

## SINGAPORE AND INTERNATIONAL LAW<sup>+</sup>

THE objective of this section is to reproduce selected materials which illustrate Singapore's position in international law in the context of the four headings set forth below:

- I. Treaties, Declarations and other Instruments\*
- II. Treaties, Declarations and other Instruments of the Association of Southeast Asian Nations (ASEAN)\*
- III. Legislation and Judicial Decisions on International Law
- IV. Singapore and International Relations
  - (i) General
  - (ii) Policy Statements

The materials are compiled from various sources, including Singapore Government Press Releases. It should be stressed that any text reproduced herein is not to be regarded as officially supplied to the *Singapore Journal of Legal Studies*.

### III. LEGISLATION AND JUDICIAL DECISIONS ON INTERNATIONAL LAW

The following regulations were made by the Minister for Finance pursuant to the Income Tax Act (Cap 134, 1992 Rev Ed):

- The Income Tax (Singapore-Pakistan) (Avoidance of Double Taxation Agreement) Order 1993 (GN S 331/93), effective from the dates stated in Article 29 of the Schedule thereof, signed 4 August 1993;
- The Singapore-New Zealand (Supplementary) Order 1993 (GN S 369/93), effective from the dates stated in Art III in the Schedule thereof, signed 8 September 1993;
- The Income Tax (Singapore-Chile) (Agreement on Reciprocal Exemption with respect to Taxes on Income Arising from the International Operation of Ships) Order 1993 (GN S 467/93), effective from the dates stated in the Schedule thereof, signed 17 November 1993; and

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\* There are no materials under this heading in this issue.

+ Continued from [1993] SJLS 284.

- The Income Tax (Singapore-Poland) (Avoidance of Double Taxation Agreement) Order 1993 (GN S 468/93), effective from the dates stated in Article 29 of the Schedule thereof.

Piracy by the law of nations and “piractical acts”: See Application of English Laws Act (No 35 of 1993), which added two new sections 130B, 130C to the Penal Code (Cap 224, 1985 Rev Ed). The Act came into operation on 12 November 1993.

#### IV. SINGAPORE AND INTERNATIONAL RELATIONS

##### (i) General

##### (5) *Presentation of Credentials*

The following presented their Credentials to the President of the Republic of Singapore at the Istana on the dates stated:

- a. The Ambassador of the Socialist Republic of Vietnam, His Excellency Mr Nguyen Manh Hung – 15 July 1993;
- b. The Ambassador of the Republic of the Philippines Her Excellency Miss Alicia C Ramos – 15 July 1993;
- c. The High Commissioner of Brunei Darussalam, His Excellency Pengiran Haji Omar bin Pengiran Haji Apong – 20 July 1993;
- d. The Ambassador of the Mongolian People’s Republic, His Excellency Mr Badan Ochiryn Doljintseren – 11 August 1993;
- e. The High Commissioner of the People’s Republic of Bangladesh, His Excellency Mr M A Malik – 21 September 1993;
- f. The High Commissioner of India, His Excellency Mr BMC Nayar – 21 September 1993;
- g. The Ambassador of the Kingdom of Spain, His Excellency Mr Antonio Sanchez Jara – 28 September 1993;
- h. The High Commissioner of the United Republic of Tanzania, His Excellency Mr Alfred Cyril Tandan – 7 October 1993;
- i. The Apostolic Pro-Nuncio, Archbishop Luigi Bressan – 19 October 1993; and
- j. The Ambassador of Japan, His Excellency Mr Tomoya Kawamura – 18 November 1993.

(6) *Diplomatic Relations*

The Government of the Republic of Singapore, wishing to strengthen and develop friendly relations with the following, has agreed with the following to establish diplomatic relations with their countries:

- a. The Government of the Kingdom of Tonga (at High Commissioner level, with effect from 6 August 1993);
- b. The Government of the Republic of Lithuania (with effect from 10 October 1993); and
- c. The Government of the Republic of South Africa (at Ambassadorial level, with effect from 11 October 1993).

(7) *Singapore's Participation in the Commonwealth Observer Mission to South Africa (COMSA) III* (Singapore Government Press Release No: 37/AUG, 09-0/93/08/18)

At the request of the Commonwealth Secretary-General, Chief Emeka Anyaoku, Singapore is sending a senior police officer, Superintendent Foo Kia Juah, Director, Public Affairs Department, Singapore Police Force, to serve in the third phase of the Commonwealth Observer Mission to South Africa (COMSA) with effect from 19 August 1993 for a period of up to three months. Earlier in February this year, Singapore had sent another senior police officer to participate for a month in the second phase of COMSA.

COMSA was established in October 1992 pursuant to United Nations (UN) Security Council Resolution 772 (1992) which invited international organisations such as the Organisation of Africa Unity (OAU), The Commonwealth and the European Community (EC) to consider deploying their own observers in South Africa in coordination with the UN. Resolution 772 (1992) was passed in the wake of the increasing political violence in South Africa in 1992 which threatened to derail the democratic process in the country. The presence of COMSA is also consistent with the decision made at the last Commonwealth Heads of Government Meeting (CHOGM) in Harare, Zimbabwe, in October 1991, that the Commonwealth should remain ready to assist the constitutional negotiating process in South Africa in ways that would be found helpful by the parties concerned. Singapore is pleased to support the efforts of the Commonwealth to bring about a peaceful political transition in South Africa.

(8) *Singapore and South Africa: Ministry of Foreign Affairs Press Statement on the Lifting of Sanctions against South Africa* (Singapore Government Press Release No: 36/SEP, 09-0/93/09/28)

The President of the African National Congress (ANC), Nelson Mandela has, in his address to the United Nations Special Committee against Apartheid on 24 September 1993, called for the lifting of all economic sanctions against South Africa.

In the light of this announcement and the recent encouraging developments in South Africa, the Singapore government will lift the remaining restriction on banking transactions involving financial and development loans to the South African Government.

The arms embargo against South Africa will continue to be enforced as required under Security Council resolutions 421 (1977) and 558 (1984).

(9) *Singapore and India*: Ministry of Foreign Affairs Press Statement (Singapore Government Press Release No: 2/OCT, 09-0/93/10/02)

The massive earthquake that struck Western India is a major tragedy. It has caused great loss of lives, destroyed whole communities and damaged property. Singapore extends its deepest sympathies to all the victims. It hopes that the major efforts now under way by the Government of India will bring quick relief to the people in the affected areas.

Singapore has been in touch with Indian officials to ascertain what specific assistance it can offer.

(ii) Policy Statements

(15) *"The Real World of Human Rights"*: Statement by Mr Wong Kan Seng, Minister for Foreign Affairs of the Republic of Singapore, at the World Conference on Human Rights, Vienna, 16 June 1993 (Singapore Government Press Release No: 20/JUN, 09-1/93/06/16)

How a state treats its citizens is no longer a matter for its exclusive determination. Other countries now claim a concern. No country has rejected the Universal Declaration of Human Rights. A body of international law on human rights is evolving. These developments will eventually make for a more civilised world. We should work towards it.

But the international consensus on human rights is still fragile. Although everyone professes support for the ideal of human rights, conflicts still abound. The preparatory process for the World Conference on Human Rights has been mired in fundamental disagreements. Even now, we cannot assume that a consensus will be reached. This is not simply due to bad faith or hypocrisy.

Human rights do not exist in an abstract and morally pristine universe. The ideal of human rights is compelling because this is an imperfect world and we must strive to make it better. There is no need for human rights in heaven. But precisely because this is an imperfect world, making progress on human rights will be marked by ambiguity, compromise and contradiction.

Differences of opinion over human rights are inevitable in the real world of competing states and contending interests. The promotion of human rights by all countries has always been selective. Concern for human rights has always been balanced against other national interests. Those who deny this protest too much.

Universal recognition of the ideal of human rights can be harmful if universalism is used to deny or mask the reality of diversity. The gap between different points

of view will not be bridged if this is ignored. We deceive only ourselves if we pretend this is not so.

Forty-five years after the Universal Declaration was adopted as a "common standard of achievement", debates over the meaning of many of its thirty articles continue. The debate is not just between the West and the Third World. Not every country in the West will agree on the specific meaning of every one of the Universal Declaration's thirty articles. Not everyone in the West will even agree that all of them are really rights.

Let us take the United States of America (USA) as an example. Not every state of the USA interprets such matters as, for example, capital punishment or the right to education in the same way. Despite USA Supreme Court rulings, abortion is still a hotly contested issue. But this multiplicity of state and local laws is not described as a retreat from universalism. On the contrary, the clash and clamour of contending interests is held up as a shining model of democratic freedom in the USA.

For that matter, the right to trial by jury so precious in Britain and the United States, has never prevailed in France. Are we therefore to conclude that human rights are regressed by the French? This would be absurd. Sweden, to give another example, has more comprehensive and communal social arrangements than some other Western countries may find comfortable. Is Sweden therefore a tyranny? Naturally not. Order and justice are obtained in diverse ways in different countries at different times.

Therefore, are the common interests of humanity really advanced by seeking to impose an artificial and stifling unanimity? The extent and exercise of rights, in particular civil rights, vary greatly from one culture or political community to another. This is because they are the products of the historical experiences of particular peoples.

When the Universal Declaration was being formulated in 1947, no less an authority than the American Anthropological Association cautioned that "what is held to be a human right in one society may be regarded as anti-social by another people" and that "respect for differences between cultures is validated by the scientific fact that no technique of qualitatively evaluating cultures has been discovered".<sup>1</sup>

Time has not refuted, but unfortunately has dimmed the memory of this sensible advice. The point is now subject to fierce disputes with a pronounced theological flavour. Moralising in the abstract is seldom productive. I believe that a more pragmatic approach is in order, if we want to be effective rather than just feel virtuous.

The momentum of international cooperation on human rights will not be sustained by mere zealotry. Only if we all recognise the rich diversity of the human community and accept the free interaction of all ideas can the international consensus be deepened and expanded. No one has a monopoly of truth. Claiming an unwarranted authenticity for any single point of view may prove futile and unproductive. We must all humbly acknowledge this fact before we can help each other grope towards a practical application of the ideals we all share.

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<sup>1</sup> "Statement on Human Rights", *American Anthropologist* 49 (1947), at 539-543.

Of course, there is a risk that tolerance for diversity will be used as a shield for dictators. This is unacceptable. But pragmatism and realism do not mean abdication. We need not, indeed we should not, cease to speak out against wanton cruelty or injustice. We can strike a realistic balance between the ideal of universality and the reality of diversity if we adopt a clinical approach.

Our aim should be to promote humane standards of behaviour without at the same time claiming special truths or seeking to impose any particular political pattern or societal arrangement.

Diversity cannot justify gross violations of human rights. Murder is murder whether perpetrated in America, Asia or Africa. No one claims torture as part of their cultural heritage. Everyone has a right to be recognized as a person before the law. There are other such rights that must be enjoyed by all human beings everywhere in a civilized world. All cultures aspire to promote human dignity in their own ways. But the hard core of rights that are truly universal is perhaps smaller than we sometimes like to pretend.

Most rights are still essentially contested concepts. There may be a general consensus. But this is coupled with continuing and, at least for the present, no less important conflicts of interpretation. Singaporeans, and people in many other parts of the world do not agree, for instance, that pornography is an acceptable manifestation of free expression or that homosexual relationships is just a matter of lifestyle choice. Most of us will also maintain that the right to marry is confined to those of the opposite gender.

Naturally, we do not expect everyone to agree with us. We should be surprised if everything were really settled once and for all. This is impossible. The very idea of human rights is historically specific. We cannot ignore the differences in history, culture and background of different societies. They have developed separately for thousands of years, in different ways and with different experiences. Their ideals and norms differ. Even for the same society, such norms and ideals also differ over time. For example, how rights were defined in Europe or America a hundred years ago is certainly not how they are defined today. And they will be defined differently a hundred years hence....

We should therefore approach this conference with humility. We are not the prophets of a secular god whose verities are valid for all time. We should act more pragmatically, and I hope modestly, as diplomats dealing with a difficult international issue. Our work, while important, will in due course be displaced by the shifting tides of history.

How, for example, we interpret and apply Article Fourteen of the Universal Declaration on the right to asylum today is different from when it was first drafted at the beginning of the Cold War. With the dismantling of communist regimes and with modern communications, massive population shifts are now underway. Desperate peoples, or just those newly free to travel, are on the move, searching for better security or a better life. This has forced contiguous countries to adopt more restrictive standards for admission. This is happening right here in Europe. No country has been consistent in its application of the rights of refugees. The very manner in which we conceive of refugees has changed.

All international norms reflect a specific historical configuration of interests and power. History moves on continually. Every international norm must therefore

evolve. If this dynamics is not to be driven by the clash of steel and blood, then it must entail a process of debate, interpretation and re-interpretation, in which most agreements are contingent. This is how an international consensus is built and sustained.

A pragmatic approach to human rights is one that tries to consolidate what common ground we can agree on, while agreeing to disagree if we must. More effort should be devoted to clinically identifying the specific rights that we can all agree on now, and which others must await further discussion before we reach consensus. This will be a more productive approach than one ground in self-righteousness.

But identifying the core rights which are truly universal will not always be easy. Many will argue that the "non-derogable" rights in the International Covenant on Civil and Political Rights must be among them. I agree. But some fervent advocates of these civil and political liberties will dispute that development is also, as I and many others hold, an inalienable right. This has a direct impact on the important and contentious question of human rights conditionality for development assistance.

Clearly, the purpose of aid is to enable the people to which it is given to live with dignity. It should not be misused. No one has a 'right' to squander aid. The question is how to ensure that aid will be used effectively. Here the human rights debate merges into broader questions of political theory and public administration. "Human rights", "democracy" and "good government" are sometimes used as if they were synonyms. There is certainly a degree of overlap. But they are not the same thing.

Repression is wrong. It is unhealthy and will stifle development. Growth both promotes and is promoted by the ability of the individual to live with dignity.

But poverty makes a mockery of all civil liberties. Poverty is an obscene violation of the most basic of individual rights. Only those who have forgotten the pangs of hunger will think of consoling the hungry by telling them that they should be free before they can eat. Our experience is that economic growth is the necessary foundation of any system that claims to advance human dignity, and that order and stability are essential for development.

Good government is necessary for the realisation of all rights. No one can enjoy any rights in anarchy. And the first duty of all governments is to ensure that it has the power to govern effectively. And they must govern fairly.

If political institutions fail to deliver a better life to their people, they will not endure over the term. Human rights will not be accepted if they are perceived as an obstacle to progress. This is a fact that some zealots would do well to ponder. There is already evidence that at some stage an excessive emphasis on individuals rights becomes counter-productive.

Life in any society necessarily entails constraints. The exercise of rights must be balanced with the shouldering of responsibility. To claim absolute freedom for the individual is to become less a human being with rights than an animal, subject only to the law of the jungle.

Development and good government require a balance between the rights of the individual and those of the community to which every individual must belong, and through which individuals must realise their rights. Where this balance will be struck will vary for different countries at different points of their history. Every country

must find its own way. Human rights questions do not lend themselves to neat general formulas.

In the early phase of a country's development, too much stress on individual rights over the rights of the community will retard progress. But as it develops new interests emerge and a way to accommodate them must be found. The result may well be a looser, more complex and more differentiated political system. But the assumption that it will necessarily lead to a 'democracy', as some define the term, is not warranted by the facts.

Singapore's political and social arrangements have irked some foreign critics because they are not in accordance with their theories of how societies should properly organize themselves. We have intervened to change individual social behaviour in ways other countries consider intrusive. We maintain and have deployed laws that others may find harsh. For example, the police, narcotics or immigration officers are empowered by the Misuse of Drugs Act to test the urine for drugs of any person who behaves in a suspicious manner. If the result is positive, rehabilitation treatment is compulsory. Such a law will be considered unconstitutional in some countries and such urine tests will lead to suits for damages for battery and assault and an invasion of privacy. As a result, the community's interests are sacrificed because of the human rights of drug consumers and traffickers. So drug-related crimes flourish.

