

# The Evolution of Singapore's Foreign Policy: Challenges of Change<sup>1</sup>

## Introduction

The foreign policy of Singapore, an island- and city-state with an area of 660 square kilometers and population of 3.1 million, is said to be governed by the imperatives of a small state.<sup>2</sup> Dynamism, change and constant adjustment are qualities

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<sup>2</sup> Obaid ul Haq, "Foreign Policy", in Jon S.T. Quah, Chan Heng Chee and Seah Chee Meow, eds., *Government and Politics of Singapore*, Singapore, Oxford University Press, 1987, pp. 276–308; Bilveer Singh, *Singapore: Foreign Policy Imperatives of a Small State*, National University of Singapore, Centre for Advanced Studies, 1988; and Chan Heng Chee, "Singapore: Domestic Structure and Foreign Policy", in Robert Scalapino, Jusuf Wanandi and Sung-Joo Han, eds., *Regional Dynamics: Security, Political and Economic Issues in the Asia-Pacific Region*, Jakarta, Centre for Strategic and International Studies, 1990; Linda Lim, "Singapore's Foreign Policy", in David Wurfel and Bruce Burton, eds., *The Political Economy of Foreign Policy in Southeast Asia*, London, Macmillan, 1990; and M. Ramesh, "Economic Globalization and Policy Choices: Singapore", *Governance*, vol. 8, no. 2, 1995, pp. 243–260.

usually associated with the foreign policy behavior of small states. The contemporary international system has gone through a major upheaval as the result of events associated largely, but not exclusively, with the end of the Cold War. These changes have altered the political, strategic and economic context of foreign policy-making for states, both at the systemic and regional levels. Singapore is no exception. But what exactly has been Singapore's response to the challenges of change?

This paper attempts to address this question in four parts. The first looks at the basic and enduring features of Singapore's foreign policy and the impact of the Cold War in shaping them. This is followed by an examination of national power elements as well as the foreign policy decision-making apparatus that have helped Singapore manage its vulnerabilities. The third part analyzes the challenges that Singapore's foreign policy-makers face in adjusting to post-Cold War realities. The fourth part examines foreign policy output, i.e., Singapore's responses to the issues arising in the post-Cold War environment.

## **Realism and Survival**

Singapore's foreign policy-makers have articulated an essentially realist conception of international politics. As former Foreign Minister S. Dhanabalan argued:

The international system comprises sovereign states each admitting to no authority except its own. International relations therefore resembles a Hobbesian state of nature, where each is pitted against all. In such a potentially anarchic situation, order is the prime value. In international politics, as in national politics, order is prior to justice, to morality, to economic prosperity, to any other value that you can think of simply because, in the absence of order, no other value can be realised. In the absence of order the life of states would be as in the life of men in the state of nature — “Nasty, Brutish and Short.”<sup>3</sup>

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<sup>3</sup> S. Dhanabalan, Text of a talk at the National University of Singapore Forum, November 27, 1981 (included in the Appendix of this book).

In more recent times, this severe *realpolitik* view has been moderated somewhat. There is greater recognition of the impact of interdependence in constraining the use of force in international relations. The role of regional and global institutions in promoting cooperation is viewed as constituting an important basis for foreign policy action. This is not to say that Singapore's leaders have converted to a more idealistic conception of international politics. The essence of twentieth-century Idealism, the doctrine of collective security, does not enjoy much credibility in the minds of Singapore's leaders in relation to the realist conception of balance of power.

In an anarchic international system, survival and security are the highest goals for states. For a small state like Singapore, ensuring survival, both in a physical and economic sense, has been especially crucial.<sup>4</sup> The emphasis on survival in foreign policy reflects major vulnerabilities of the city-state in the domestic and external arena. Singapore's predicament as a country without any natural resources and a small domestic market creates inherent obstacles to economic development. Similarly, a multiethnic social fabric makes the task of ensuring national integration, and hence national security, a difficult challenge. In addition, managing domestic political order and continuity has also been an important aspect of vulnerability and survival. As Chan Heng Chee writes, "survival" was "a political theme adopted by the PAP leaders to justify their domestic and international policies and to mobilise the island population to greater efforts".<sup>5</sup> In this sense, pursuit of survival in foreign policy would contribute not only to the security of the state, but also to the security of the regime as well. In Rajaratnam's own words: "our approach has always been to shape the kind of foreign policy that will consolidate our domestic position, resolve some of our domestic problems and enhance our security, and our economic and political strength".<sup>6</sup>

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<sup>4</sup> N. Ganesan, "Singapore's Foreign Policy Terrain", *Asian Affairs: An American Review*, vol. 19, no. 2, 1992, pp. 67–79; Leszek Buszynski, "Singapore: A Foreign Policy of Survival", *Asian Thought and Society*, July 29, 1985, pp. 128–136.

