the very fact that China needs to go out of its way to advertise its peaceful ambitions demonstrates that a high level of regional distrust towards China remains.

China’s highly impressive economic growth over the last three decades has re-invigorated Chinese pride, and there are signs that an increasingly diplomatically adroit and confident China is starting to re-assert itself more strongly after the century of humiliation that started with its defeat by Britain in the Opium War. Such a reality cannot be wished away; to ensure China’s interests and wishes are taken into account, Singapore has been a vocal proponent of increasing Chinese involvement in various ASEAN-centric organisations. The rationale for Chinese participation is to ensure this growing Asian power has the opportunity to help write the code of conduct that governs its interaction in the region. Since China is a party to the writing of this code of conduct, there is greater incentive for it to become a responsible stakeholder, thereby contributing to a stable Asian order.

Even though Singapore benefits from having closer bilateral relations with China, it is also vital for Singapore to exercise restraint in its pursuit of better ties with the latter state. Ethnic distrust towards the Chinese population in Southeast Asia continues to be
present, and problems associated with this issue tend to be most apparent during times of crisis. To distance itself from the ethnic issue, Singapore has sought to impress on other Southeast Asian states of the inherent difference between ethnic identity and political identity through engaging with Taiwan, even though in recent years, China has been voicing its opposition more strongly against this policy.

Thus far, China has been a responsible actor in the region. China’s relations with Singapore and the other Southeast Asian states have remained on an even keel. However, it is not possible to predict how long this state of affairs will last. It was only in 1978, a little over 30 years ago that China opened up to the rest of the world. With the decline of Communist ideology in China, the Chinese government’s political legitimacy depends almost entirely on the continuation of its impressive economic governance record. It would be fair to assume that China needs international order and stability at this juncture more than other states, and so China is keen to maintain a low profile. However, this phase may not persist into the future. Due to its strong economic performance and relative insulation from the present global financial crisis, the conditions are conducive for the revival of China’s enduring Middle Kingdom mentality. In order to ensure that regional order is maintained, China must not be in the position to dictate to other states.

To this end, Singapore has sought to engage India as well. The objective is to ensure that China does not become the overbearing power in Southeast Asia. In order to achieve this aim, Singapore has astutely supported and sponsored India’s participation in various ASEAN–centric organisations such as the ARF as well as the EAS. Singapore seeks to institutionalise India’s participation in the region in order to entrench its presence. With the Cold War over, there are no ideological obstacles to the normalisation of relations between Singapore and India. After India launched its “Look East” policy, Singapore capitalised on the economic opportunities available there to increase contact with India, which are catalysts in the establishment of an international society. Such a positive development is already taking place in Singapore–India relations, which contradicts Leifer’s observation that these two states were “diplomatically distant” from

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each other. For instance, Singapore and India, over the past few years, have inked various high–level agreements on the economic, political as well as defence fronts, which attest to the rapid improvements achieved in the post–Cold War period.

It appears that Singapore has had much success in engaging India in recent years, which augurs well for Singapore”s consistent desire to have a counterweight to China”s growing heft and presence in the region. However, a closer analysis indicates that a democratic India may be underbalancing against an autocratic China – a fact Manmohan Singh recognises. As an autocratic state, China is less constrained by public opinion, and is therefore in the position to pursue unpopular policies more easily than a democratic India. Yet, for now, this policy of engaging India to hedge against a rising China does appear to be the most viable one available to Singapore.

In view of the limitations associated with a democratic India underbalancing against an autocratic China; the continual problems between Singapore and Malaysia; as well as the effects of rapid and unexpected changes in Indonesian politics on its relations with Singapore, there is, nevertheless, still a high level of formal order present against the constant anarchical backdrop. Singapore has not been a mere spectator, merely observing the evolving regional geopolitical situation. As discussed in the previous chapters, Singapore has been an active actor in ensuring that it is in the position to implement an active and sound foreign policy that maximises its national interest by providing for conditions that are conducive to the pursuit of establishing and maintaining a stable and durable balance of power that involves all legitimate actors. The balance of power, as understood by the English School, is not a mechanical process as depicted by Realism; the English School”s balance of power is “a conscious and continuing shared practice in which the actors constantly debate and contest [its] meaning”. In other words, states are able to play an active part in shaping and influencing this particular institution, and they need not be shaped or influenced by it.

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8 Leifer, *Singapore’s Foreign Policy*, 129.
9 Gupta, “India’s Economic Agenda: An Interview with Manmohan Singh.”
“Size”, in Tommy Koh’s opinion, “is not destiny” in international politics, a sentiment congruent with the English School theory’s concept of international society. Going by the Realist reading in its most extreme form, as depicted by the Melian dialogue, the strong do what they can, and the weak suffer what they must. Yet, Singapore has avoided this situation. Although its bilateral ties with larger neighbouring states continue to be problematic, and that the concurrent rise of China and India in its extended geographical neighbourhood poses significant challenges, Singapore has maintained its viability by ensuring its interactions with these states take on the form of an international society, which is only possible when the larger states reciprocate and want to achieve the same objective as well. Alan James provides a convincing argument explaining why larger states adopt reciprocal actions even though Realist logic dictates that they ought to be in the superior position and not have to pursue such policies:

... it seems that when independent units come into regular contact with each other certain requirements present themselves almost as a matter of logical necessity: some rules are necessary for the regulation of their intercourse, and also, therefore some agreement on how these rules are to be established or identified; there must be some means of official communication, and with it an understanding that official agents must be personally respected and privileged; and if the collectivity of states is deemed to form a society this carries with it the concept of membership, and hence the necessity for some criterion whereby this political unit is identified as a member and that not. These requirements would seem to be valid whatever the cultural complexion or geographical location of the political entities who establish or later join an international society.

Hence, it is possible for states to observe rules and norms even in the presence of anarchy. The English School’s conception of anarchy only represents the lack of a central authority; unmitigated chaos and disorder, though possible, are not the inevitable outcome. From the English School perspective, there are then clear limits to applying the domestic analogy to analysing international relations.

Speaking at the Commonwealth Head of Government meeting in Melbourne on 1 October 1981, Lee Kuan Yew noted, “In a [sic] imperfect world, we have to seek the best accommodation possible. And no accommodation is permanent. If it lasts long enough

11 Koh, “Reflections of a Departing Ambassador.”
for progress to be made until the next set of arrangements can be put in place, let us be grateful for it”. It is fitting to end this thesis with this statement. As a small state with limited diplomatic and material resources, Singapore does not possess the capacity to put in place permanent accommodation, which means that it continually needs to review and adjust to the changing geopolitical status quo, which makes the study of Singapore’s foreign policy a worthwhile scholarly pursuit. At the same time, the fact that Singapore is able to put in place any measures to render its geopolitical environment hospitable at all in the first instance, strongly indicates that a very high level of substantive order does exist, even though international relations occur against the constant backdrop of anarchy. Furthermore, a shift in the discourse of Singapore’s foreign relations from Realism, which focuses unduly on the conflictual and adversarial aspects of its foreign policy, to the associational aspects would maximise the efficacy of the short–term accommodation Lee alluded to, which then validates the use of the English School theory to analyse Singapore’s foreign policy.

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