The Singapore Government is accountable to its people through periodic secret and free elections. But we do not feel guilty because the opposition parties have consistently failed to win more than a handful of seats. We have made alternative arrangements to ensure a wide spectrum of views is represented in our Parliament through non-elected Members of Parliament and put in place other channels for good communication between the Government and the people.

We make no apology for doing what we believe is correct rather than what our critics advise. Singaporeans are responsible for Singapore's future. We justify ourselves to our people, not by abstract theories or the approbation of foreigners, but by the more rigorous test of practical success.

Our citizens live in freedom and with dignity in an environment that is safe, healthy, clean and incorrupt. They have easy access to cultural, recreational and social amenities, good standards of education for our children and prospects for a better life for future generations. I can say without false modesty that many of our well-meaning critics cannot claim as much. We do not think that our arrangements will suit everybody. But they suit ourselves. This is the ultimate test of any political system.

We need to remind ourselves that the purpose of this conference is not to score debating points or just to produce a Declaration. We ought to try and expand consensus on very difficult issues. Without a genuine political commitment any Declaration is just another piece of paper. We can force states to pay lip service to a Declaration. But we cannot force states to genuinely respect human rights. In the real world of sovereign states, respect and political commitment can only be forged through the accommodation of different interests.

Unless we all remember this, I fear that we will only fracture the international consensus on human rights. If this happens, the responsibility must lie with those who are so blinded by their own arrogance and certainty as to lose the capacity



for imagination and empathy. I venture to suggest that a more modest approach not only behooves our common humanity, but is more likely to lead to a successful outcome for this conference. There is too much at stake for us to fail.

(16) *Singapore and the United Kingdom:*

A. *Singapore – UK Memorandum of Understanding on Third Country Training Programme:* Ministry of Foreign Affairs Press Statement (Singapore Government Press Release No: 05/JUL, 09-0/93/07/06)

Singapore and the United Kingdom, in their mutual desire to strengthen bilateral relations and further assist developing countries in their human resource development, have agreed to collaborate on a Third Country Training Programme (TCTP). A Memorandum of Understanding on this was signed today by the Singapore Foreign Minister Mr Wong Kan Seng and visiting UK Secretary of States for Foreign and Commonwealth Affairs, the Rt Hon Douglas Hurd.

Under the TCTP, Singapore will provide the experts and training facilities in Singapore, while the UK will where appropriate, contribute experts in addition to funding the travel of the participants to Singapore and their stay for the duration of the training.

This will be the third TCTP arrangement concluded by Singapore. It demonstrates Singapore's commitment to share its development experience and expertise with fellow developing countries. Britain's participation in the TCTP provides it with another channel to fulfil its commitment to developing countries to transfer technology and upgrade their skills. The training of personnel from other developing countries in Singapore will also be more compatible with their development needs.

The areas of training will initially focus on port management and English language training. They may be expanded to include other areas such as health and the environment. The TCTP will be jointly administered by the Technical Cooperation Directorate of the Ministry of Foreign Affairs and its UK counterpart, the Overseas Development Administration of Foreign and Commonwealth Office.

B. *Meeting between Foreign Minister Wong Kan Seng and British Foreign Secretary Douglas Hurd on 6 July 1993: Comments by MFA Spokesman* (Singapore Government Press Release No: 10/JUL, 09-0/93/07/06)

Foreign Minister Wong Kan Seng and British Foreign Secretary Douglas Hurd had a wide ranging discussion on regional and international developments.

On the international scene, the two Ministers agreed that the present trend of forming regional trading blocs should not result in greater protectionism. These trading blocs should instead remain open to each other and help to strengthen the multilateral trading system. They felt strongly that this process would be facilitated by an early conclusion of the Uruguay Round of GATT.

The two Ministers also discussed the problem of Bosnia and agreed that the international community should find ways and means to resolve the problem quickly

and avoid further bloodshed. As Secretary Hurd was enroute to the G-7 Summit in Tokyo, the two Ministers exchanged views on the issues that would be discussed at the Summit.

On regional developments, the Ministers exchanged views on the developments in China, the Sino-British negotiations on Hong Kong, the post-election situation in Cambodia, developments in Vietnam and the situation in Myanmar. Secretary Hurd noted Singapore's interest to invest in China and suggested that British businessmen could consider entering into joint ventures with their Singapore counterparts to invest in China, Vietnam and other parts of the region. Minister Wong welcomed the proposal. Secretary Hurd also updated Minister Wong on the British position on the discussions with China over Hong Kong.

The Ministers noted that relations between the UK and Singapore were problem-free but felt that bilateral economic relations could be further intensified. In this regard Minister Wong requested Secretary Hurd to encourage British businessmen to invest and take advantage of the growing economic opportunities in the Asia-Pacific region. Minister Wong told Secretary Hurd that the way for Europe to make economic recovery was to plug into the growth regions of the world, especially the Asia-Pacific, and not to shut itself out by advocating "managed trade".

(17) *Singapore and ASEAN:*

- A. Opening address by Mr Wong Kan Seng, Minister for Foreign Affairs, at the Second Workshop on ASEAN-UN Cooperation for Peace and Preventive Diplomacy in Singapore on 6 July 1993 (Singapore Government Press Release No: 07/JUL, 09-1/93/07/06)

I am pleased to welcome you to Singapore. I am encouraged by the diversity of participants in this Second Workshop on ASEAN-UN Cooperation for Peace and Preventive Diplomacy. It reflects my conviction that today's problems must be resolved through international cooperation and effort.

I am particularly pleased to see institutes from two friendly countries in ASEAN – Thailand's International Studies Centre and Singapore's Institute of Policy Studies – get together to organise this Second Workshop. It is a trend that I would like to encourage.

The initiative for this series of workshops comes from Thailand. It is a timely initiative. The United Nations is playing an increasingly critical role in the maintenance of peace and stability in the post-Cold War world. In "An Agenda for Peace", United Nations Secretary-General Boutros Boutros-Ghali recognised that "regional arrangements ... possess a potential that should be utilized in serving the functions covered in the report: preventive diplomacy, peacekeeping, peace-making and post-conflict peacebuilding."

...In the post-Cold War World, the United Nations is increasingly called upon to assume new, more, and greater burdens in the field of international peace and security. As the industrialised countries of the West focus more on their own domestic and regional problems, the developing countries look increasingly towards the United Nations to maintain global peace and security, for assistance in socio-economic development, and for help in handling new transnational issues

such as the environment. But multiple crises like Somalia, Bosnia and Cambodia, are straining the United Nations. The demands on the United Nations to keep the peace are rapidly outstripping the organisation's capabilities and resources. Today it is clear that the United Nations cannot depend only on the leading powers to provide the resources to deal with such crises. The effectiveness of the United Nations will also depend as much on the support of the international community at large. Regional organisations can play a role in strengthening the United Nations in the four key areas of peacemaking, peacekeeping, peacebuilding and preventive diplomacy.

ASEAN is today the main functioning regional organisation, not only in Southeast Asia, but also in the larger Asia Pacific. But ASEAN cannot work by itself to promote regional peace and security. Recognising this, ASEAN has moved to strengthen cooperation with other Southeast Asian nations. Vietnam and Laos are now observers in ASEAN. ASEAN has also firmly established consultative relationships with China and Russia. We have a sectoral dialogue with India. Political and security cooperation in the Asia Pacific has been strengthened through the establishment of the ASEAN-PMC Senior Officials Meeting which recently held its first meeting in Singapore. These steps signal a recognition within ASEAN that regional cooperation, in an increasingly interdependent world, must extend beyond the borders of Southeast Asia.

There is potential for cooperation between ASEAN and the United Nations. This is certainly the experience of Cambodia. This helped create conditions for broader-based negotiations leading to the Paris Agreements. In turn the implementation of the Paris Agreements was undertaken by the United Nations through United Nations Transitional Authority in Cambodia (UNTAC), because no other organisation commanded the resource or had the political clout to carry out such a massive operation. The Cambodian experience could well serve as a model for cooperation between the United Nations and regional organisations: with regional organisations playing a more active role in preventive diplomacy and the United Nations acting as the peacekeeper.

The removal of the Cold War tensions between the East and the West has unmasked a more complex and dynamic network of competing and overlapping tensions. These tensions have notably surfaced in those successor states that emerged out of the former Yugoslavia and the former Soviet Union, as well as in those states caught up in the residue of the Cold War, such as Angola and Somalia. In these sad corners of the post-Cold War world, ethnic conflicts have emerged in the wake of aggressive tribalism. They stand as grim reminders for countries of Southeast Asia and the Asia Pacific that the peace and stability that we enjoy today are conditions that we cannot take for granted.

Our task is to strengthen and promote the favourable conditions that have promoted economic growth and development in Southeast Asia and the larger Asia Pacific. It means preventing the sort of conflicts that other regions of the world are experiencing today with devastating effect on their peoples and their economies.

This is an on-going task for ASEAN. In this, ASEAN will have to work together with other nations of Southeast Asia and the larger Asia Pacific. ASEAN will also have to work with the United Nations in order to strengthen the United Nations' capability in peacekeeping, peacebuilding, peacemaking and preventive diplomacy....

I am hopeful that through workshops such as these, we will expand the constituency of opinion for stronger links between the United Nations and ASEAN.

- B. Keynote address by Mr S Dhanabalan, Minister for Trade and Industry, at the opening of the 45th ASEAN-CCI Council Meeting in Singapore on 15 July 1993 (Singapore Government Press Release No: 22/JUL, 15-1/93/07/15)

...We live in an increasingly competitive world. New economic players have emerged who are challenging the secure position of the traditionally competitive nations. Countries which fail to restructure, adapt and innovate fall quickly behind, as others acquire new knowledge and become more competitive.

We are familiar with product obsolescence in the rapidly changing technology. To some extent what was true of products is becoming true of whole economies.

Developed economies are seeing the newly industrialised economies and developing countries take over larger and larger shares of previously assured markets. For example, the increase in dollar output of Asia, South America and the rest of the developing world was larger in 1992 than the increase of North America, the European Community (EC) and Japan combined. Even in the developing world, the economies which began their industrialisation earlier are facing strong competition from new entrants. Recent reports show that traditional South Korean exports to the US, such as textile, shoes and toys, are losing ground to Southeast Asian and Chinese exports. Labour-intensive industries in Thailand are losing their competitiveness to Vietnam. Singapore is facing strong competition for investments in relatively high-technology electronics products from new investment locations such as Malaysia, Indonesia and Shenzhen.

Faced with stiff competition, companies and countries have moved quickly to adapt. Many companies have moved towards distributed manufacturing, shifting plants to locations where land labour costs are lower. As for countries, many have got together into economic groupings to improve competitiveness. The Europeans are progressing from the European Common Market and European Free Trade Area (EFTA) to the Single European Market (SEM), while the Americans are pushing for a North American Free Trade Agreement (NAFTA). On our part, the six ASEAN countries initiated ASEAN Free Trade Area (AFTA). This was endorsed at the 4th ASEAN Summit, and implementation begun in January this year.

These market-sharing arrangements need not raise concerns if they are aimed at lowering internal barriers within the groups. If they achieve this, but do not attempt to shut out imports from outside the group, the net effect can increase trade with those outside the group. Indeed, the earlier history of the European Common Market has shown that the market-sharing arrangement, while giving member countries' own domestic industries a larger market, also enabled the members' economies to grow faster, thus creating more demand for products from outside the group. In the 15 years since the establishment of EC, intra-EC trade grew at about 18 per cent per annum while trade with non-EC countries also grew by 13 per cent per annum.

So long as the Single European Market and NAFTA develop in the same direction, all would stand to gain. A larger market and higher economic growth create a new opportunities for others to sell in the market, benefitting the

international economy as a whole.

However, there are strong voices in both groups that want to use the process to create a fortress Europe and a fortress North America. High unemployment and tough economic times have resulted in increasing public pressure to adopt measures to protect local industries. Recent public speeches by some leaders have indicated that there is resistance in some countries to fundamentally restructure their domestic economies to compete with the rest of the world. Threats of closing of domestic markets are signs of danger. We must fight this danger.

How can ASEAN do it? First, we must strengthen ourselves. We must build upon the ASEAN Free Trade Area (AFTA). To date, progress in implementing AFTA has been slower than we had hoped to see. It is important that we address any problems encountered, and bring about an early implementation of the agreement.

To do this effectively, businesses within ASEAN who are international in their operations must make their voices heard. In the nature of things, the less competitive businesses who want protection are more vociferous and put more pressure on their governments than businesses which are competitive and would like to see other markets open to them. This second group must make its voice heard and not allow short-sighted businesses who want protected local markets, to have the final say on trade and investment policies. Internationally-oriented businesses must realise that they cannot have the luxury of an open international market and at the same time have a protected domestic market for the benefit of the less competitive businesses in their country. Japan can no longer be an example. Present day economic realities do not allow the Japanese experience to be repeated. A push for protected domestic markets mean that eventually, all would stand to lose.

Second, we must make clear the danger that a fortress Europe or a fortress North America may lead to a reaction from the Asia Pacific region, the fastest-growing region in the world. The developing economies, especially those in Asia, are growing at two to three times the rate of the industrialised economies. With rising employment and rapidly rising incomes, demand for imports of consumer and producer goods into the region is growing rapidly. Countries like the US are direct beneficiaries of this economic boom. For example, 23 per cent of the increase in the US exports in recent years went to the Asian region. If the developing countries in the Asia-Pacific also begin to develop a fortress mentality, it will mean that industries in Europe and America will be cut off from the benefits in the fast growing region. This would be detrimental to efforts to get growth going again in the sluggish developed economies....

The message is clear: global interests will only be preserved with the dismantling of trade barriers, not the erection of new ones.

For the future, I can see several roles for the ASEAN-CCI. First, the ASEAN-CCI will continue to play a useful role in helping members look beyond their own domestic markets to the regional ASEAN market, and to adapt to rapidly changing market conditions. Second, you have a key role in getting AFTA successfully implemented. The ASEAN governments must continue to receive strong support and cooperation from the ASEAN-CCI in ASEAN economic affairs.

The ASEAN-CCI has an added role to play on top of these. It must help in educating businessmen and leaders, that a protectionistic approach must mean a

downward spiral in our international economy, with everyone being hurt. Since governments would take into account the views of the private sector, businessmen who benefit from an open economy must speak up against protectionism. The message to the general public and the business community will be driven home more effectively by the private sector rather than the government....

- C. Statement by Mr Wong Kan Seng, Minister for Foreign Affairs and Chairman of the ASEAN standing committee at the fourth meeting of the 26th ASEAN standing committee on 21 July 1993 in Singapore (Singapore Government Press Release No: 28/JUL, 09-1/93/07/21)

...We are pleased that ASEAN as a whole continues to respond in a realistic and pragmatic way to the post Cold War period and the global trend towards more economic regionalism. ASEAN has coped well with the new international environment, especially through the implementation of the decisions of the Fourth ASEAN Summit held in Singapore in January 1992.

ASEAN is keenly aware that for ASEAN to survive and prosper, ASEAN needs to expand intra-ASEAN economic cooperation and to make ASEAN more attractive to foreign trade and investment. ASEAN also needs a predictable and constructive pattern of relationships with the major players in the Asia-Pacific – including the US, Japan, China, Russia and India – to ensure a peaceful and stable environment.

The Fourth ASEAN Summit took landmark decisions to achieve these objectives. First, it decided to establish an ASEAN Free Trade Area (AFTA) within a 15-year time frame from 1 January 1993 to increase ASEAN's competitiveness. Second, it agreed on the need to discuss political and security issues with ASEAN's dialogue partners at the Post Ministerial Conferences in order to achieve a better common understanding and to anticipate and resolve problems.

ASEAN has moved forward these Summit decisions. The Third Meeting of the AFTA Council in December 1992, which was established by the Summit to implement AFTA, has brought ASEAN closer to the creation of a free trade area by finalising the tariff reduction programmes and operational details for the implementation of AFTA. The 25th AMM/PMC has also initiated political and security discussions with its dialogue partners by putting political-security co-operation on the agenda for the first time. Regional security issues have also been included in the agenda of several of ASEAN's meetings with its dialogue partners, namely the US, Japan and Australia.