<sup>5</sup> Chan Heng Chee, *Singapore: The Politics of Survival: 1965–1967*, Singapore, Oxford University Press, 1971, p. 1.

<sup>6</sup> Rajaratnam, cited in Singh, *Singapore: Foreign Policy Imperatives of a Small State*, p. 12.

In the external sphere, Singapore's vulnerability is rooted in both geostrategic and historical factors. Singapore's location as a small Chinese-majority state in close proximity to large Malay neighbors contributes to a deep-rooted insecurity *vis-à-vis* the two immediately adjacent neighbors. This insecurity was compounded by the circumstances of Singapore's separation from the Malaysian federation in 1965 and the hostility shown towards Singapore by Indonesia during and in the immediate aftermath of "Konfrontasi".<sup>7</sup> As a historical event, Konfrontasi remains entrenched in the minds of Singapore's leadership as an example of what might happen if regional neighbors are to be ruled by nationalistic regimes. In general, vulnerability remains a key theme of Singapore's foreign policy; as recently as in 1988, Foreign Minister Wong Kan Seng issued a reminder that:

The vulnerability of small states is a fact of life. Singapore's independent existence is today widely recognised. But to assure our basic security, we can never allow tests to our sovereignty and internal affairs, even when well-intentioned, to go unchallenged. Even today, we have had occasionally to remind other countries to leave us alone to be ourselves.<sup>8</sup>

The Cold War superpower rivalry aggravated Singapore's vulnerabilities as a small state. But "Realism in international politics consists not only of acknowledging limits, but also recognizing opportunities".<sup>9</sup> Thus, Singapore not only recognized, but also deftly exploited, opportunities in both the geopolitical as well as economic arena created by the Cold War. Geopolitically, the Cold War was marked by a regional balance of power which favored Singapore's survival and well-being. As Singapore saw it, "a multiplicity of external Great Powers involved in the region, balancing each other" would not only ensure regional stability, but "allow small states to survive in the interstices between them". Such a situation

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<sup>7</sup> Michael Leifer, *Indonesian Foreign Policy*, London, George Allen & Unwin, 1983, p. 123.

<sup>8</sup> Wong Kan Seng, "Continuity and Change in Singapore's Foreign Policy", Speech to the Singapore Press Club, November 15, 1988.

<sup>9</sup> Dhanabalan, *op. cit.*

would be preferable to “less manageable small power rivalries”.<sup>10</sup> The Cold War in Asia also contributed to Singapore’s economic prosperity. Singapore’s success in securing a steady flow of foreign investments and access to Western markets was helped by the Republic’s essentially anti-communist and pro-Western foreign policy outlook. By fashioning itself as a “global city” — i.e., by rapidly integrating itself into the international market economy and according a very hospitable welcome to Western multinationals at a time when much of the Third World was suspicious of them — Singapore was able to create a stake of the West in its survival and prosperity.<sup>11</sup>

In general, the Cold War and bipolar international system was a period of relative stability for Singapore. Superpower rivalry, despite its role in fueling regional conflict, was marked by some “rules of the game”. A certain degree of predictability in Great Power action provided small states with opportunities to enhance the conditions of their survival.

## **National Capacity and Foreign Policy Decision-Making**

As the foregoing discussion suggests, survival, national security and economic well-being would rank among the major objectives of Singapore foreign policy. In pursuing these goals, Singapore’s foreign policy-makers have been helped by a number of factors, of which four are especially noteworthy: economic capacity, military strength, bureaucratic apparatus and the nature of the political system as it affects foreign policy formulation.

Singapore’s economic success is well-known and documented. Singapore today ranks as the world’s 18th richest nation, with a per capita GDP of US\$13,500 in 1991. Economic success, to the extent that it owes to development of global trade and investment linkages,

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<sup>10</sup> Dhanabalan, cited in Singh, *Singapore: Foreign Policy Imperatives of a Small State*, pp. 32–33.

<sup>11</sup> See Chapter 2 of this book.

also shapes foreign policy capabilities and goals. In 1991, Singapore's total trade amounted to \$216 billion. Singapore was the world's seventh largest exporter and fifteenth largest importer. Singapore is also the world's most trade-dependent nation, and has the highest trade to GDP ratio, trade being 3 times the GDP. Thus, economic issues including development of new trade opportunities and preservation of market access have an unusual salience among foreign policy objectives. In addition, Singapore's economic power and potential also enables it, at least in theory, to pursue foreign policy goals quite out of proportion to its physical size or population.

Secondly, economic success has contributed to the development of a powerful military deterrent. In 1992, the Singapore Armed Forces (SAF) consisted of some 50,000 regulars and 250,000 reservists. Combining the best features of Swiss-style citizen's army and Israeli-style forward defense, Singapore's Armed Forces complement foreign policy not only by securing its basic objectives of national security and survival, but also in providing the basis of a more assured and confident position on vital international issues. Although "military defense" is only one of the five aspects of Singapore's "Total Defense" policy (the others being psychological, social, civil and economic defense), the military sector absorbs considerable resources. Singapore's defense spending is pegged at 6 percent of its GDP, which in FY1992 amounted to \$4 billion.<sup>12</sup> A recent Asian Development Bank report has put Singapore as the leading country in Asia in defense spending measured in per capita terms as well as percentage of total government spending.<sup>13</sup> Not surprisingly, Singapore can afford to field the most modern military hardware in Southeast Asia.

Third, Singapore's foreign policy capacity also rests on a growing and sophisticated bureaucratic apparatus dedicated to ensuring the country's "security, prosperity and international standing and

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<sup>12</sup> Ministry of Defense, Singapore, 1992, p. 46.

<sup>13</sup> *Far Eastern Economic Review*, April 30, 1992, p. 53.

influence".<sup>14</sup> Singapore's Foreign Ministry was established in August 1965 and an exclusive Foreign Service was constituted in 1972. The number of foreign missions has increased from only five in 1966 to 26 in 1992. Changes in the organizational structure of the foreign ministry are also indicative of new policy directions to deal with developments in the regional and international arena. The growing importance of the Asia-Pacific region is reflected in the creation of a new directorate covering East Asia, Australia and New Zealand. A technical training directorate has been set up to facilitate collaboration with developing countries and international organizations. Moreover, between 1989 and 1992, three new missions were opened, all of them being in the Asia-Pacific region: Korea (1989), Beijing (1990) and Hanoi (1992).

Fourth, Singapore's foreign policy decision-making process remains unencumbered by any domestic political constraints.<sup>15</sup> The opposition parties have not been critical of the government's handling of foreign affairs. The parliamentary consultative process on foreign affairs and defense was somewhat downgraded after the 1991 general elections in an apparent bid by the government to shore up PAP unity and central control. Foreign policy decisions in Singapore are usually made at the highest level. The former Prime Minister of Singapore, Mr Lee Kuan Yew, remains an articulate spokesman of Singapore's international concerns and policies as a sort of elder statesman and "official mascot" of the Republic.

Neither is Singapore's foreign policy responsive to domestic pressure groups, simply because such groups do not exist. Nor, unlike many developing countries, has the Singapore government felt the need to mobilize its population in support of specific foreign policy goals. It has been concerned, however, that foreign policy decisions do not endanger domestic stability. This is especially true of foreign policy decisions that have a bearing on ethnic relations, with a major example being the government's position that Singapore's

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<sup>14</sup> Ministry of Foreign Affairs, Singapore, 1992, p. 1.

<sup>15</sup> ul Haq, *op. cit.*

diplomatic relations with China should await normalization of Sino-Indonesian ties.

Viewed in terms of its basic objectives, Singapore's foreign policy has been remarkably successful. Not only has Singapore preserved its sovereign statehood, but it has also achieved spectacular economic success and firmly established the means of defending its prosperity. Thus, Singapore's foreign policy managers should be well-placed to face the changes ushered by the end of the Cold War. But the fact that no such complacency is evident in their thinking owes to a belief that the end of the Cold War has given way to a much more complex and fluid regional and international environment within which foreign policy must be framed. This has given rise to a number of specific concerns which must be addressed to ensure the realization of foreign policy goals in the post-Cold War era.