In addition, as part of the regional confidence-building process, ASEAN has developed consultative relationships with China and Russia. The accession of Vietnam and Laos to the Treaty of Amity and Cooperation in Southeast Asia in July 1992 has opened the way to a new phase in relations between ASEAN and the two countries. The Foreign Ministers of these four countries – China, Russia, Vietnam and Laos – have once again been invited to the 26th ASEAN Ministerial Meeting in Singapore for discussions with their ASEAN counterparts. ASEAN has also established a sectoral dialogue with India in March 1993.

ASEAN has successfully held the first meeting of the Senior Officials Meeting for the Post Ministerial Conferences (ASEAN PMC-SOM) in May 1993 in Singapore

to move the Summit decisions a further step forward. ASEAN is pleased that there was a convergence of views at the ASEAN PMC-SOM on the need to find means of consultations on regional political and security issues, in particular for ASEAN and its dialogue partners to work with other regional states, including China, Russia, Vietnam and Laos to evolve a predictable and consultative pattern of relationships in the Asia-Pacific.

ASEAN is also pleased that the ASEAN PMC-SOM welcomed ASEAN's initiative to have an informal dinner before the 26th AMM/PMC in Singapore to which the Foreign Minister of ASEAN, the Dialogue Ministers, China, Russia, Laos and Vietnam will be invited.

These processes represent an evolution in the pattern of relationships among the countries in the Asia-Pacific. ASEAN hopes that these processes will develop into a network of overlapping and multiple political and security dialogues and forums to engage the Asia-Pacific countries, including the major powers in Southeast Asia to ensure peace, stability and prosperity in the region. ASEAN is confident that the 26th AMM/PMC in Singapore will bring ASEAN even closer to the threshold of a new and constructive pattern of relationships in the Asia-Pacific region.

D. "*ASEAN Cooperation in the 1990s*": Opening address by Mr Goh Chok Tong, Prime Minister of Singapore, at the 26th ASEAN Ministerial Meeting in Singapore on 23 July 1993 (Singapore Government Press Release No: 32/JUL, 02-1/93/07/23)

...We meet under fortunate circumstances. After more than a quarter century of ASEAN cooperation, we enter the 1990s in sound condition. Our countries are at peace, both internally and with each other. Our economies are healthy and the prospects for more development are good.

Vietnam and Laos have become observers in ASEAN. We hope that Myanmar and Cambodia will follow them when conditions permit. Then, all ten Southeast Asian countries will be integrated into a single community.

In the meantime, a stable equilibrium exists in Southeast Asia, creating optimal conditions for growth. We all have healthy relationships with the major powers that advance our interests without compromising our sovereignty.

This state of affairs prompted ASEAN Foreign and Economic ministers to report to the Fourth ASEAN Summit last year that "conditions in Southeast Asia today approximate those envisaged in the Declaration on ZOPFAN (Zone of Peace, Freedom and Neutrality)".

Such an outcome was not inevitable. In fact, in the 1960s, Southeast Asia was often referred to as the "Balkans of Asia". It was not an unreasonable description of a region that was then characterised by division and conflict. In the 1960s, every member of ASEAN was at one time or another in dispute with another member. Many faced serious internal instabilities as well.

Southeast Asia is still a diverse region. But the worst case scenario has not come to pass. We have learned to manage our diversity and our differences. We have avoided the kind of vicious bloodletting that we sadly witness in the former Yugoslavia, the original Balkans.

Why were we spared? We would be less than honest if we did not acknowledge a large dose of luck. But we also made our own luck by adopting sound internal and external policies.

Whatever the differences of style or policy, all ASEAN countries have always put the well-being of their peoples above all else. All of us also knew that we could achieve a high standard of living for our peoples only if regional peace and stability were maintained.

ASEAN therefore worked because we made it work. ASEAN worked because, whatever the differences, all of us always had a compelling interest in making ASEAN succeed.

We cooperate through an active network of regional and extra-regional agreements and processes. These multiple forums draw on different sources of strength.

We may disagree. We may argue. Discussion can get heated. But there are always consultations at different levels. We have avoided resort to force. This has created a pattern of peaceful and cooperative behaviour.

This larger achievement is more important than specific outcomes. It is the ASEAN process that has kept us cohesive. It is the process that has allowed us to manage differences; build networks of personal relationships at all levels; and helped define common parameters even if we cannot always reach common positions.

In the 1990s, the ASEAN process must grow to meet new challenge. Prosperity, peace and stability cannot be taken for granted. To be sure, there are no imminent threats. But across the Pacific major changes are underway. The geo-political landscape is being reshaped in response to global shifts of strategic balances after the end of the Cold War.

Leaders in governments and in the media are extrapolating China's economic success into the 21st century. They all concede the vast economic potential. But they also ask how a powerful China will act, whether such a powerful China can be a comfortable partner for peace and progress in the Asia-Pacific.

Japan is building an internal and regional consensus on a new and bigger political role. We, and maybe many Japanese themselves, do not know what kind of Japanese consensus will be reached.

The United States is and will remain a key factor for Asia-Pacific stability. President Clinton has reiterated that the US will remain engaged in Asia. But America's budgetary and economic problems have coloured the long-term, outlook of the American presence in the region. The US has moved towards looser but more cost-effective access arrangements. To be durable, the US presence must be based on strong political and economic interests. It is in the self interest of the US to remain plugged in to this economically dynamic area.

Next, the international trading system is under severe pressure because of global structural changes. Even though prospects for a successful completion of the Uruguay Round have improved after the G-7 Summit, some developed countries seem to feel that the open trading system will threaten their domestic industries and jobs by cheaper imports from poorer countries. A more restrictive trading regime cannot be entirely ruled out.

ASEAN cannot stand aloof from these changes. Of course, we must expect the major powers to act in their own interests. But we are not totally at their mercy.



ASEAN should not allow its future to be decided only by the actions and policies of other countries. So long as ASEAN is cohesive, we cannot be ignored by the major powers. ASEAN must be a factor in their Asia-Pacific calculations. A forward-looking, realistic and creative ASEAN can help shape the new pattern of relationships in the Asia-Pacific.

Indeed, we have already begun to do so. The Fourth ASEAN Summit made several key decisions. It set up the ASEAN Free Trade Area (AFTA). We should press ahead and combine our markets to improve our attractiveness to investors and increase our bargaining power in dealing with protectionist groups. Investments will increase. Trade will expand. Our economies will all become more competitive.

The Summit also agreed to use existing forums like the ASEAN Ministerial Meeting and the Post Ministerial Conferences to discuss regional security.

The 25th ASEAN Ministerial Meeting held in Manila in July last year began such discussions. It produced a Declaration on the South China Sea that helped define some of the principles for a peaceful resolution to complex territorial issues like the Spratlys. The Declaration made special reference to the Treaty of Amity and Cooperation in Southeast Asia as the basis for establishing an international code of conduct for the South China Sea.

We followed up by securing recognition for the Treaty in a consensus resolution in the United Nations. This gives greater weight to the Treaty as the basis of a peaceful regional order, not just for Southeast Asia, but in the broader Asia-Pacific.

As mandated by the Fourth ASEAN Summit, we have begun to re-examine old concepts like the Southeast Asia Nuclear Weapons Free Zone (SEANWFZ) to see how they can fit into the post-Cold War World in ways that will protect and promote our interests and those of our friends.

Another follow-up to the Fourth ASEAN Summit was the special Senior Officials' Meeting convened in Manila in June last year. For the first time ASEAN defence and military officials sat alongside their colleagues from the foreign ministries.

ASEAN is not and will not become a military pact. Each member country must always assume primary responsibility for its own defence and security. But consultations among defence and military officials will help build an environment of confidence. They add to regional stability. We should study how such intra-ASEAN defence dialogues can be added to existing ASEAN processes.

Just two months ago, senior officials from ASEAN and our seven dialogue partners met for the first time in Singapore to discuss regional and global issues. Such a meeting would have been inconceivable just a few years ago. Any multilateral political and security dialogue would then have conjured up images of blocs and ideological conflict. But all agreed that the Singapore meeting was constructive and should be continued. The officials will meet again in Thailand next year.

ASEAN has also established consultative relationships with other key players in the Asia-Pacific – China and Russia. Together with our sectoral dialogue with India, this makes the ASEAN PMC process a unique diplomatic forum which will bring together all the major players. It complements existing bilateral arrangements and multilateral forums like APEC. It can be the vehicle for engaging and accommodating all interests in the region in an acceptable common framework.

This will contribute to the peace, stability and economic progress of the whole region.

The decisions of the Fourth ASEAN Summit and the follow-up actions that I have briefly described will form the basic agenda for cooperation within ASEAN and between ASEAN and other Asia-Pacific countries in the 1990s....

- E. Message from Mr Ong Teng Cheong, President of the Republic of Singapore, to the 14th General Assembly of the ASEAN Inter-Parliamentary Organization (AIPO), Kuala Lumpur delivered by Mr Tan Soo Khoon, Leader of the Singapore Delegation on 20 September 1993 (Singapore Government Press Release No: 25/SEP, 01-01/93/09/20)

...ASEAN has come a long way since the turbulent period of the 1960s in our region. After more than a quarter century of ASEAN cooperation, our countries are at peace with one another and with other countries. For the past decade, the ASEAN members have been among the world's fastest growing economies. These achievements have been made possible through an active network of regional and intra-regional cooperation to strengthen good relations both among the ASEAN countries and with all the major countries outside the region.

In the 1990s, ASEAN must broaden and deepen its cooperation to deal with the political and economic uncertainties arising from the end of the Cold War and the global trend towards economic regionalism. Our task is to identify, meet and overcome the new challenges of this greatly transformed world. ASEAN has shown vision and maturity in its response to the international changes through the important decisions taken at the Fourth ASEAN Summit held in Singapore in January 1992.

I commend the ASEAN governments for making the summit decision to establish an ASEAN Free Trade Area (AFTA) its immediate task. We need AFTA to remain competitive and to sustain the dynamism of our economies into the next century. I also commend the ASEAN governments for acting swiftly to implement another summit decision by initiating political and security dialogues with ASEAN's dialogue partners and deciding to include other countries, particularly China, Russia and Vietnam, in the security discussions. These security dialogues will enhance understanding and cooperation to help promote regional peace and security....

- F. Keynote address by Prime Minister, Mr Goh Chok Tong, at the 25th ASEAN Economic Ministers' (AEM) Meeting in Singapore on 7 October 1993 (Singapore Government Press Release No: 12/Oct, 02-1/93/10/07)

### Changing Environment

During the Cold War, the Western world had an interest in preserving the stability of non-communist countries everywhere. They gave developing countries privileged access to their markets through the Generalised System of Preferences (GSP). Through successive General Agreement on Trade and Tariffs (GATT)

Rounds, they liberalised international trade in an orderly way, lowering tariffs and instituting rules of conduct for international trading.

This liberal attitude and generally stable environment enabled individual ASEAN countries to focus on economic development and nation-building according to their own priorities. All adopted various forms of market economies, although with large variations in the practices. Between 1970 and 1985, ASEAN countries enjoyed average growth rates of six per cent per year – far better than the three per cent experienced by the developed countries. ASEAN countries also played an active role in the international economy. Their exports increased by 17 per cent per year, faster than world trade.

In such a benign environment, initially ASEAN members were more preoccupied with their own respective nation-building. They felt no compelling pressure to promote regional economic integration. Intra-ASEAN economic co-operation progressed gradually, the more so as the process was not market-driven but administratively-dictated.

In the mid-1980s, the ideological divide in the world began to weaken. Centrally controlled economies began increasingly to promote market reforms. This wave became a tide when the Communist states collapsed, and the Cold War ended abruptly. Suddenly, everyone was a capitalist, admittedly with varying degrees of fervour.

ASEAN's own wave of economic liberalisation started before the collapse of Communism. The impulse was changes in our own economic circumstances. The collapse of oil and commodity prices in the mid-1980s forced countries which had hitherto depended comfortably on exporting primary products to introduce austerity measures and diversify their economies. ASEAN countries saw the need to integrate themselves more closely with international trade and capital flows. They changed policies to attract foreign investments, reduced tariff and non-tariff barriers, and privatised state-owned enterprises.

The timing was favourable. Japan, South Korea and Taiwan all faced rising currencies and costs, and were looking for alternative production bases. The result was a dramatic increase in foreign investments into ASEAN and strong, sustained economic growth. This gave ASEAN countries confidence to participate even more in the world economy.

Ironically, just as ASEAN and other developing countries are liberalising their economies, the developed countries are backing away from free market policies. Now that the Cold War is over, Western countries have less incentive to provide security cover for Asia, or to keep their markets open to buttress non-communist countries. The threat of protectionism in the developed countries has grown more imminent.

At the daily business level, exporters are harassed by anti-dumping and countervailing duty actions initiated by competitors in developed countries. They come under pressure to conclude market-sharing arrangements, euphemistically termed "voluntary" but really extracted by the threat of worse things to come.

At the policy and intellectual level, the mood in the developed countries is shifting away from free trade, in favour of "fair trade" and "managed trade". These terms "fair trade" and "managed trade" evade the odium of protectionism and convey an aura of intellectual respectability, but should be seen for what they really are.

The Western economies are struggling to revive growth and cut unemployment. Their difficulties in doing so have led to growing perception among hard-pressed workers, union leaders, politicians and opinion makers in the West that Asian competition is "unfair". It is "unfair" because Asian workers are willing to work longer hours, and accept lower pay, poorer social conditions and looser environmental standards in exchange for the chance to improve their lives. But as a World Bank report concluded, people in these economies have simply studied harder, worked harder and saved more than people in other countries.

Some in the West, especially in Europe, fear that Japan's success will be followed by a flood of NIEs and aspiring NIEs, which will include China, and later India and Vietnam. These countries will compete directly with industries which had been the preserve of the developed countries, and force upon the developed countries unwelcome changes in economic structure and standards of living.

### ASEAN's Response

ASEAN has to respond promptly to these changes in the international environment if it is to prosper in the next 25 years. Retaliating with a protectionist trading bloc of our own is not a solution. It is against ASEAN's own interests, as our links to the rest of the world are as important if not more important than our linkages with each other. 57 per cent of ASEAN's exports go directly to the industrial countries, while much of the rest depends indirectly on the major economic locomotives. Without the markets in the developed countries, a significant part of our economies will atrophy.

Furthermore, ASEAN is still a small player in the world economy. Our market is only one-twentieth the size of North American Free Trade Agreement (NAFTA) or the European Community (EC). Even within Asia, ASEAN is small compared to the economic might of Japan or the potential weight of China and India.

The rapid development and liberalisation of China and India have major implications for ASEAN.

- (a) In 1992, China attracted a record US\$8 billion of foreign investment commitments, while investments in many ASEAN countries declined sharply. China's investments exceeded the figure for all of ASEAN combined. Foreign companies persist in doing business in China despite difficulties because they hope to make it big one day, and induce 1.1 billion consumers to drink its soft drinks, buy its washing machines or own its cars.
- (b) India has a middle class of between 100 to 300 million people. They are hungry for imported consumer goods. They also have the talent and enterprise to make India a major economic power, provided the dead weight of red tape and regulation is removed.

ASEAN's response to this bracing environment should be to quicken the pace of liberalisation, commit itself to the free trade system, play by fair and transparent rules, integrate the members' economies, and lock-in the interest of the developed countries into our regional economy. Where we are competitive, we should export to world markets. Where others are more competitive, we should open our doors to them, giving them a vested interest in our economic well-being and encouraging

our own industries to upgrade and become competitive. If we do not, we cannot criticise others for shutting out our competitive exports.