## **The Changing Context**

While the end of the Cold War generated a great deal of optimism about the future of the international system, none was more so than the vision of a "New World Order" outlined by the Bush administration in the wake of the Iraqi invasion of Kuwait in August 1990. Although the term remains extremely vague and ill-defined, one could discern at least two senses in which it has been used. First, in its normative sense, the New World Order represents an ideal, a vision of international relations cherished by those who reject ideological polarization, power politics and geopolitical competition within the international system. In addition, New World Order involves a call for greater equality and justice in the conduct of international relations and the replacement of balance of power geopolitics with a system of collective security. But the term "New World Order" is also used in a second, and somewhat descriptive sense, to simply refer to the momentous developments of the past few years culminating in the demise of the bipolar international order. These changes, such the collapse of communism in Europe, the fall of the Berlin Wall, the break-up of the Soviet Union, the spread

of democracy in Europe and the Third World, do not necessarily imply any idealistic aspirations for a better world, but simply an awareness that states and leaders must now relate to a new international milieu in the conduct of their foreign relations.

In so far as Singapore is concerned, the slogan of the New World Order in its idealistic sense is clearly at variance with the realities of international life. As Chan Heng Chee writes, "even before Iraq's invasion of Kuwait, Singapore espoused the worldview that the end of the Cold War need not lead to an epidemic of peace".<sup>16</sup> But even as they expressed doubts about the New World Order as an ideal, Singapore's leaders were swift to recognize the dimensions of a New World Order in its descriptive sense. Senior Minister Lee Kuan Yew, in his increasingly visible role as an elder statesman, particularly stressed the transition from bipolarity to multipolarity in the international system as a development of immense importance.<sup>17</sup>

In the Third World, the end of the Cold War facilitated the settlement of a number of regional conflicts, the most important development from Singapore's perspective being the withdrawal of Vietnamese forces from Cambodia and the signing of the Paris Peace Agreement in October 1991. Singapore's role in ensuring the international isolation of Vietnam for its invasion of Cambodia had been the high point of its diplomacy. Although the final outcome was orchestrated by the Great Powers involved in the conflict, Singapore hailed the Paris Agreement as "one of the happier outcomes of the new world order that was wrought by the profound and dramatic changes of the last few years".<sup>18</sup> Arguably, during the final stages of the Cambodia peace process, Singapore, identified with the so-called "hardline camp" within ASEAN, was somewhat distressed by Thailand's move to improve ties with the Phnom Penh

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<sup>16</sup> Chan Heng Chee, "Singapore 1991: Dealing with a Post-Cold War World", in Lee Tsao Yuan, ed., *Singapore: The Year in Review*, Singapore, Times Academic Press for Institute of Policy Studies, 1992.

<sup>17</sup> Lee Kuan Yew, Text of speech at a banquet hosted by the Lord Mayor of London, May 24, 1990.

<sup>18</sup> Wong Kan Seng, Statement at the Paris Conference on Cambodia, October 23, 1991.

regime and the US decision to withdraw recognition from the Coalition Government of Democratic Kampuchea (CDGK) which included the genocidal Khmer Rouge. In general, however, the Cambodia agreement augured well for Singapore's strategic and economic interests in the Asia-Pacific region as it marked the end of the "larger conflicts that characterized the international system for much of the post-Cold War period".<sup>19</sup>

But Singapore is not unduly optimistic about the regional political environment. Its leaders perceive the danger of new regional conflicts, e.g., the Spratly Islands, Korean Peninsula, and Singapore's own dispute with Malaysia over the Pedra Branca island off the coast of Johor.

For Singapore, these conflicts would not matter if the regional balance of power underpinned by forward deployed US military forces remained intact. But this cannot be assured. The withdrawal of US bases from the Philippines has been the single most important concern, although Singapore is also worried about the future of US military presence in Japan and Korea and the uncertainties facing the US-Japan security alliance. A related threat to the regional balance of power is the prospect of a more assertive role by regional powers such as China, Japan and India in the post-Cold War milieu.

Such apprehensions are matched by a concern that the global geopolitical divide of the past might be replaced by economic conflicts. As Lee Kuan Yew put it, "In future, competition between industrialized nations will be primarily economic, and this competition will be worldwide".<sup>20</sup> Moreover, such competition might also undermine international regimes such as the General Agreement on Tariffs and Trade (GATT) and encourage exclusionary regional trading blocs.<sup>21</sup> The latter would threaten Singapore's prosperity by diverting trade and investment away from the Southeast Asian region.

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<sup>19</sup> *Ibid.*

<sup>20</sup> Lee Kuan Yew, *op. cit.*

<sup>21</sup> Goh Chok Tong, Address before the Eighth Pacific Economic Cooperation Conference, Singapore, May 20–22, 1991.

## **Moving Beyond Survival**

Despite these concerns, one of the most important changes in Singapore's foreign policy is its evolution into a "post-survival" phase. To be sure, some of the survival concerns which were so starkly associated with the management of its most sensitive bilateral relationships, namely with Malaysia and Indonesia, have persisted. Periodic crises in relations with Malaysia (such as the suspension of joint military exercises between the two countries over an alleged spying incident in 1989, Malaysia's protests over Singapore's offer of military facilities to the US and Singapore's protest over the holding of joint exercises between Malaysia and Indonesia in 1991) are a reminder of these concerns, reflecting historical suspicions as well as lingering racial and religious sensitivities that govern the relationship between the two countries.<sup>22</sup> But there has also been the emergence of a structure of stability that combines a pragmatic approach to crisis management on the part of the top leaders (of both countries) with an effort to develop longer-term functional linkages (such as ASEAN, the Growth Triangle, the Five Power Defense Arrangements), which lessen the incentive to resort to force. It remains to be seen, however, whether this structure of stability can survive the process of regime/leadership change that confronts Indonesia and Malaysia. But Singapore has come a long way from its post-independence vulnerabilities as "a Chinese island in a sea of Malays".

Survival concerns are also still reflected in Singapore's desire to ensure a favorable balance of power in the Asia-Pacific region. Singapore sees no credible alternative security arrangement in the Asia-Pacific region that can be "as comfortable as the present one

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<sup>22</sup> N. Ganesan, "Factors Affecting Singapore's Foreign Policy towards Malaysia", *Australian Journal of International Affairs*, vol. 45, no. 2, 1991, pp. 182–195. See also, R.S. Milner, "Singapore's Exit from Malaysia: The Consequences of Ambiguity", *Asian Survey*, vol. 9, no. 3, March 1966, pp. 175–184; Lau Teik Soon, "Malaysia-Singapore Relations: Crisis of Adjustment, 1965–68", *Journal of Southeast Asian History*, vol. 10, March 1969, pp. 155–176.

with the US as the major player".<sup>23</sup> Proposals for a multilateral security mechanism, as suggested by Australia, Canada and Russia, are not seen to be adequate in this regard and might undermine the relevance of existing US alliances which must be maintained in order to offset the possibility of Indonesia's assertiveness, Japanese remilitarization, and deter possible Chinese ambitions in the South China Sea area.

Singapore's role in preserving the regional balance of power has been to provide military facilities to the US. A Memorandum of Understanding signed in November 1990 provided for the deployment of US military personnel in Singapore and the rotating deployment of US fighter aircrafts. During President Bush's visit to Singapore on January 3–5, 1992, the two countries reached an agreement on the relocation of a naval logistics facility from Subic Bay. Singapore also continues to support the Five Power Defense Arrangements (FPDA), involving itself, Malaysia, Australia, New Zealand and the United Kingdom. Although the FPDA is widely seen as an alliance without real teeth, Singapore believes that it is useful as a deterrent as well as a bridge between Singapore and Malaysia, and as a model for other forms of multilateral defense cooperation among ASEAN states.

The evolution of regionalism in Southeast Asia has been a key anchor of Singapore's foreign policy success and it is to this arena that the government has devoted a great deal of its diplomatic attention in the post-Cold War era. Singapore's leaders recognize ASEAN's contribution in stabilizing its regional security environment. But with the end of the Cambodian conflict, Foreign Minister Wong Kan Seng expressed concern that ASEAN's future "cannot be taken for granted" and that ASEAN would require "new rallying points or risk drifting apart to the detriment of regional cooperation and bilateral relationships".<sup>24</sup>

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<sup>23</sup> *The Straits Times*, October 2, 1992, p. 13.

<sup>24</sup> Wong Kan Seng, Text of speech at Defence Asia '89 Conference on "Towards Greater ASEAN Military Cooperation: Issues and Prospects", Singapore, March 24, 1989.