Individual ASEAN countries have already liberalised their economies considerably, and enjoyed the results. They should continue to do so. But besides individual efforts, ASEAN should leverage its strengths as a group to derive economic benefits for all its members, just as it has done in the political and diplomatic efforts. This was why the ASEAN Summit in January 1992 took the bold decision to create AFTA.

AFTA's announcement initially created considerable optimism. Businessmen were hopeful that ASEAN had decisively changed its previous cautious approach to economic cooperation, and would now make substantial progress. Investors waited eagerly to learn the details of AFTA and the Common Essential Preferential Tariffs (CEPT), in order to plan their ASEAN-wide projects.

However, we have not followed up the announcement of the agreement with bold moves to implement AFTA. Perceptions that ASEAN is taking longer than expected to work out the details of the schemes, and that the gains are likely to be incremental rather than dramatic, have not helped. As a result, some of the early interest has flagged.

One often-hard explanation why ASEAN economic cooperation is slow is that most ASEAN countries are at similar stages of development, leaving little scope for intra-ASEAN trade. This is only partly true. Take for example the six founding members of the EC. Their economies too were similar to one another. In 1960, even before they fully implemented a common external tariff, one-third of their total trade was among themselves. Today, among the EC 12, two-thirds of trade is among themselves. So the question is less the stage of development, but more how prepared the partners are to promote economic interdependence, division of labour, and trade among themselves.

ASEAN members do have genuine concerns and difficulties in implementing AFTA. More open markets mean problems of adjustment and re-structuring, especially in the small business and agricultural sectors. These are accustomed to a more regulated environment, and have not just economic but also social significance. But ASEAN's impressive economic development over the last decade, and the phenomenal growth of ASEAN's exports, show how resilient and adaptable our economies and industries really are, when confronted with competition and given the opportunity to modernise and upgrade themselves.

Singapore supports ASEAN economic cooperation, but it has not actively pushed for faster progress. We pursue a free trade policy, and do not want to be misunderstood as aiming for a one-sided benefit out of the liberalisation of markets in other ASEAN countries. Our policy continues to be to let other members set the pace of economic cooperation. However, after each ASEAN government has made its own political judgment as to how quickly it can proceed, ASEAN must collectively decide how fast to move.

Businessmen can work with either a faster or a slower pace of economic integration. But unfulfilled expectations of quick progress will produce disillusionment, while uncertainty as to what will really happen will make it harder for them to embark on long term projects. Both are against ASEAN's interests. I am glad to note that at the AFTA Council meeting yesterday, the Council decided and

announced the pace at which the CEPT Scheme will be implemented. Businessmen and investors now know and can plan accordingly.

The potential for ASEAN economic cooperation is good. Besides AFTA, the Singapore Summit also endorsed the promotion of sub-regional economic cooperation, among several members at a time. This appears to be succeeding. The first example was the Southern Growth Triangle. By weaving together the advantages of Singapore, the Riau province in Indonesia and the Malaysian state of Johor, we have created an economic area that is attractive to foreign investors, and substantially increased trade among the three partners.

The Southern Growth Triangle has inspired other sub-regional economic co-operation schemes.

- (a) The Northern Growth Triangle involving Sumatra, the northern states of Malaysia, and the southern states of Thailand is actively exploring opportunities for co-operation. Projects which have been identified range from agri-business to tourism.
- (b) Recently, President Ramos suggested an Eastern Growth Triangle covering East Malaysia, Mindanao, and Sulawesi.

I am hopeful that taken as a whole, these efforts will draw our economies closer together, and demonstrate what ASEAN can achieve as a group when its members look at the longer term opportunities instead of the short-term costs.

## Conclusion

It is a quarter century since ASEAN members began to discuss economic cooperation among ourselves. On this significant occasion, let us renew our resolve to promote economic co-operation, and give substance to the AFTA ideal. Clear and bold political leadership, supported by a nimble and forward-looking bureaucracy, will make a critical difference to ASEAN's economic prospects, and enable us to turn the challenges of the coming decades into fresh opportunities to improve the lives of our peoples.

- (18) *G-7 Tariff Reduction Agreement*: Comment from Ministry of Trade and Industry Spokesman (Singapore Government Press Release No: 12/JUL, 15-093/07/09)

We are encouraged by the agreement between the majors in Tokyo on market access in many sectors of industrial goods. Full details are not yet available, but the agreement to cut tariff peaks on textiles is particularly significant in terms of getting negotiations moving again. We are now slightly more optimistic than we were previously of a possible conclusion to the Uruguay Round negotiations by the end of the year. However, we note that there are still many contentious issues which have not been discussed yet and these may yet stall negotiations.

(19) *The Environment:*

- A. Speech by Mr S Dhanabalan, Minister for Trade & Industry, at the opening of the European Commission (EC)-Singapore Regional Institute of Environmental Technology (RIET) in Singapore on 27 July 1993 (Singapore Government Press Release No: 44/JUL, 15-1/93/07/27)

...The establishment of the RIET in Singapore is a milestone in EC-Singapore cooperation. European countries have led the field in environmental technology. Through RIET, European expertise in environmental management and pollution control can be shared with Singapore and the other developing countries in South East and East Asia.

In Singapore, our vision has been to develop and have an efficient economy while at the same time having a high quality of life set amidst a clean and healthy environment. We have always recognised that economic progress and industrial development should not be at the expense of environmental care.

At the industrial level, most of the multi-national corporations (MNCs), from Europe, the US and Japan, who have come to Singapore, accept and encourage our concerns over environmental management. They have brought with them valuable experience and expertise in pollution control. With the cooperation of our industrial and other enterprises, Singapore has become a model of good municipal and industrial environmental management. Our next step is to share our experience and build on it to become a regional environment centre.

...The increased pace of industrialisation in Asia has widened the scope of waste management and pollution control. Countries in the region are all tightening up their laws and spending more money to maintain a clean, healthy environment in these countries. The development of this environmental consciousness calls for the creation of innovative technologies for the effective handling, re-use, recovery and disposal of wastes. Opportunities are therefore emerging for business in environmental equipment and services....

Technology alone will not solve all the problems. Industries need to be aware of their social responsibilities. It is therefore appropriate that one of the priorities of the new Institute will be to help create and raise the level of environmental awareness, through its information and training programmes....

- B. Speech by Mr Mah Bow Tan, Minister for the Environment and Minister for Communications, at the opening of the Environmental Audit Seminar in Singapore on 27 July 1993. (Singapore Government Press Release No: 43/JUL, 07-1/93/07/27)

...The Earth Summit, which took place in Rio de Janeiro in June 1992, brought about an international consensus on the need for balance between environmental protection and economic development. From the very start, Singapore has recognised the need to urbanise and industrialise without compromising the quality of our environment. Today, our environmental quality compares well with the best of the environmentally-advanced developed countries. Our ambient air and

water qualities are well within established standards set by bodies such as the US Environmental Protection Agency and the World Health Organisation.

We live on a small island. Within this 640 square kilometres, we have to accommodate housing, schools, industries, road, parks, reservoirs, ports, airports etc. In spite of this, we enjoy a quality of life which is comparable to the best. But as our population increases, and as we grow more affluent, we have to manage our limited resources well, and plan ahead so that we can continue to maintain this high quality of life. In the face of new environmental challenges, we have to make positive changes to the lifestyle and consumption patterns of our people.

The Singapore Green Plan is a national environmental protection plan. The Plan was conceived to provide new strategic directions for Singapore to ensure that our environment, from both local and global perspectives, is protected and preserved for future generations.

To succeed, the Singapore Green Plan needs the support and concerted action of individuals, businesses and industries. This action goes beyond merely complying with the environmental laws of the land. Our laws have served us well to prevent gross pollution and threats to public health. Thanks to these laws, we have a clean environment to live in. But laws alone are not enough for us to achieve environmental excellence. Environmental excellence defines a way of life or a business practice that is as environment friendly as possible. It calls for optimal use of resources, generation of minimal waste and release of as little pollutants as possible into the environment. In other words, going beyond the minimum requirements as prescribed by laws and conventions. The motivation for this must come from self-regulation on the part of individual citizens and corporations. It is only through a judicious mix of government legislation and self-regulation that we can hope to achieve environmental excellence.

Let me cite three environmental issues covered in the Singapore Green Plan:-

- (i) minimising the amount of solid waste we produce,
- (ii) keeping down the carbon dioxide we release into the atmosphere, and
- (iii) conserving energy and resources.

To deal with these issues effectively, we must make fundamental changes to our lifestyle and consumption behaviours. Even with appropriate legislation, we will need an environmentally proactive population to achieve the goals set in the Singapore Green Plan for these issues. The Singapore Green Plan has been prepared on the premise that individuals, business and industry will indeed rally behind it....

Waste minimisation, carbon dioxide emission and resource conservation are central issues that corporations must grapple with in their effort to demonstrate corporate commitments towards environmental protection. In this respect, I am sure that many of the CEOs and senior executives in this audience will testify that business success and environmental excellence can be complementary to each other. Environmental concerns should not be looked upon with apprehension by corporations. The link between the ideals of business success and environmental excellence is the concept of efficiency. Efficiency enables corporations to produce more and better goods and services while reducing the consumption of resources,



wastage and pollution. It keeps companies competitive and readies them for a market that will increasingly demand products made by environmentally-benign processes....

- C. Speech by Mr Mah Bow Tan, Minister for Communications and Minister for the Environment, at the joint opening of ENVIRONMEXASIA/WATERMEXASIA '93 and CHEMASIA/INSTRUMENTASIA/ANALABASIA'93 in Singapore on 4 October 1993. (Singapore Government Press Release No: 05/OCT, 07-1/93/10/94)

Last year, the world's leaders gathered in Rio de Janeiro in an attempt to deal with a problem of global concern. The United Nations Conference on Environment and Development in Rio paved the way for an international consensus on sustainable development at the highest political level. The conference also adopted a comprehensive document called Agenda 21 to facilitate the push towards sustainable development on a global scale. International efforts to implement Agenda 21 are now gathering momentum.

Last July, Environment Ministers from 53 countries gave their backing to the work of the Commission on Sustainable Development. This commission has been tasked by the United Nations to review the implementation of Agenda 21. Developed and developing nations are now working vigorously to fulfil their promises and achieve the environmental goals expounded at the meeting.

Singapore is fully committed to this global cause. We believe that the solutions to global environmental problems begin at home. Over the last two decades, we have implemented a comprehensive environmental management programme which emphasised prevention rather than cure. The result is self-evident, a pleasant and healthy environment for all Singaporeans and visitors alike to enjoy.

The long term vision for Singapore is that of a model green city: a city with high standards of public health and a quality environment, a city whose people are concerned not only about our environment, but also the global environment. The Singapore Green Plan serves as our blueprint to achieve this vision. It provides the policy directions to ensure the continual protection and preservation of our local environment. At the same time, it will enable Singapore to fulfil the goals and objectives set out under Agenda 21.

The underlying theme of Agenda 21 is sustainable development. Nowhere is this message more relevant today than here, in our part of the world. The Asia-Pacific region has been identified as the most economically vibrant and dynamic region in the world. Booming economies bring in its wake increasing pressures on the environment. Some problems may be solved by legislation, others through public education and participation.

Countries in the region which have not already done so will have to implement policies and programmes on environmental management and pay more attention to environmental protection. For example, they will need appropriate technology to treat the wastes that are generated as the country develops. Those who are in a position to offer such technology can provide a useful service.

Two of the most crucial needs of the region are in institutional capacity building, in other words, developing the software of environmental management,

and in technology transfer. In this regard, Singapore has been playing and will continue to play its part. In the past year, we have conducted many training courses, workshops and conferences to help train environmental officers from the region. This is an effective way to spread know-how and technology on strengthening of environmental management systems. In this context, I am very pleased to note the private sector's initiative in organising a similar environmental conference, in conjunction with this exhibition, on "Environmental economics and technology – the new competitive strategy".

We have taken another step forward by signing bilateral agreements with developed countries to facilitate the transfer of appropriate technology to the region. One of these mechanisms for technology transfer is the Germany-Singapore Environmental Technological Agency which is organising its third regional workshop on "Environmental Planning and Management", to be held in conjunction with this exhibition.

With our experience in environmental management, our infrastructure, and our growing expertise we can be the gateway to the Asia-Pacific region for companies operating in the field of environmental technology. There is also a growing interest among local companies to diversify into this field. We should build on this interest. There are now at least 100 local companies in Singapore whose businesses are related to environmental technology and who are interested in environmental business opportunities in ASEAN countries, Taiwan, China and Vietnam. One way to galvanise this interest is to set up a business association on environmental technology.

Initial feedback on the information of such an association has been very encouraging. I understand that the idea has been well received by both local companies and the multi-national corporations based here. The association will have to be established and managed by the business community itself. My ministry will strongly support the formation of such an association....

D. Speech by Mr Mah Bow Tan, Minister for Communications and Minister for the Environment, at the opening of the Singapore Green Plan Exhibition, Singapore on 9 November 1993. (Singapore Government Press Release No: 14/NOV, 07-1/93/11/09)

...The Singapore Green Plan could not have come at a more opportune time. Our basic infrastructure is in place. Thirty years of judicious planning and investment in facilities to control pollution and protect public health have allowed us to respond to rapid industrial development and urbanisation, and at the same time build a clean and green city.

Our air and water quality are well-controlled through stringent land-use planning and tightly enforced emission standards. We can be justifiably proud of our achievements. But we cannot be complacent. An increasing population, with higher incomes and growing affluence, can easily lead to wastefulness in resource consumption and excessive waste generation.

We have limited land and natural resources. There is a limit to how much land we can allocate for refuse disposal and wastewater treatment. There is a limit to the amount of emission we can put into our air and water before their quality begins

to deteriorate. Our challenge is to find ways to mitigate the burden that each and every one of us, day after day, is adding to the environment. If we want to enjoy a first-rate environment, if we treasure a higher quality of life, then Singaporeans must adopt a lifestyle that leads to less waste and greater resource conservation.

The Green Plan also comes at a time when global issues such as global warming and depletion of the ozone layer are taking on a greater prominence. Singapore, as a responsible member of the world community, must play her part in the global environmental protection effort. We can do so in two ways. Firstly, we can help transfer whatever experience and expertise we have gained in the field of the environment to other countries; and secondly, we can help to address issues of regional and global concerns. However, in doing this, we must always bear in mind our own resource constraints. We must focus our efforts in areas where we can make maximum contribution with our limited resources.

Singapore believes in the principle of sustainable development. Development is essential for economic and social progress. However, the sustainability of development depends on how well we maintain the quality of our environment. In pursuing the goals of sustainable development, Singapore adopts a pragmatic approach rather than an ideological one. We believe that solutions to environmental problems must be both effective and economically viable. While we must not achieve economic progress at the expense of the environment, we must also not go to extremes and deprive our people of the opportunities to enjoy the fruits of economic success. At times, we may have to overrule environmental considerations where there are clear overriding benefits to the people and the country. Sustainable development is all about balance, a fine balance between economic and environmental objectives....

Businesses and industries account for the greater share of the resources consumed and the wastes generated in our society. The corporate sector therefore has a responsibility to help conserve resources and reduce waste generation. Businesses provide the basis for economic growth which is essential to finance new investments in environmental protection. In fact, companies are the most important source for the development of clean, low-waste and energy-efficient technologies and know-how. Within the framework of the Green Plan, the corporate sector therefore has a vital role to play in terms of resource conservation, waste minimisation and reduction as well as the promotion of environmental consciousness and responsibility.

Good environmental management makes good business sense. Enlightened Chief Executive Officers (CEOs) do not regard environmentally responsible behaviour as being incompatible with the profit motive. In fact, a greater environmental consciousness on the part of consumers can create opportunities for new products and services or rejuvenate existing ones. I feel greatly encouraged by the fact that all the Chambers of Commerce and the Singapore Manufacturers' Association (SMA) have, on their own initiative, come together and prepared Singapore's "Business Charter For Sustainable Development". The charter states in lucid terms how business can help protect the environment. I congratulate the Chambers of Commerce and the SMA for their excellent effort. I am confident that they will continue to provide the vision and leadership in the area of corporate environmentalism.