Singapore contributed to ending the uncertainty about ASEAN's future by hosting the fourth ASEAN summit in January 1992. The summit and subsequent ASEAN-sponsored meetings (including the July 1993 ASEAN Foreign Ministers' meeting held in Singapore) have paved the way for ASEAN to assume a formal role in regional security issues. Although ASEAN would not be turned into a military alliance, it would hold multilateral consultations over security issues within the framework of a newly-established ASEAN Regional Forum.<sup>25</sup> In the economic arena, ASEAN has adopted the goal of an ASEAN Free Trade Area (AFTA) to take effect from the year 2003.

The emphasis on economic regionalism is an important development. Singapore's economic prosperity is based on its strategy of "globalization". But in recent years, its leaders have seen economic regionalization as a necessary, indeed inevitable, response to the crisis in the global economy.<sup>26</sup> In the past twenty years, Singapore's trade has moved away from the Southeast Asian region, so that trade with ASEAN has been overtaken by trade with the US, Japan and the European Community. Similarly, most of the foreign investment in Singapore comes from the US, Japan and Europe. But the current crisis in GATT, the emergence of regional trade arrangements in Europe and North America, the trend towards market-oriented reforms in Southeast Asia and the dramatic growth in trade and investment linkages between East Asia and Southeast Asia have led Singapore to look more closely at regional trade and investment opportunities. This involves not only developing new markets in the region, but encouraging Singaporean investments in southern China, Vietnam and ASEAN. Singapore's conception of regional cooperation is broad and flexible — "regional" in the economic sense consists of three layers: ASEAN; a subregional layer consisting of Singapore, Malaysia and Indonesia; and a macro-regional layer encompassing Eastern Asia and Asia-Pacific.

At the subregional level, Singapore has advocated the concept of "market-driven regionalism". This is in part a recognition of the

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<sup>25</sup> See Chapter 2 of this book.

<sup>26</sup> *Ibid.*

limitations of government-led approach to ASEAN economic integration, which has thus far produced only limited results. Singapore's initiative on the "Growth Triangle", incorporating Singapore, Batam (about two-thirds of the size of Singapore) and the Riau Islands of Indonesia and Johor in Malaysia, is illustrative of the new approach. The Growth Triangle is supposed to combine Singapore's financial services with abundant cheap labor and land in Johor and Batam, and thereby benefit all parties by offsetting Singapore's scarcity of land and manpower and attracting foreign investors to Johor and Batam.

Apart from the Growth Triangle concept (which has been greeted somewhat coolly by the Malaysian federal government), the creation of the ASEAN Free Trade Area assumes importance as the second tier of regional economic cooperation for Singapore. To realize the AFTA concept in 15 years, ASEAN envisages a progressive lowering and harmonization of tariffs within the grouping to an eventual rate of between 0.5%–5%. It should be noted, however, that AFTA's scope as a trade-liberalization measure also faces a number of barriers, including questions over the speed of sectoral liberalization and concerns over unequal distribution of benefits. Some members, like Thailand, face complaints from their manufacturers that a speedy implementation of AFTA might see their uncompetitive products being swamped by cheaper and better quality imports from more advanced ASEAN countries, while others, like Indonesia, fear a huge loss of revenues for government expenditure arising from tariff cuts envisaged by AFTA.

Thus, a mere deepening of ASEAN economic cooperation through AFTA is not enough to counter the economic problems of the 1990s. Wider regional economic forums in the Asia-Pacific region are also important in this respect. In recent years, two such frameworks have emerged. The first is Asia-Pacific Economic Cooperation forum (APEC), a loose forum of Asia-Pacific nations which disavows protectionism and promotes cooperation. The second is a proposal made by Prime Minister Mahathir Mohammed of Malaysia in December 1990 for an East Asia Economic Grouping (later changed

to East Asian Economic Caucus) to “counter the threat of protectionism and regionalism in world trade”.

ASEAN's attitude towards APEC was initially colored by a fear that the latter might detract from the former's own role in promoting regional cooperation. But Singapore viewed ASEAN and APEC as “really concentric circles”,<sup>27</sup> and that APEC could be useful in multilateral trade negotiations.<sup>28</sup> The successful bid to host the APEC secretariat in Singapore demonstrated Singapore's interest in the institution. In contrast, the EAEC concept has received only qualified support. During a visit to Malaysia in January 1991, Prime Minister Goh appeared to recognize the potential of EAEC to “boost the multilateral free trade system, supplement ASEAN economic cooperation, and give greater meaning to APEC”. But he hastened to add that efforts to pursue the proposed framework should be undertaken “without jeopardizing our traditionally important trading ties”.<sup>29</sup> This is bound to be difficult in view of the strong US opposition to the idea and the related lack of enthusiasm on the part of Japan to endorse the concept. In July 1993, Singapore helped to devise a compromise formula which would make EAEC a consultative mechanism within APEC, rather than an independent institution, although EAEC's future remains constrained by differences and tensions between Malaysia and the US (as well as Australia).