Next, let me emphasise the role of the individual. For the Green Plan to succeed, we will need the strong support, commitment and participation of Singaporeans from all walks of life. The man in the street can, and should, through his simple, everyday actions, help to translate the vision under the Green Plan into reality....

The primary role of the Government is to set the right priorities and direction for the country. To this end, my Ministry will ensure that Singapore continues to have good facilities and the right policies for environmental protection and management. Our infrastructure must be able to cope with future pollutant loads. This means continuing investment in upgrading and extension projects. Our policies and legislation to manage and safeguard the environment must also stay abreast with new circumstances and technology. They must be reviewed and updated from time to time. If necessary, more stringent pollution control standards must be set to prevent possible environmental deterioration.

To perform its roles well, the Ministry must be quick to react to changes in the local and global environmental arenas. As current issues get resolved and new issues emerge, the Ministry must be able to anticipate and keep up with these changes, and be well-informed of circumstances, problems and technical solutions. The Ministry's approach to environmental management will remain a preventive one. In this way, it will be ready to respond to the changes ahead in a timely and effective manner.

To ready itself for the challenges ahead, the Ministry will have to continue to look for better and more efficient ways to get its work done. Rationalisation of work norms, automation, computerisation and the application of information technology must be continuing processes....

The challenge ahead is for Singaporeans to translate environmental awareness into commitment and action. The Green Plan comes at a time when the basic needs of Singaporeans have been met. From this point on, growing prosperity will lead to a better quality of life, and with this will come a greater demand for a quality environment. Singapore's environmental success lies in our ability to sustain our effort in environmental protection. I am confident that Singaporeans will work together in the coming years to ensure that their aspirations for a quality environment will be realised under the Singapore Green Plan....

- (20) *Singapore and Malaysia*: Joint Press Release on the Fifth meeting between Malaysia and Singapore on the Demarcation of the Boundary in the Straits of Johore in Kuala Lumpur, Malaysia, 27-29 July 1993 (Singapore Government Press Release No: 46/JUL, 09-0/93/07/29)

The Fifth Meeting between Malaysia and Singapore on the demarcation of the Boundary in the Straits of Johor was held from 28 to 29 July 1993 in Kuala Lumpur, Malaysia. The Malaysian Delegation was led by Mr Azmeer bin Rashid, Secretary General of the Ministry of Land and Cooperative Development. The Singapore Delegation was led by Mr S Tiwari, Senior State Counsel, Attorney General's Chambers, Singapore.

The Meeting was conducted in a cordial and friendly atmosphere reflecting the close relationship and cooperation between the two countries.

Substantial progress was made at the Meeting. The Meeting discussed and agreed on as new territorial waters boundary between Malaysia and the Republic of Singapore in the Straits of Johor. The territorial waters boundary between Malaysia and the Republic of Singapore in the Straits of Johor would now be defined by straight lines joining the geographical coordinates which have been agreed to by both countries. The Meeting reaffirmed that the boundary, when ratified by the two Governments, would be the permanent boundary. Both delegations also discussed a new draft Agreement. Progress was made in relation to the text of the draft Agreement and it would be further discussed at the next Meeting.

Both sides agreed that the next Meeting would be held in Singapore tentatively before the end of 1993.

(21) *Singapore and Asia/Pacific:*

- A. Address by BG Lee Hsien Loong, Deputy Prime Minister, at the Institute of Southeast Asian Studies (ISEAS) 25th Anniversary/ International Conference in Singapore on 30 August 1993 (Singapore Government Press Release No: 65/AUG, 15-1/93/08/30)

...Today, a mood of confidence pervades Southeast Asia. All the countries are prospering. The economic outlook for the region is buoyant, even ebullient. The conflict in Indochina is winding down. Vietnam is promoting reform of its war-ravaged economy, and is set to take off. Cambodia still faces a difficult future, but after the successful UN-supervised elections, prospects for peace, reconciliation, and reconstruction are as favourable as can be hoped for. Even Myanmar, isolated economically and politically from the rest of South East Asia, wants to strengthen its links with neighbours, in order to promote investments and exports.

Internally, most Southeast Asian countries are strengthening their social cohesion and building more robust political institutions. Economic growth has muted social and ethnic tensions, and enabled governments to pursue social and political objectives while improving standards of living for all segments of the population. Admittedly the societies will never be homogeneous, and will always contain potential fault lines along ethnic, religious, and linguistic divides. These vulnerabilities will worry their leaders for decades to come. But overall the countries are far more stable and robust now than they were a generation ago. Nation building has, in large measure, succeeded....

Now that the Southeast Asian countries have achieved modest success, they face a new challenge: how to sustain this performance in the vastly changed environment of the 21st century.

The first change is economic: the global economy is more integrated, and offers fiercer competition, than ever before. Previously, when Southeast Asian countries pioneered free market policies and encouraged investments and exports, the rest of the developing world relied either on Marxist central planning, or other forms of state intervention. They believed that governments should actively remedy what they thought were market failures, and pour resources into projects and sectors which the free market disapproved of, like heavy industry and import substitution. In fact the markets had extremely good reasons for disapproving of such enterprises, as

governments everywhere have since learnt to their cost. Since Southeast Asian countries did not indulge in such expensive flings, this gave them a substantial edge over other developing economies.

Southeast Asia cannot expect this edge to be preserved in the coming decades. State intervention has been discredited everywhere. Both China and India are opening up their giant economies, and actively promoting market reforms. In East Asia, the interlinked economies of China, Hong Kong and Taiwan, are becoming a major focus of economic growth. This will mean both fresh opportunities and formidable competition for South East Asia....

The second change which the 21st century will bring is to the security environment of Southeast Asia. For several decades we have benefitted from a tranquil and relaxed regional environment. This has been the happy result of the US military presence in Southeast Asia, first because of the Vietnam war, and then because of the global superpower confrontation with the Soviet Union. Both are now over. The possibility that the US will play a diminished role in the region over the medium term cannot be ruled out, despite the declared policy of successive US administrations to maintain their security commitments in the region. Such an adjustment will be hastened by American preoccupation with domestic problems, but it will take place even if the US economy recovers. It is the inevitable consequence of America's less dominant role in the world economy.

What new configuration will emerge to replace the US presence is not yet clear. But only the most optimistic can believe, and plan on, the outbreak of universal peace and the end of tensions and conflicts. Some people genuinely believed this would happen when the Berlin Wall collapsed. After the Iraqi invasion of Kuwait, turmoil in the former Soviet Union, anarchy in Somalia and ethnic cleansing in Bosnia, such optimists have become harder to find.

ASEAN has initiated a security dialogue with its dialogue partners. This is a good start. Although the new environment is not entirely ours to specify, the countries of Southeast Asia can help bring about a new, stable security balance by working together, and by involving major powers with legitimate interests in the region. This will allow room for big and small countries to prosper alike, and for all to continue devoting their energies to economic growth instead of military buildups.

With outside powers, it is most unlikely that any other country can play the role which the US has hitherto played. A balance of power is the most realistic way to avoid undue dominance by any single player. Among ourselves, broader and deeper economic cooperation, for example through the ASEAN Free Trade Arrangement (AFTA) scheme or the growth triangle among Malaysia, Singapore and Indonesia, will give us a stake in one another's continued goodwill and success, and institutionalise and strengthen the existing cordial relationships.

Despite goodwill, we must expect from time to time frictions or perhaps even crises to develop, as the interests of closely interacting sovereign countries will seldom exactly coincide. But properly handled and solved, even these problems can help to strengthen the security environment, just as today's environment has benefitted from the way ASEAN tackled and eventually helped to solve the conflict in Cambodia.

The Southeast Asian countries will each have to find their own way to meet these challenges....

At the same time, Southeast Asia countries will increasingly have to work together to deal with common problems, and cooperate for mutual benefit. Informal economic cooperation among the private sectors holds as much promise of success as formal inter-governmental schemes, which tend to reflect the more conservative outlook of government officials. But the latter, for example AFTA and the Asia Pacific Economic Cooperation (APEC), are still important for the signal of political commitment which they give, and for their potential for growing into something more significant over the longer term.

The Pacific Century is not an unconditional promise of a rosy future, but it is realistic target to aim to achieve. A quarter century ago prospects for Southeast Asia looked grim, but the turn of events, and not least the efforts and resolve of the countries themselves, disapproved the dismal forecasts.

We are in an incomparably better position today. The outlook is good, and our ability to cope with the future much stronger than before. But unless Southeast Asian countries make the right choices, the Pacific Century may pass us by....

B. *"Opportunities in East Asia": Remarks by Mr Wong Kan Seng, Foreign Minister at Networking Lunch at the Europe/East Asia Economic Forum in Hong Kong on 14 October 1993.* (Singapore Government Press Release No: 21/OCT, 09/1/93/10/14)

East Asia is expected to grow by more than seven per cent in 1993. The anticipated average growth for the world economy as a whole is only 1.5 per cent. Barring a catastrophe, East Asia will grow faster than the rest of the world well into the next century.

China's enormous market and potential is a primary locomotive for this growth. There can always be unexpected developments in a country as vast as China. But economic reforms are set and there can be no reversal of the basic direction. With pragmatic and stable political leadership and open market economies, the Association of Southeast Asian Nations (ASEAN) countries will also continue to do well. We have taken the strategic decision to create an ASEAN Free Trade Area with a combined market of over 320 million people. Again, while not every twist and turn can be predicted, the basic direction is set. Vietnam is opening up. So also are India and Sri Lanka.

Hong Kong and Singapore are complementary hubs for expansion into this dynamic region. Hong Kong is a traditional gateway to Southern China. Singapore is centrally located in Southeast Asia with long established and strong economic, social and political links with all the ASEAN countries as well as China and India. Singapore's blue-chip reputation for political stability and government integrity, strong economic track record and close political relationships with these countries are unique advantages. Investors and businessmen from the region, Europe and America find it useful to work with Singapore in their ventures into the region.

Our cooperation with Indonesia and Malaysia in the Growth Triangle of Singapore, Johor and the Riau is well established. Prime Minister Rao of India has also asked Singapore to take part in developing India's industrial infrastructure.

He has offered us manpower, including highly skilled Information Technology (IT) and software professionals. We are planning to set up a technology park in Bangalore. Prime Minister Vo Van Kiel has sought Singapore's experience in modernizing Vietnam's infrastructure. A Singapore task force has completed a report on Vietnam's needs. Singapore and Vietnam have formed a high-level joint commission to promote and facilitate investment into Vietnam. Deng Xiaoping has called on Chinese officials to learn from Singapore's experience. With strong support from Beijing and the top Chinese leadership, we are moving ahead with township and infrastructure projects in Shandong province and Suzhou City in Jiangsu province.

Foreign companies are welcome to partner Singapore in all these projects. Some have already recognized the opportunities. Chancellor Kohl of Germany wants German businessmen to team up with Singapore to invest in China. The Japan-Singapore Economic Advisory Council head by Akio Morita is looking into ways for Singapore and Japanese investors to cooperate in third countries. We want more such strategic alliances. The Singapore businessmen present here today and officials from the Economic Development Board will be pleased to provide more details of what is possible. I believe the scope is only limited by our imagination....

C. *"Meeting Asia-Pacific Security Challenges"*: Statement by Mr Wong Kan Seng, Foreign Minister of Singapore at Europe/East Asia Forum Hong Kong, 13-15 October 1993. (Singapore Government Press Release No: 30/OCT, 09/1/93/10/15)

Military threats in the Asia-Pacific have never been lower since the end of the Second World War. The possibility of war still exists on the Korean peninsula. But the kind of concern over Soviet military power and Vietnamese expansionism in Cambodia that dominated Asia-Pacific security debates in the 1970s and 1980s are no longer present. Russia still has formidable military forces. Instability in Russia could send Shockwaves across Asia and Europe, perhaps occasioning a scramble for the spoils if it disintegrates. North Korea is a wild card and its refusal to fully submit to International Atomic Energy Agency (IAEA) inspections is troubling. A nuclear North Korea could spark a strategic rethink in Japan. This would impel China and South Korea to respond, destabilizing relationships.

Despite these concerns, the present trends across the Asia-Pacific are for economic growth and stability. Barring a catastrophe, the Asia-Pacific should remain the most economically vibrant region of the world well into the next century. The 'dominoes' of the 1970s have become the 'dynamo' for economic development of Asia.

Despite this optimism, a note of caution is in order. Nothing is ever static. The central security challenge facing the Asia-Pacific in the 1990s is the management of changes to ensure that the present happy situation continues. The global redistribution of power is evolving. The economic development of the Asia-Pacific is a central element of the changes. Across the region countries are adjusting relations with one another after the end of the Cold War and in response to economic growth. This process will determine whether present stability will continue. It will not always be a smooth and comfortable process. But there is no alternative to a predictable and constructive pattern of relationships to preserve optimal conditions for growth



into the 21st Century. This is not just an 'Asian' concern. America is part of the Asia-Pacific. It is a key factor. Its continued engagement in the region is crucial to the region's progress. The economic health of Europe and America in an interdependent world will also depend on their preserving and remaining plugged into the region's economic dynamism.

Most Asian countries want the US to remain engaged in the region. President Clinton has been reassuring. Some draw-down in the level of US forces is perhaps inevitable. To be sure, creative alternatives are being explored. But not all facets of the new administration's policies are immediately clear. Policies may evolve in reaction to unexpected developments. It will take some time for the American economy to overcome its difficulties and regain its competitiveness. The problems are structural and involve difficult political choices. In the long run, only a US with a healthy competitive economy can sustain its presence in the region.

A bigger political and security role for Japan cannot be gainsaid. But there is no consensus either in Japan or in the region about what such a role would entail and anxieties about Japanese power permeate the region. A key challenge will be to get Japan within a common framework, acceptable to all countries, and which will also contribute to the pace and stability of the region. A continued US-Japan partnership will be a crucial factor in the region's future. Tokyo and Washington value their relationship and want to preserve it. But neither finds the process of reaching a new *modus vivendi* easy. It is complicated by political uncertainties on both sides of the Pacific.

China's emergence as a great power, in fact and not just by diplomatic courtesy, is another central challenge. Economic reforms will not be reversed. China's growth cannot be stopped. It presents enormous opportunities for all countries. China needs a peaceful international environment to develop. But China now has more resources to devote to the protection of its interests and seems bent on acquiring a power projection capability. Signals from Beijing on such issues as the South China Sea are mixed, and there is concern throughout the region about China's role and intentions as a major military power.

America, Japan and China are also redefining their relationships with each other after the end of the Cold War. Japan and China need good relations with the US to maintain good relations with each other and other countries in the region. Beijing, Tokyo and Washington know this. But in an uncertain world, they are also looking for insurance policies. Their triangular relationship is emerging as the central focus of Asia-Pacific international relations in the 1990s and beyond, just as the East-West divide formed the primary focus of the Cold War period. The calculations are not just strategic or economic. They will be complicated by sensitive questions of culture, values and history. Debates over human rights is one manifestation of the complex problems involved. It will not be easy to resolve them. China and other Asian countries can no longer be coerced without evoking a response.

The regional strategic equation is still evolving. Countries in the region are exploring various means of managing the changes and containing the strains and stresses inherent in rapid growth and change. Bilateral arrangements with the US and established alliance systems such as Australia, New Zealand and US (ANZUS) and Five Power Defence Alliance (FPDA) will remain important. The Fourth ASEAN Summit held in Singapore in January 1992 decided to use existing

mechanisms such as the ASEAN Post-Ministerial Conference as a complementary means of enhancing dialogues on political and security matters. In July this year, the 26th ASEAN Ministerial meeting in Singapore took this process a step forward when it decided to setup the ASEAN Regional Forum. This unique diplomatic instrument brings together the six ASEAN countries and their seven dialogue partners<sup>1</sup> with China, Russia, Vietnam, Laos and Papua New Guinea. For the first time all the major actors in the Asia-Pacific are engaged in a single forum.

We do not have a masterplan on how the ASEAN Regional Forum should develop. It would also be a mistake to force the pace or try and steer it in a predetermined direction. This will not work because none of us is clairvoyant. No one knows for sure what will happen. We are moving into new territory where there are no reliable maps. But we know the result that we want to achieve – stability and growth. And under conditions of uncertainty, it is prudent to let multilateral security dialogues evolve at their own pace. It would also be prudent to take an eclectic approach. Multilateral regional security dialogues are just one element of a multi-layered and multi-faceted structure which, collectively, could eventually define a coherent set of institutions in the Asia-Pacific.

I do not have all the answers. But I hope I have helped sketch the broad outlines of questions that we must explore together. Europe has an important role to play in this process. We want a Europe that remains actively engaged in the Asia-Pacific because we believe it will be a constructive factor. Europe's primary contribution is economic. But I do not rule out a security and political dimension. Several European powers have traditional interests in the Asia-Pacific and Europe can play a critical role in stabilising the situation in Russia, which is an Asia-Pacific power. In an interdependent world, we cannot shut ourselves out from each other. No country or a group of countries is big enough to ignore other regions.

- (22) *Singapore and Japan: Hosokawa's Statement on Japan's War-Time Responsibility* comments by Ministry of Foreign Affairs (MFA) Spokesman (Singapore Government Press Release No: 53/AUG, 09-0/93/08/25)

We welcome Prime Minister Hosokawa's open expression of Japan's profound remorse and apologies for its aggression and colonial rule. We believe that if the Japanese government and people follow up and base their future actions on this acknowledgement of historical facts, there will be a reconciliation between Japan and its neighbours which will lead to increased confidence and cooperation between all of us. Such openness will help put the past behind us, whilst we work to build up stability and co-operation in the Asia-Pacific.

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<sup>1</sup> EC, US, Canada, Australia, New Zealand, South Korea and Japan.

- (23) *The Israeli-PLO Agreement on Mutual Recognition*: Ministry of Foreign Affairs Press Statement (Singapore Government Press Release No: 12/SEP, 09-0/93/09/11)

The Singapore Government applauds the exchange of letters between Israel and the Palestine Liberation Organisation (PLO) on mutual recognition that took place on 9 September 1993.

This is a historic step towards reconciliation between the Israeli and Palestinian peoples. It will pave the way for the signing of the Declaration of Principles between Israel and the PLO. This landmark agreement will help to end the decades of conflict and bloodshed in the Middle East. The Singapore Government hopes that all parties will work together to build on these first steps and restore peace and stability in the region.

- (24) *The Malacca Strait*: Address by Mr Man Bow Tan, Minister for Communications and Minister for the Environment, at the launching ceremony for the Joint Oil Spill Combat Exercise conducted by the Revolving Fund Committee on 22 September 1993 (Singapore Government Press Release No: 29/SEP, 03A-1/93/09/22)

#### Importance of the Malacca Strait

The Malacca Strait has come to the attention of the public in recent months due to some well-publicised incidents in and around the straits. These have in turn caused concern in the world community about safety of shipping and the environment in the straits....

The Malacca Strait is recognised by the international community as a strategic international waterway connecting East and West. Indeed, the Malacca Strait has been a trading route for more than a thousand years. From as early as the fifteenth century, it has been regarded as one of the world's most important trading routes. The Arabs, the Chinese, the Europeans and the Indians have all relied on the Malacca Strait as a major artery of commerce linking East and West.

Today, many ships ply the waters of the Malacca Strait and carry an ever increasing amount of trade, bringing growth and prosperity to the Asia-Pacific and the ASEAN countries....

The Malacca Strait has become one of the major seaways of the world, and has brought great economic benefits to the littoral states. It is therefore in the interest of the region to ensure that the strait remains both safe and accessible to world shipping.

Legitimate interest of the international community and the role of the International Maritime Organisation (IMO)

Given the strait's historical importance as a major trading route, it is clear that the international community has a legitimate interest in developments which may affect ships using the Straits. This interest is recognised by the 1982 United Nations Convention on the Law of the Sea (UNCLOS) which specifically provided for the

right of transit passage for ships through straits used for international navigation, such as the Malacca Strait. This right of transit passage means that ships have the right of unimpeded passage through the Malacca Strait. It is a right that the littoral states recognise and accept. In return, we expect that all ships using the strait must obey the rules regulating shipping in the Strait.

In this regard, there must be consensus among littoral States and the international community before measures affecting passage in the Straits are implemented. The IMO, which represents all the relevant interests, is the competent international organisation on technical aspects of shipping. Therefore, it is the appropriate body where rules and measures affecting international shipping should be deliberated before they are adopted and implemented.

Various proposals on how navigation through the strait might be improved have been made. These proposals require further deliberations and discussion among all interested parties, both among the littoral states as well as the international community.

This is to ensure that they do not have unwanted or unforeseen consequences. We will support all practical proposals and suggestions that ensure that traffic remains unhindered, efficient and safe. As a littoral state, Singapore wants to ensure safe navigation and the preservation of the marine environment in the Malacca Strait. We are at the narrowest part of the strait. Any accident could severely affect our port and other related industries. We believe that ensuring unhindered, efficient and safe passage of ships through the Malacca Strait is in the interests not only of the littoral states but also of the members of the international shipping community and other trading nations.

#### Usage brings responsibility

While UNCLOS provides for the right of transit passage through the Malacca Strait, ships cannot disregard the legitimate interests of the coastal states concerned. There is a duty of care that must be observed scrupulously by those who use the strait. Usage of the strait implies an obligation not to create an unnecessary burden on the littoral states.

There are several steps that the international community can take to preserve the current regime of navigation in the Malacca Strait.

The flag states and shipowners should ensure that all ships using the strait comply with international conventions. Over the years, the IMO has adopted several international conventions relating to safety of ships, pollution prevention, search and rescue, and compensation for pollution damage. Vessels using the Strait should comply with these conventions.

Owners should ensure that ships are properly managed and staffed by well-trained crew as the majority of incidents are due to human error. In this regard, other parties like the flag states, insurers and characters also have a part to play.

The oil industry has a special role. One important area where it should continue to be involved is compensation. For many years, the oil industry has been operating two schemes on compensation for oil pollution damage called TOVALOP and CRISTAL. Both schemes have been well-received and should be maintained for as long as they are needed.

The insurance companies and the Protection and Indemnity Clubs can also play their part by dealing with claims promptly. This will reduce the motivation to call for measures which increase costs to shipping.

More countries should also join Japan in contributing to the Revolving Fund. The Revolving Fund was established with the donation of 400 million yen by the Japanese in 1981. It provides advances to the coastal states to combat oil spills. This is tangible support and serves as temporary relief before compensation is received.

Collective efforts by all will ensure that the interests of all concerned in maintaining safe navigation, in protecting the marine environment and in preserving the right of passage through the straits will be safeguarded. This Joint Oil Spill Exercise which the Revolving Fund Committee will be conducting is a good example of collective effort. The exercise will involve participation not only by government agencies of the member countries of the Revolving Fund Committee, but also the private sector, that is, the oil companies, EARL and the Petroleum Association of Japan....

(25) *"Expanding the UN Security Council"*: Statement by Mr Wong Kan Seng, Foreign Minister at the 48th United Nations General Assembly on 6 October 1993 (Singapore Government Press Release No: 10/OCT, 09-1/93/10/06)

...The end of the Cold War has opened opportunities to set aside some of the most intractable, destructive and polarising conflict of our time.

Apartheid is coming to an end in South Africa. East Europe is free. Russia and the other states of the former Soviet Union are shaking off the stifling effects of more than seventy years of Communism. Germany has been peacefully reunited. In Asia, Cambodia is moving towards national reconciliation after almost twenty years of war. Vietnam and Laos are reintegrating themselves into the Southeast Asian community. China and Taiwan held direct informal talks in Singapore and Beijing this year. They will continue their own dialogue at their own pace. They should be encouraged to build confidence by working together, as they already have in the Asian Development Bank and Asia Pacific Economic Cooperation (APEC) and hope to do in the General Agreement on Trade and Tariff (GATT).

Change has its own dynamic. And not all the changes are benign. The post Cold War problems are legion and well-known. The United Nations (UN) will be challenged to respond. In recent years, there has been a marked expansion in the number and scope of Security Council authorised operations and activities.

Established procedures such as the Security Council mandated commission that has demarcated the boundary between Iraq and Kuwait have made, and will continue to make, positive contributions to stabilizing the post Cold War world, providing authoritative reference points. UN specialized agencies like the International Atomic Energy Agency (IAEA) are playing an important role in holding countries like North Korea to internationally accepted standards of conduct in the critical area of non-proliferation. The international community must continue to support such tried and tested measures and organizations.

But there is also an expectation that the end of the Cold War will enable the Security Council to play more ambitious roles and at last assume "primary responsibility for the maintenance of international peace and security" under Chapter VII of the Charter. In Cambodia, Haiti and Somalia, among other places, the UN is breaking new ground by actively interposing itself as a vital stabilising actor in situations which would once have been considered "essentially within the domestic jurisdiction" of states.

The legal, diplomatic and political implications of these developments are still unfolding and are not yet fully understood. Not everyone is entirely comfortable with them. But I believe that most member states regard the trend as generally positive and makes for a more secure world. The majority want a more active and effective Security Council.

The Secretary-General's report on the "Question of equitable representation on and increase in the membership of the Security Council" submitted in accordance with General Assembly Resolution 47/62 has thus occasioned great interest. There is wide consensus that to be effective in the next century, the Security Council cannot simply extrapolate itself from the starting point of 1945 after the Cold War interregnum, but must accurately reflect the current configuration of global power. International order cannot be built on nostalgia. Too great a disjuncture from reality will doom the Security Council to eventual irrelevance. As membership of the UN expands, there is also a general expectation that the Security Council should become more representative of the organisation as a whole.

The composition of the Security Council is a compromise between the principle of the sovereign equality of states and the realities of power politics. That all states are equal but that some, for better or worse, have a disproportionate influence on international order is a fact of life. Great power leadership is vital. It is a reality. Recognition of the special status of great powers is thus a requisite for effective action by the Security Council. When it comes to the crunch, only the great powers can make a decisive difference. But the temper of our times also demands that if action is to command a general consensus, the great must seek the mandate of the many.

The issue is however more easily defined than resolved. The only previous increase in the size of the Security Council began in the 1956 session of the General Assembly with discussions on an increase of non-permanent seats. Agreement was only reached in 1963 and came into force two years later, almost a decade after the process began. The lapse of time shows the complexities involved.

The difficulties are still with us. To be sure, there are established principles laid down in Article 23(1) of the Charter to guide the way to a possible further expansion of non-permanent seats. But there are no such guidelines for the more crucial question of an increase in permanent members. The Secretary-General's report must therefore be realistically considered as only the beginning of a long process of debate whose outcome cannot be confidently predicted at this point.

There are two basic problems. The first is simply to decide what is the current configuration of international power that should be reflected in the distribution of permanent seats. This is not as straight forward as it may seem. When the Charter was being drafted, the end of the Second World War was in sight and prepared for, with easily discernible winners and losers. The intention was for the winners

to have primary responsibility for guiding the new international order. Yet even then, two of the 'Big Three' victors, the Soviet Union and the United Kingdom, were sceptical of Roosevelt's view of China's ability to play a major role in the post-war world. Churchill's insistence on including France among the elite group was met with similar scepticism by Roosevelt and Stalin.

It will be even more difficult to decide who belongs in the new elite. The end of the Cold War took everyone by surprise and was far from clear-cut in its resolution. Economic, political and military power no longer necessarily cohere in a single locus. America is victor, but its economic recovery is slow and its competitiveness is blunted. Russia is in serious economic and political difficulties, but because it has nuclear weapons, it remains a military great power exercising a commanding influence on its former dominions where the threat of chaos in the post Cold War world is also greatest. Japan and Germany are clearly world economic powerhouses, but both lack an internal and regional consensus on the use of military forces beyond their borders.

The second problem is even more fundamental and vexing. The UN is an international organisation. It is not and was never intended to be a supranational organisation. The UN was created by sovereign states and can do nothing without their assent, in which process the permanent members have a more than proportionate say through their veto. I state this without rancour as a fact well known to all. Any design for enhancing the effectiveness of the Security Council therefore cannot just be based on abstract wisdom concerning the requisites of international order. No plan that has any prospect of succeeding can avoid reckoning with the calculations of national advantage of the current permanent members.

But if the new Security Council is really to reflect the current international distribution of power, it should logically entail the relegation of some from the elite as well as the anointment of others. Even if some were to be so elevated without necessarily displacing others, the expansion of the small group of the select would imply the relative diminution of the status of the current permanent members. It is not surprising that only one permanent member has so far come out unambiguously in favour of an expansion in the number of permanent seats. It does not take a cynic to wonder whether it was emboldened to do so because the others have been so conspicuously coy on this critical point. No country has ever voluntarily relinquished privilege and power. We are after all in the company of sovereign states not saints.

There is no circumventing the veto. There is no constitutional means of amending the Charter without the assent of all the permanent members, some of whom may believe they stand to lose by it. Yet change is imperative if we are not to squander the opportunity afforded by the end of the Cold War, more so for small states that have few better choices than an effective UN for their security.

To make progress, there is no alternative but to gradually shape a consensus through a patient process of debate and discussion. To force the pace or attempt to impose a majority agreement will not work. At this preliminary stage, it would be most useful to try to identify and build consensus on objective general criteria that all permanent members, present or aspiring, must fulfil. This is a more clinical and constructive approach than engaging in a horse race or beauty contest to pick specific countries. To attempt to do so at this stage is premature and would only

be divisive. But the identification of objective criteria will set a common standard, and if we can agree on them, a consensus on specific countries will naturally emerge.

This will entail thinking through the UN's role into the next century. What challenges will the UN face in the next decade? What will be the role and priorities of the new Security Council under these conditions? What capabilities will it need? These difficult questions demand the most exhaustive possible examination. The General Assembly should consider the formation of a working group, representative of the whole membership, to consider them and formulate agreed objective criteria for the expansion of the Security Council, especially its permanent membership.

To stimulate discussion, Singapore suggests the following:

- There should be a level playing field with regard to all present and future members of a possible expanded Security Council. Anachronistic references to "enemy states" in Articles 53, 77 and 107 of the Charter should be removed. It is time to set aside the baggage of the past. Suggestions that there could be a different class of permanent members without the veto are also impractical. No country that is capable of making a contribution as a new permanent member will accept such second class status for long. It will only undermine the principle of great power cooperation, in the absence of which the Security Council cannot function. Nor is it practical or even desirable to do away with the veto. The fact that the veto has been abused does not detract from its intended function. It is a recognition of the hard reality that great powers will not consent to put their power at the disposal of a sheer majority for the implementation of decisions which they do not agree with. It is a safety valve that prevents the UN from undertaking commitments that it lacks the power to fulfil. However, to minimise the misuse of the veto, if permanent membership is expanded there should be at least two vetos to block a resolution.
- Privilege must be paid for. An expanded role for the Security Council will require more resources. A UN perennially on the brink of financial insolvency cannot effectively meet the challenges of the next century. A permanent member should therefore carry a larger portion of the financial burden of the UN. Each permanent member should pay at least nine per cent of the UN's operating expenses as well as 11 per cent of the UN's peace-keeping operations, which are the average percentages of the permanent five's current collective percentage of these budgets.<sup>1</sup>
- Permanent members must have muscle and the will and ability to wield it for the cause of the UN. The main mission and primary responsibility of the Security Council is to maintain international peace and stability. Force

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<sup>1</sup> The five permanent members of the Security Council currently pay 43.5 per cent of the UN's regular budget. This averages out to an assessment of approximately nine per cent each. The five permanent members as a group currently pay about 56 per cent of the UN peace-keeping expenditure. This averages out to an assessment of approximately 11 per cent.



will be needed in pursuit of order and the Security Council cannot be effective without a sword that is sharp and ready. All permanent members should be prepared to give effect to Article 43 of the Charter and be ready to place their military forces at the disposal of the UN and shed blood to uphold international order if necessary.