As the preceding discussion shows, Singapore's post-Cold War foreign policy is dominated by the twin themes of regionalization in the economic arena and a regional balance of power in the political-security arena. These two factors also shape Singapore's evolving relationship with China, which has experienced something of a revolution in recent years. Singapore's leaders, particularly Lee Kuan Yew, see China as the most significant player affecting the balance of power in the Asia-Pacific region. China also offers immense

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<sup>27</sup> *Far Eastern Economic Review*, November 16, 1989.

<sup>28</sup> Lee Hsien Loong, Speech before the Indonesia Forum, Jakarta, July 11, 1990.

<sup>29</sup> *The Business Times*, January 12–13, 1991.

opportunities to develop an “external wing” of Singapore’s heavily foreign trade- and investment-dependent economy. Since formal diplomatic relations were established in 1990 (in keeping with Singapore’s stated policy of being the last ASEAN country to do so, in deference to the anti-Chinese sentiments of its Malay neighbors), trade and investment links between the two countries have risen sharply, helped by considerable government encouragement and support which includes a call to Singaporean Chinese investors to take advantage of traditional ethnic ties with China. Bilateral trade between the countries was valued at S\$5.5 billion in 1992, while Singapore has emerged as one of the largest foreign investors in China with some 1,300 projects and a total contracted investment figure of \$1.8 billion in 1992.<sup>30</sup> Frequent visits by senior Singapore leaders underscore the growing salience of China in Singapore’s foreign policy. Lee Kuan Yew has often spoken out in favor of China’s international concerns, and opposed US economic sanctions against China on the basis of its poor human rights record. Singapore has strongly and successfully argued for the inclusion of China in ASEAN’s framework for multilateral security consultations on security issues in the Asia-Pacific region. To be sure, a special relationship between Singapore and China remains constrained by Singapore’s deference to sensitivities in Malaysia and Indonesia (where the rapid growth of Sino-Singapore ties is not entirely welcome), not to mention within Singapore’s own non-Chinese population. Nonetheless, the rapid proliferation of economic and political links with China reflect the lessening of its survival concerns.

A final aspect of Singapore’s foreign policy also attests to the growing importance of post-survival issues. This relates to a somewhat paradoxical impact of the New World Order on Singapore’s foreign policy concerns. On the one hand, the “New World Order” is associated with a reinvigorated UN role in international peace and security, a development which has presented Singapore with opportunities to play a more active role in UN peacekeeping and

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<sup>30</sup> *Ibid.*; *The Straits Times*, May 7, 1993.

enforcement operations. Since 1990, Singapore has participated in several such operations: Cambodia (1992–1993), Namibia (1990), Western Sahara (1991), Angola (1991), Saudi Arabia (1991) and the Iraq-Kuwait border (1991). The impression of foreign policy activism has also been fueled by the establishment of the Singapore International Foundation (SIF) in August 1991, with its stated goal of helping the Republic to “play a more dynamic and mature role in the international arena” and thereby “make a contribution to the world at large”. Although a major aim of the SIF is to maintain contacts with Singaporeans abroad, it is also responsible for the creation of a Singaporean “peace corps” to provide humanitarian service in poorer countries. Post-survival foreign policy activism is also evident in Singapore’s growing ability to provide technical assistance (mainly human resource development) to other developing countries which (including China) have expressed an interest in learning from Singapore’s successful development experience. During the past decade, some 21,500 foreign participants from over 87 countries have received technical training in Singapore under various schemes and arrangements with the United Nations and other international organizations (such as ASEAN and Colombo Plan). Singapore has also initiated programs jointly with other countries such as Japan to provide technical training for developing countries in Asia and Africa.