This list is by no means exhaustive. Other members will have their own suggestions for appropriate criteria. I urge all members to participate in discussions on the expansion of the Security Council so that we may have the benefit of the fullest possible range of views and emerge with the widest possible consensus.

(26) *The Middle-East Peace Process*: Comments by Ministry of Foreign Affairs (MFA) Spokesman (Singapore Government Press Release No: 32/OCT, 09-0/93/10/16)

The MFA Spokesman welcomed Prime Minister Yitzhak Rabin's visit to Indonesia and his meeting with President Soenarto, noting that it reflected the significant progress that had been made in the Middle-East peace process.

The MFA Spokesman added that Singapore supported all efforts to secure a just peace in the Middle-East.

In answer to queries from the press, the MFA Spokesman said that Prime Minister Goh and Senior Minister Lee would be meeting Prime Minister Rabin in order to be briefed on developments in the Middle-East peace process.

(27) *Singapore and Vietnam*: Speech by Prime Minister Mr Goh Chok Tong, at the dinner in honour of His Excellency Mr Do Muoi, General Secretary of the Communist Party of Vietnam, in Singapore on 5 October 1993 (Singapore Government Press Release No: 38/OCT, 02-1/93/10/05)

...We have achieved a lot in the last two years. Prime Minister Vo Van Kiet visited Singapore in October 1991. Senior Minister Lee Kuan Yew visited Vietnam in April 1992. There have been other top level exchanges. We have also established embassies in each other's capital.

Several bilateral agreements have been concluded. These included an Air Services Agreement, which led to the resumption of air links by our respective national carriers; a Shipping and Maritime Agreement; a Trade Agreement; and an Investment Guarantee Agreement. These agreements enhance the confidence of Singapore investors in developing economic ties with Vietnam. The Vietnam-Singapore Commission for Cooperation which was set up earlier this year, will help link up Singapore investors with Vietnamese companies.

Singapore has established an Indochina Assistance Fund for technical assistance, training and consultancy. This Fund financed the Infrastructure Task Force sent by Singapore to assess Vietnam's infrastructure requirements. I am pleased to note that the Vietnamese Government has accepted the recommendations in the report made by the Singapore team in Vietnam's development planning.

Singapore has always regarded Vietnam as an important member of the Southeast Asian community, despite our past differences over Cambodia. With a population of 70 million, Vietnam is the second most populous state in Southeast Asia. Our neighbourhood could not preserve the current atmosphere of peace and stability if one of our largest members is not prospering. Singapore and its ASEAN partners share a common interest in the continuing success of Vietnam's doi moi or economic renovation programme. We will do all we can to help Vietnam sustain its current robust economic growth.

Singapore is happy that Vietnam is re-joining the Southeast Asian community. We applauded Vietnam's accession to the Treaty of Amity and Cooperation in South East Asia in July 1992. We welcomed Foreign Minister Nguyen Manh Cam to the 26th ASEAN Ministerial Meeting held in Singapore in July 1993. Vietnam's observer status within ASEAN has also allowed it to participate in ASEAN functional cooperation activities. These cover a wide range of programmes. Through such participation in ASEAN activities Vietnam begins to share ASEAN's culture of dialogue and close cooperation to better the lives of their peoples. I am also pleased that in 1994, Vietnam will join the inaugural meeting of the ASEAN Regional Forum to discuss political and security issues in the Asia-Pacific region.

Vietnam's increasing cooperation with Singapore and ASEAN will pave the way for Vietnam's integration into the larger Asia-Pacific community. Because of its geography and culture, Vietnam is well placed to become another dynamic economy in East Asia. The process has already begun. Foreign investments have flowed steadily into Vietnam. Vietnam's trade is increasing. Today, almost 80 per cent of Vietnam's trade is done with Asian countries, not with Eastern Europe as before. We hope our trade will grow rapidly.

Mr General Secretary, we are marching into an even more hopeful chapter in our bilateral relations. Your visit to Singapore has given our relations further impetus....

(28) *Singapore and the People's Republic of China:*

- A. "On the Sharing of Singapore's Economic and Public Administration Software with Suzhou": Speech by Mr S Dhanabalan, Minister for Trade and Industry, at the signing of the Memorandum of Understanding (MOU) between the Ministry of Trade and Industry of the Republic of Singapore and the Jiangsu Provincial Government of the People's Republic of China (PRC) on 26 October 1993. (Singapore Government Press Release No: 42/OCT, 15-1A/93/10/26)

We are here today to sign a Memorandum of Understanding on the proposal for Singapore and China to cooperate in developing a new industrial township. The proposal is to use Singapore software, *ie*, the economic and public administration philosophy and system of Singapore, as the basis for the supervision of the development and management of a township in China. This idea, which was initiated by Singapore, has been warmly welcomed and supported by the leadership of the People's Republic of China (PRC). Both sides have had many friendly exchanges of views and suggestions on the township which should be the medium of such

"software" transfer. China is an enormous country with many provinces that present equally excellent conditions for such a project.

I am pleased to announce that the Government of Singapore has chosen Suzhou as the site for the transfer of Singapore software. This is subject to the affirmation of the Government of the PRC. Today, the Jiangsu Provincial Government and the Government of Singapore commit themselves to take positive steps for this co-operative venture in Suzhou to succeed.

The proposed Suzhou Industrial Township will be situated around the Jinji Lake Area, east of the Old City of Suzhou. The township will be built by a joint venture between the Suzhou Municipal Government and a Singapore consortium led by Keppel Corporation. It will be built in phases, with Phase I covering approximately eight square kilometres. The aim is to get the township project started by early 1994.

Singapore will do its very best to assist the Suzhou Industrial Township put in place the same good investment conditions and environment that we have here in Singapore. Our counterparts in Jiangsu will also systematically study our system and adapt our ways of doing things to suit the environment and conditions in Suzhou. Our collective vision is to have an international modern industrial township of world standard in Suzhou. We would like to see this thriving side by side with the Old City of Suzhou, which is world-famous as the showcase of Chinese culture and heritage.

In the past week and a half, two delegations from the PRC, one from Jiangsu Province and the second from the Central Government in Beijing; have been in Singapore to discuss and understand how Singapore manages its economy and society. They have been spending time with our officials, to identify what aspects of Singapore software, can be adapted and used in the township project. Both sides have been enriched by the exchange of ideas and experiences. It marks a very good start to our future long-term cooperation. For both Singapore and China, this is a learning experience. Neither of us has been involved in a similar exercise before. We are very likely to have difficulties and problems in the process. But with commitment and patience, we should be able to succeed.

Officials of the Jiangsu Provincial Government and the Government of Singapore will be working hard in the next few months to complete details of the formal Agreement between the Government of Singapore and the Government of the PRC on the transfer of software. We hope to sign this before the end of this year.

It is my pleasure to be here to sign this Memorandum of Understanding together with Governor Chen. It marks a beginning to a historic venture between Singapore and China, and I am honoured to play a small part in this venture.

B. Speech by Mr S Dhanabalan, Minister for Trade & Industry, at the Inauguration of the Singapore-Shandong Business Council in Jinan, Shandong Province, People's Republic of China (PRC) on 3 November 1993 (Singapore Government Press Release No: 06/NOV, 15-1A/93/11/03)

...I am pleased to be here today to witness this inauguration of the Singapore-Shandong Business Council. It marks a milestone in the economic cooperation between Singapore and Shandong. The idea of such a council was initiated during

Prime Minister Goh Chok Tong's visit to Shandong in April this year. Two months later, a Memorandum of Understanding on the formation of the council was signed during the visit to Singapore by His Excellency, Mr Zhao, in June 1993.

Since then, I am pleased to note the level of commitment and the pragmatic approach adopted by the council representatives from both Singapore and Shandong. In early September 1993, the co-Chairman of the council, Mr Song Fatang led four of his council members to Singapore to prepare for this inauguration. Following that, Singapore sent three fact-finding teams to Shandong to determine areas for cooperation.

These visits demonstrate that both parties are keen to forge strategic business alliances with Shandong, and want the council to start with a firm foundation in order to carry out its objectives in the long run.

Resource-rich Shandong is an important province in China's economy. I understand that it is the second largest contributor to China's Gross National Product, the third most populous province in China, and also an important producer of many agricultural, fishery and industrial products.

Singapore does not have natural resources. Nevertheless, Singapore has evolved from a small entrepot economy into an international business hub. Our success has been based on our ability to tap overseas markets, foreign investments and foreign management and technology. For instance, cumulative foreign investments into our manufacturing sector quadrupled from S\$7.1 billion in 1980 to S\$29.2 billion in 1992. Trade has also more than doubled from less than S\$100 billion in 1980 to S\$221 billion in 1992. In the course of this development, we have accumulated valuable management and marketing expertise and technological know-how.

I believe that our entrepreneurs can play a role in Shandong's industrial development by introducing technology and capital. With their experience in international business, Singapore businessmen can help introduce foreign investors to Shandong and act as an interface between Shandong and foreign sources of management, marketing expertise and technology.

The creation of the Singapore-Shandong Business Council therefore timely. The council will serve as an important vehicle for broad-based cooperation between Singapore and Shandong. I am optimistic that with commitment from the governments of Singapore and Shandong and the private sector, the Singapore-Shandong Business Council will be successful in securing a brighter future for both our economies.

- (29) *Singapore and African countries: Welcome speech by BG (RES) George Yeo, Minister for Information and the Arts and Second Minister for Foreign Affairs, at the dinner in honour of the participants of the Conference organised by the Singapore International Foundation (SIF) and Africa Leadership Forum (ALF) in Singapore on 8 November 1993 (Singapore Government Press Release No: 10/NOV, 03B-1/93/11/08)*

...Singapore enjoys good relations with many African countries. Our leaders meet regularly, most recently at the Non-Aligned Summit in Jakarta in Sept 1992 and

at the Commonwealth Heads of Government meeting in Cyprus last month. Our diplomats co-operate on many issues at the United Nations and other international forums.

We are grateful to many African countries for the support they gave us during our struggle for independence in the 60's. During the Commonwealth Heads of Government Meeting in Singapore in 1971, I remember, as a schoolboy, standing outside the conference centre to catch glimpses of famous African leaders like Julius Nyerere, Kenneth Kaunda and Milton Obote.

While the last 20 years have been kind to East Asian countries like Singapore, they have been less kind to many African countries. I am told that one purpose of this Conference is to analyse why this divergence.

I hope that it will be a useful conference even though East Asian society seems so very different from African society. But, as Confucius reminded us, within the four seas, all men are brothers. Human nature is the same whether in Asia or in Africa.

Unlike Sub-Saharan Africa's links with Egypt and the Middle East which goes back thousands of years, and Sub-Saharan Africa's links with Europe and America which goes back hundreds of years, Sub-Saharan Africa's links with East Asia are comparatively recent. For the purpose of our Conference, this is bad and good. Bad, because the basic framework for social comparison across our two cultures is not there. Historically, there has been little cultural contact between our two parts of the world. But this is also good because we start off on a relatively clean slate and with few hang-up's. Between us we do not carry much historical baggage, as you probably do with Arabs, Europeans and Americans. Such a conference in Europe or America would have a very different emotional quality. Like us in East Asia, you in Africa must occasionally resent the advice of the White man even when he means well.

Barring a major catastrophe, the centre of gravity of the world economy will move decisively to East Asia in 10 to 20 years. In countless different ways, Africa's economy will be pulled towards East Asia in the years to come. There will be a new encounter of civilizations. I hope it will be a happier one for Africans than earlier encounters with other civilizations, and one that benefits East Asia as well....

(30) *Honorary Consuls*: Welcoming remarks by Mr Wong Kan Seng, Minister for Foreign Affairs in Singapore on 1 November 1993 (Singapore Government Press Release No: 01/NOV, 09-1/93/11/01)

...As Honorary Consuls, all of you have close connections of one kind or another with Singapore. And you are in constant touch with the Foreign Ministry and other government agencies in the course of your duties. But we still find it useful to invite you to Singapore periodically for several reasons.

The first is, of course, to thank you for your help. Singaporeans who find themselves in distress overseas will certainly not forget a friendly face and a helping hand. And the Government is grateful for your time and effort in promoting relations between our countries. As our representatives overseas, we also need to update you on developments in Singapore and to renew personal contacts. To this end,

we have prepared a comprehensive programme for you which includes meetings with several government agencies and private sector representatives. This will update you on Singapore's current thinking in a number of areas.

Most importantly, we bring you back to Singapore periodically because we want to make you feel that you are part of our system. As Honorary Consuls, you are citizens of your own countries and are volunteers. That does not mean that we treat you only as auxiliaries or outsiders. You are an integral and important part of Singapore's system of overseas representation. We are a small country with limited manpower. We cannot have resident missions everywhere. Yet Singapore must increasingly look outwards, beyond traditional and familiar terrain. You help us bridge the gap.

We now have seventeen Honorary Consuls in fifteen countries. This is not insignificant compared with our 33 diplomatic and consular missions staffed by career Singaporean officers and our seven roving ambassadors accredited to thirteen countries. As Honorary Consuls you are therefore an important and indispensable extension of the range and scope of our overseas network. We intend to appoint several more Honorary Consuls in Latin America, South Asia and the Pacific once suitable individuals of integrity and expertise can be identified.

Our network will grow. And we want to give you functions beyond the traditional duties of Honorary Consuls in issuing visas, helping Singaporeans overseas or dealing with requests for information. As Singapore expands overseas to develop a second wing for our economy, we think you can act as a important interface between Singaporean businessmen and your countries.

Many of you are businessmen yourselves. You are insiders, steeped in the language, customs and personalities of your own countries. A Singaporean will take many years to acquire comparable knowledge, if ever. Singapore's reputation for political stability and government integrity and strong economic track record on the one hand, and your intimate knowledge and connections on the other, make for a winning combination. I am pleased that several of you will be sharing your knowledge of business opportunities and how to do business in your countries with our private sector later this week. I am confident that this is an association that will prove mutually beneficial and profitable....

- (31) "*Economic Order or Disorder After Cold War?*": Speech by Mr Lee Kuan Yew, Senior Minister of Singapore, for the Asahi Forum in Tokyo, 29 October 1993 (Singapore Government Press Release No: 48/OCT, 02-2/93/10/29)

In 1991, the collapse of the communist government in Moscow ended the Cold War and opened up the prospect of a huge global market economy of five billion people. After the disastrous failure of the communist economy of the Soviet Union, developing countries like India that had tried economic autarky and import substitution modelled partly on the Soviet system, changed their policies and set out to join the free market system.

We can draw on the history of the late 19th century as a guide to what can now happen to the world.<sup>1</sup> Then there was tremendous expansion of international trade, capital flow, and population mobility.

The opening up of new lands in the temperate and tropical regions led to huge increases in commodity and raw material output. This, in turn, led to a deflation in commodity prices, which caused problems for many existing producers. But producers in some major countries adjusted well. The world prospered because free trade policies continued.

However in the period between World War I and World War II, major countries pursued protectionist policies which led to the Great Depression. Between 1929 and 1933, world trade fell by one half. In a misguided attempt to alleviate their unemployment problems, the European empires put up tariff walls around their far-flung territories, each seeking salvation within its own empire. The Great Depression led to the rise of Fascism in Italy, Nazism in Germany and militarism in Japan. These in turn led to World War II.

The genesis was, the Treaty of Versailles after World War I, when the victorious allies, in revenge, extorted reparations from Germany. On the other hand, after World War II, at Bretton Woods, the victors sought reconciliation not revenge. Through a body of rules in General Agreement on Trade and Tariffs (GATT) and a set of institutions in the International Monetary Fund (IMF) and the World Bank they laid the framework for rehabilitation, recovery and mutual prosperity. In contrast the end of the Cold War, 1991, was not followed by any peace conference. The event passed without any ceremony.

There has been no serious exploration of the world's long term problems. At ad hoc meetings of the G7, only immediate problems are tackled. Sometimes they meet informally as G3 or G5. This process of consultation has not been adequate to solve the long term problems. The victors of the Cold War have not tried to formulate a structure for economic co-operation and mutual prosperity.

The addition of four billion people to the world economy, seeking trade, investments, capital and knowhow is a daunting challenge. Worse, this event coincided with either a banking or financial crisis in US, Japan and Germany. The industrial countries are experiencing their longest recession since World War II.

### Which Way Forward?

We should make use of the experience and competence the IMF and the World Bank have accumulated since 1945. They should be asked to examine the long term problems of the world's economy after the Cold War and recommend possible solutions. These organisations have the advantage of not being beholden to any national constituency. Their membership includes all the developing plus OECD countries. Their recommendations are likely to be more politically neutral and more acceptable to all governments.

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<sup>1</sup> This analysis draws on a paper by David Hale to the Federal Reserve Bank of Atlanta in July 1993.

However, it will change the public mood, if the G7 would co-ordinate their micro- and macro-policies to revive growth. A revival of growth in G7 countries will dispel pessimism and increase the chances of a successful completion of the Uruguay Round (UR). If the UR fails, the world will drift towards disorderly trade. This will be disastrous for all countries. A successful completion of the UR on the other hand will establish a better framework for global investments, market access, financial services and trade. This is most important for the health of all economies.

At the G7 Summit in July this year in Tokyo, the Quad (EC, US, Canada and Japan) agreed on a market access package and on a time table for serious negotiations in the next four months. This agreement has improved the prospects for a settlement. But some unfortunate remarks by Chancellor Kohl on the Blair House package agreement on agriculture and the more aggressive statements of French ministers have dampened hopes of a successful conclusion of the Uruguay Round. One positive factor is the new GATT Director-General, Peter Sutherland. As a former minister in an Economic Community member country, he has the standing and the personal contacts to deal directly with key trade ministers to achieve breakthroughs. Furthermore, as the Clinton Administration is unlikely to get its fast track authority extended by Congress beyond 15 December 1993, major parties must make up their minds soon whether they want a settlement.

To have a successful conclusion of the UR, the old industrial nations in Europe, especially France, should dispel their workers' fears of increased competition from Eastern Europe and East Asia. French Prime Minister Balladur lent credence to these irrational fears when he said that lower wages and absence of social security support systems for workers in East Asia were causes of unfair competition. These irrational fears have to be overcome or the world will slide into trade blocs.

### Regionalism and Protectionism

The question is whether there are clear headed leaders in the G7 who can afford to focus on the longer term and beyond the election ahead. For in the longer term global economic integration is unavoidable because technology has brought the world together irrevocably. More discoveries will further accelerate this integration. Rapid, reliable and low cost transportation supported by instant communications, forces every entrepreneur to source parts for his products from a multiplicity of countries, depending on which country is most competitive for which parts.

To counter this development, East Asia should get together, not to build another regional bloc, but to work for closer economic ties between themselves and the US and Canada, and when North America Free Trade Area (NAFTA) is ratified, with NAFTA. Closer association between East Asian countries and NAFTA will check tendencies towards an inward looking NAFTA. The long term aim should be a free trade agreement amongst APEC members. In other words, convert NAFTA in stages into PAFTA, the Pacific Asia Free Trade Area.

If we set a trend in Asia Pacific Economic Co-operation (APEC) countries of increasing economic co-operation with the ultimate objective of a free trade area, the EC will have to consider the risk of losing access to the biggest consumer market in the world if it pursues a restrictive trade policy. This will check the increase



in restrictions into the EC markets. Closer co-operation and co-ordination in APEC will persuade the EC that their best interests lie in a reinforced and wider GATT agreement. Restricting imports from Japan, China and the rest of East Asia means going on a collision course. The EC may be prepared to risk this. But not if restricting imports puts them on a collision course also with America.

For this reason, President Clinton's informal Summit of APEC leaders in Seattle, this November, is a significant initiative. It focuses American and Asian thinking on the future of the Asia Pacific region and will crystallise their ideas on how to get the economies of the region to be in greater harmony and synergy.

The dynamism of East Asia is not a threat to the industrial countries. On the contrary, East Asia's industrialisation will mean large exports from industrial countries of capital goods, increased trade, and construction contracts for infrastructure. East Asia's high growth is not a threat to Europe. Increased growth in East Asia has increased investments and exports from North America, and will do the same for Europe.

### Japan's Special Responsibility

Japanese trade surplus has been a convenient rallying point in this campaign to shut East Asia off from European and American markets. The new Hosokawa Government has promised more opening up of Japan's market. Japan's proportion of manufactured imports is lower than that of any other G7 country. In 1990, Japan's manufactured imports were only 3.4 per cent of her Gross Domestic Product (GDP) as against an average 10.8 per cent for the other G-6 countries. For the same year, Japan's total exports of manufactured goods were 9.4 per cent of her GDP, or 2.75 times her imports. In contrast, the total manufactured exports of the other G-6 were equal to their total manufactured imports.

Japan must demonstrate to the world that she is willing to play by the rules of free trade. In August 1993, MITI Minister Hiroshi Kumagai, a former LDP Diet member and MITI bureaucrat, said that "Japan's markets are extremely closed in invisible ways". He criticised excessive government regulations which made entry into Japan's markets extremely difficult (13 Aug 93, Japan Times). On 22 August, in a television comment which was not reported by major Japanese newspapers, he said "if Japan's trade surplus continues, it will be one factor leading to the destruction of the world economy" (23 Aug 93).

Prime Minister Hosokawa has referred to the old system as corrupt. He wants to put an end to the political corruption and collusion between the iron triangle of politicians, businessmen and bureaucrats. He wants to pass on the benefits of the high Yen to the consumers of Japan. It will never be possible for any future government of Japan to deny these statements and go back to the positions they espoused before. I believe the Japanese people can make this a historic turning point by, deregulating, liberating and opening up their markets, and making business practices more transparent.

Japan should remove the ban on rice imports instead of waiting for the EC to reach government with the US on agriculture. If she does this, any failure of the UR will be firmly on the shoulders of the EC if they should support France in reneging on the Blair House agreement on Common Agricultural Policy (CAP).

## Managed Trade

Managed trade is on the increase. Again, Japan's persistent and huge trade surpluses have been a major cause for this increase. In 1989, 29 per cent of Japan's total exports to the US and five per cent of her exports to the EC were subject to some export restraining regulations. Data from 1990 to 1992 shows that Japan, China and other Asia Pacific countries were subjected to increasing numbers of anti-dumping cases by the EC. Whilst general tariff rates in the industrial countries have fallen from 17 per cent in 1970 to 5.4 per cent in 1990, non-tariff barriers have gone up, particularly against the developing countries. The problem is that managed trade is likely to grow even if there is a successful UR. A successful UR will mean lower tariffs, more transparent rules on the use of anti-dumping measures, and greater discipline against the use of market protection measures. When non-competitive industries in America and EC are left without these methods to protect themselves, they will get their governments to press for managed trade: voluntary restraint agreements, market sharing, targeting of trade surpluses.

Managed trade is more dangerous because it is proposed not only by American industry lobbyists but by respectable American academics and think-tanks. They have given managed trade intellectual respectability. Laura Tyson, now President Clinton's Chairman of the Council of Economic Advisors, is an admirer of the success of Japanese methods of government intervention and industrial targeting. She concluded from her studies that the US should have a more pro-active industrial policy. She calls for "cautious activism" to maintain American competitiveness in high-tech industries.

Once managed trade measures are put in place, the system is likely to perpetuate itself as has happened with the Multi-Fibre Arrangement (MFA), or air services agreements which are not subject to GATT rules, or the EC's Common Agricultural Policies.

## Wars or Trade as the Adjustment Mechanism

Nations and empires wax and wane. Throughout history, those that were waxing often conquered those that were waning. At a given time, some nations are in a more dynamic mode, more able to organise themselves, to set up high targets, to achieve high standards of education, to master skills and knowledge, to acquire technology, to improve product design, and to market their products after research and development. East Asia has several such societies which are in a waxing phase. They have strong cultural traditions on which to build modern technological societies. Unless their energies are given channels to express themselves peacefully through an exchange of the goods and services they produce, their energies will lead to serious conflicts and eventually wars.

In the 48 years since World War II the world has learned that it is possible for thrusting and formerly aggressive peoples, like the Germans and the Japanese, to keep within their reduced national boundaries and maximise their creative energies. They have been able to use their drive and thrust to improve their lives peacefully through trade and investments. If this method of adjustment and accommodation between societies that move at different speeds, is no longer possible because the G7 have abandoned the rules of GATT, IMF and World Bank, then

it is inevitable that many countries worldwide will return to the traditional methods of growth by direct conquest or expanding spheres of influence. In short, the G7 leaders must decide either to enable adjustments through trade and investments, to be made between countries with differences of dynamism, or be prepared to use military force to enforce their policies of regional protectionism and unfavourable terms of trade for these countries. The dynamic but still poor countries in East Asia presently seek peaceful outlets for their energies. If they are denied outlets through trade and investments, their energies will eventually lead to conflicts and war.

For example, every Chinese knows from the Romance of the Three Kingdoms that in ancient China, the time honoured method for a more dynamic and vigorous people to achieve greater wealth and prosperity was to incorporate chunks of neighbouring territories and peoples into their kingdom. Then the victor has a wider range of soils, climates and peoples, a wider base for wealth through exchanges of a greater diversity of goods and services. Another example was Japan before World War I and World War II. Because Japan's products were excluded by imperial tariff preferences of the British, French and Dutch empires, and by barriers to America's market, she decided to acquire her own empire. In 1895 she annexed Taiwan. In 1905 she annexed Korea. In 1931, she occupied Manchuria, made it her puppet state Manchukuo, and later in 1937 invaded China. In 1942, she occupied the rest of East Asia and Southeast Asia.

Compare these traditional ways with the much more sensible arrangements made after World War II. When British, French, Belgians and Dutch dismantled their empires between 1945 and 1965, they grew more prosperous in the 1960s and '70's, after they had given up their colonies. Their former subject peoples had expected them to decline into relative poverty as Spain and Portugal did when they lost their empires in the 19th century.

The secret of their miracles lay in GATT, the IMF and the World Bank. The rules of these institutions allowed a free flow of trade, investments, capital, managers, engineers and knowhow and so enabled these former imperial countries to expand their GDP although their imperial boundaries had shrunk. The need for fair rules through these multilateral institutions is greater now. Only by strengthening these institutions or evolving stronger ones can the economic benefits of global economic interdependence be harvested by all.

There is no viable alternative to global integration. Protectionism disguised as regionalism will sooner or later lead to conflicts and wars between the regional blocs as they compete for advantage in non-bloc areas, like the oil countries of the Gulf. Globalism is the only answer that is fair, acceptable, and will uphold world peace.

- (32) *Singapore and Korea*: Speech by Mr Goh Chok Tong, Prime Minister of Singapore, at the dinner hosted by President Kim Young Sam of Korea, on 9 November 1993 at the Blue House (Singapore Government Press Release No: 16/NOV, 02-1/93/11/09)

...Unlike Korea, Singapore is a city state. But we have several important things in common. We are both classified as newly industrialised economies. We have

both benefitted from the GATT free trade system and seek to uphold it. We recognise the importance of an American presence for the stability of our region. We are both committed members of APEC. Within our capabilities, we both want to play responsible roles in the international community.

Korea and Singapore are each other's tenth largest trading partner. But until recently, we have each been preoccupied with our own region, problems and issues. We do not have a long history of close contacts. Our relations are still relatively narrowly based. There is therefore much scope for us to move beyond trade to work together to face common challenges and promote and protect our common interests.

One such common interest is how to preserve optimal conditions for peace, stability and growth in the Asia-Pacific. With the end of the Cold War, countries are adjusting themselves to the new balance of power. This process is inevitable and, in our region, has to be carefully managed. Modern technology has telescoped distances and broken down old barriers. Northeast and Southeast Asia can no longer be considered separate regions, insulated from each other.

Southeast Asia cannot remain aloof from events on the Korean Peninsula. Nuclear proliferation would trigger destabilizing responses around the Pacific. Similarly, with the growth of Korean trade and investments in Southeast Asia, instability in the ASEAN region would have an immediate impact on Korea's economy. What happens to each of us affects the other. We have to work together, multilaterally and bilaterally, to promote stable political and economic relations.

We have made a start. South Korea is ASEAN's newest dialogue partner. We have also begun building a common structure for constructive dialogue in the Asia-Pacific through the ASEAN Regional Forum. In time, this should contribute to a stable and predictable pattern of relationships. We welcome Korea's interest and participation.

On bilateral relations, the Third Country Training Programme agreement that we shall soon conclude is a useful new area of collaboration to meet our international responsibilities. It adds a new dimension to our relationship. It is an example of how we should think creatively to pool our experiences and resources to work together in the future. I believe the scope for further co-operation is limited only by our imagination.

Korea and Singapore should help promote a freer flow of trade and investments across the Pacific through APEC. This will ensure that there will be one united Pacific and avoid undue disruption to key relationships in the post Cold War era. APEC provides an overarching framework that emphasises the common good. It can contribute to the successful conclusion of the Uruguay Round. By emphasising trade liberalisation, it will send a powerful signal to protectionists everywhere that if they block free trade, they risk blocking their own entry to this vast and vibrant market.

As China, India and Indochina continue with their market reforms, there will be more opportunities for fruitful co-operation between Korea and Singapore. Their needs and enormous - in infrastructure, manufacturing and other sectors. Our strengths are complementary, creating profitable synergies. I hope my visit will spark an interest in the process of mutual discovery, leading to productive co-operation between our private sectors....

- (33) Speech by Dr Richard Hu, Minister for National Development and Minister for Finance, at the opening of the exhibition "Man and Environment" at the Singapore Science Centre on Wednesday, 17 November 1993 at 9.30 am (Singapore Government Press Release No: 19/NOV, 14-1/93/11/17)

...The fast-paced, uncontrolled development in the world has already caused some irreparable damage to the global environment. The ozone layer is depleting, and the greenhouse effect has led to rising temperatures. The world, as we knew it in our youth, will disappear if there is no concerned action. Some international agencies are playing their part, working tirelessly to raise worldwide awareness and understanding of the environment.

Governments and corporate leaders of the world community are now more conscious that developmental and environmental issues cannot be dealt with in isolation. What many try to do is to achieve a judicious balance between development and environmental care. At times, achieving this judicious balance is not easy. In some instances, solutions to environmental problems have to be found both nationally and internationally.

A major step has already been taken in this direction. The Earth Summit of June 1992 signalled the start of a new era in the international effort and cooperation to resolve environmental issues. The Summit saw one of the biggest gathering of heads of governments in the world. Singapore too, is playing its part in this worldwide effort. Not only did we participate actively in the Earth Summit; we were also a signatory to the Convention on Biological Diversity and the Framework Convention on Climate Change. Our commitment to this worthy effort was reinforced earlier this year when Singapore was elected as a member of the Commission on Sustainable Development. This commission is a follow-up to the Earth Summit. This UN organisation will monitor the progress and implementation of the commitments made during the Earth Summit.

We are playing our part in many other ways too. As most Singaporeans will by now be aware, the Singapore Green Plan, launched last week, maps out our strategy of becoming a model green city by the year 2000. It details various action programmes that we will take in the years to come to achieve our objective.

The Government, however, can only do so much. We can legislate environmental protection; and we can enforce the rules. But all this effort will be meaningless if the individual Singaporean fails to play his part. If we are to achieve our vision of being a model green city, all Singaporeans must understand how inter-dependant man is on the environment. We must not only understand; we must consciously and actively adopt environmentally friendly practices, both at home and at work....

...In Singapore, we have recognised that all living things on Earth have a vital part to play to maintain the delicate balance of nature. Our nature reserves, parks, gardens, and roadsides are filled with a rich diversity of flora and fauna. As far as possible we will continue to maintain these areas so that Singaporeans can interact with nature and understand and better appreciate our interdependence on the environment....