On the other hand, the end of the East-West ideological struggle has propelled certain North-South political issues such as human rights, environment and democratization into the international limelight. Indeed, these issues are viewed by Singapore officials as major challenges for the ASEAN states in the post-Cold War era. Singapore’s position on human rights and democratization consists of a number of elements: rejection of Western claims about the universality of human rights; opposition to any attempt by the Western countries to “impose any particular political pattern or special arrangement” to promote human rights; rejection of any linkage of foreign aid to human rights performance; highlighting of the selective, even inconsistent, promotion of human rights by the Western countries; and emphasizing the greater importance of economic

growth, order and stability in relation to human rights and democratization.<sup>31</sup> While these positions parallel those of many other developing countries, Singapore's leaders are sensitive to being labeled as part of the "hardliner" camp on these issues among the developing countries. They are also cognizant of the danger that the emerging North-South divisions on human rights could transform the vision of a "New World Order" into a "New Cold War", which must be avoided through compromise and consensus. It should be noted, however, that Singapore, which is less vulnerable to Western human rights pressure due to its lack of need for foreign development assistance and which does not face a domestic insurgency attracting the attention of Western human rights groups, can afford to be more "moderate" than other developing countries on the issue of human rights and democratization. But there is no question that Singapore's foreign policy concerns are increasingly sensitive to the growing politicization of these issues which could undermine its international image (and interest) even if they do not threaten the country's physical or economic well-being.

## Conclusion

Although Singapore's foreign policy-makers recognize the impact of profound and far-reaching changes to the international system resulting from the end of superpower rivalry, the prospect for a fundamental transformation of the power politics paradigm is viewed by them with a great deal of skepticism. The end of the Cold War is no reason for complacency, and the slogan for a "New World Order", especially in its normative/idealistic aspects, is too vague to constitute the proper basis for foreign policy action.

Nonetheless, Singapore's severe *realpolitik* view of international relations has been moderated by a recognition of the opportunities for multilateral cooperation and institution-building. Some of these opportunities predated the end of the Cold War, but some are also

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<sup>31</sup> *The Straits Times*, June 17, 1993.

a direct result of the reduction in global and regional tensions in the Cold War's wake. Accordingly, Singapore's foreign policy output has moved on two parallel tracks. On the one hand, Singapore has been quite active in expanding existing and potential avenues of multi-lateral cooperation in political and economic spheres. On the other hand, new security challenges in the region and lingering regional suspicions and rivalries have ensured continued faith in externally-linked security arrangements that promote a balance of power in the region. In short, Singapore's foreign policy in the post-Cold War era is geared to promoting institutionalization in the regional political economy, while preserving existing security arrangements that date back to the Cold War period.

At the same time, Singapore's foreign policy has gradually accommodated more internationalist concerns, reflecting its economic success and greater political confidence. The Cambodia conflict was the turning point in Singapore's diplomacy, but more recently, initiatives undertaken in the area of international peacekeeping and technical assistance to developing countries clearly imply a more dynamic foreign policy commensurate with the growing international recognition of its economic success.

Nonetheless, Singapore's foreign policy continues to be geared essentially to overcoming vulnerabilities, both old and new. While Singapore's traditional vulnerabilities such as smallness and location have been successfully managed, thanks to a thriving economy, stable polity and growing military strength, its extraordinary dependence on foreign trade and external security guarantees creates new sources of vulnerability. In this context, the Cold War and related changes in the global economy have raised serious challenges. The Cold War, despite the dangers it posed to the security of small states, was nonetheless a relatively manageable framework of international relations for Singapore. It imparted a greater degree of predictability to the system of Great Power relations and ensured a bipolar balance of power in the international system, whose regional dynamics were generally in Singapore's interest. The post-Cold War setting is much more fluid, and contains important risks such as that of economic competition, regional conflicts and uncertainties of balance

of power. The very unpredictability of post-Cold War geopolitics induces caution and a certain amount of anxiety. Of particular significance are the economic challenges arising out of the crisis in the international trade regime, but strategic retrenchments by Great Powers and shifting balance of power in the Asia-Pacific region have also been perceived to be crucial challenges to Singapore's foreign policy-makers. To manage these challenges is the foremost task of Singapore's foreign policy. By making full use of the experience of the past decades and the increased capabilities and resources on hand, Singapore's foreign policy-makers are confident of meeting this challenge. As they see it, the end of the Cold War may not necessarily mean that the international environment has become friendlier to small states, but only that successful small states like Singapore have become more adept at operating at the international level to ensure their interests and objectives.