

CHAPTER 1

Riding the Chinese Dragon: Singapore's Pragmatic Relationship with China

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A stock phrase used by Singapore's leaders to describe their formative experience battling communism at home is that of "riding the tiger." How Singapore and other Asian countries relate strategically with a rising China (riding the Chinese "dragon," if you will) stands as one of the key questions concerning the contemporary Asian security order today. While the concomitant rise of regional powers (China, Japan and India) has undoubtedly shaped and continues to shape the geopolitical milieu of post-Cold War Asia, it is the perceived emergence of China as an economic and military power that nonetheless has engendered the most concern among the rest of the Asian states, not least Singapore. That said, scholars disagree over how Asians perceive and respond to China's rise. One view, for example, has it that Asian countries have apparently opted to bandwagon as vassal states once did with imperial China.¹ Another view has it that Asian states on the whole have demonstrated a greater proclivity toward balancing China.² A third view takes the middle ground in suggesting that aspects of bandwagoning and balancing can in fact be discerned in the behaviours of Asian states.³ Arguably, the smaller and weaker of the Asian countries invariably "hedge" against major powers (including China) for the simple reason that their strategic relations with those powers have essentially been about managing their respective vulnerabilities and dependencies vis-à-vis those more powerful than they.⁴

As the smallest and one of the more self-perceptibly vulnerable of the Asian countries, Singapore has had to rely on nimbleness and litheness in its foreign policy, particularly toward the major powers with key stakes in the Asian region, and whose

¹ David C. Kang, "Getting Asia Wrong: The Need for New Analytical Frameworks," *International Security*, vol. 27, no. 4 (2003), pp. 57-85.

² Amitav Acharya, "Will Asia's Past be its Future?" *International Security*, vol. 28, no. 3 (2003/04), pp. 149-164.

³ Evelyn Goh, "Introduction," in Evelyn Goh ed., *Betwixt and Between: Southeast Asian Strategic Relations with the U.S. and China* (Singapore: Institute of Defence and Strategic Studies/S. Rajaratnam School of International Studies, 2005).

⁴ Alice D. Ba, "Southeast Asia and China," in Goh ed., *Betwixt and Between: Southeast Asian Strategic Relations with the U.S. and China*.

actions and influence could significantly affect Singapore's freedom to act in the international arena. Possibly more than any other state, Singapore has rendered a virtue out of the perceived necessity for pragmatism in its strategic relations with great powers and more generally in its overall foreign policy. Because of the purported lack of ideological foundations, so the logic goes, Singapore's external relations tend to assume a paradoxical quality that makes its foreign policy seem occasionally schizophrenic or, as one analyst might put it, "oxymoronic."⁵ Such a pragmatic foreign policy logically compels Singapore to hedge against China, even as it seeks to deeply engage China in all dimensions of bilateral ties; economic, cultural and political. Despite the propensity common to all Southeast Asian nations to hedge against the People's Republic in one way or another, Singapore's brand of engagement with China stands out as a result of its economic vigour, demographic character and geopolitical context: a small, prosperous and mainly ethnic Chinese country wedged between two big Muslim neighbours, Indonesia and Malaysia, whose respective relations with China are coloured by a host of complexities.⁶ Yet its hedging is conducted with a certain measure of latitude not enjoyed by its Asian counterparts who live in geographical propinquity to Beijing. As Goh has pointed out, continental Southeast Asian countries such as Cambodia and Vietnam hedge against China because they must, but Singapore hedges because it can, thanks in part to the relative autonomy afforded by distance.⁷

Against this backdrop, this paper begins with an excursion into the analytical explanations that seek to account for Singapore's pragmatic foreign policy. Second, it provides a historical overview of Singapore's bilateral ties with China against the backdrops of the nation's particular brand of foreign policy and of regionalism, namely, ASEAN's regional engagement of China. Finally, it concludes with a reflection on what the future trend of Singapore's strategic approach vis-à-vis China might look like and its implications for bilateral cum regional ties. By and large, and despite their differences, most existing accounts of Singaporean foreign policy tend to share

⁵ Alan Chong, "Singapore's Foreign Policy Beliefs as 'Abridged Realism': Pragmatic and Liberal Prefixes in the Foreign Policy Thought of Rajaratnam, Lee, Koh, and Mahhubani," *International Relations of the Asia-Pacific*, vol. 6, no. 2 (2006), pp. 269-306.

⁶ See, for example, Joseph Liow Chinyong, "Malaysia-China Relations in the 1990s: The Maturing of a Partnership," *Asian Survey*, vol. 40, no. 4 (July/August 2000), pp. 672-691; and Rizal Sukma, *Indonesia and China: The Politics of a Troubled Relationship* (London: Routledge, 1999).

⁷ Goh, "Introduction."

similar conclusions about the nature of Singapore's engagement of China: Singapore bandwagons with China economically, but soft-balances against it politically and militarily. As one analyst recently noted, "The peculiarity of Singapore's China policy is that it is by design an ambivalent one: warm in economic and diplomatic ties but distanced in political and strategic spheres."⁸

The present study shares the foregoing conclusion, yet argues that Singapore's so-called China policy is in fact much more nuanced in its execution than existing theoretically-based accounts allow. That is to say, while Singapore has more or less welcomed and taken advantage of the commercial and industrial opportunities provided by the extraordinary rise of the Chinese economy since the 1980s, it has also diversified its economic options among other economies while, at the same time, worrying over the prospect of competition with China over foreign investment. And while Singapore has more or less engaged in soft (and/or political) balancing with China by relying upon America's strategic dominance of the balance of power in Asia, it has also diversified its security options with deep engagement of China through regionalism, namely through ASEAN and affiliated pan-Asian frameworks and vehicles with a view to socializing the PRC towards becoming, in China's initial post-revolutionary phase, a normal state and subsequently, in the post-Cold War era, a responsible power.

It is these ambivalences and nuances in Singapore's China policy that best exemplify the city-state's pragmatic approach to foreign policy, one neither easily captured by simplistic categorizations nor reducible to ideological or theoretical reductionism. In this respect, accounts that adopt some form of theoretical or analytical eclecticism are likely to do a better job at representing and explaining Singapore's complex engagement of China. To be sure, recourse to pragmatism does not imply that Singaporean foreign policy is therefore non-ideological; on the contrary, the city-state's preoccupation (some would say obsession) with its own survival, born of a deep sense of its perceived vulnerability, operates for all intents and purposes as a kind of national ideology that impacts and defines nearly every policy, domestic as well as external. As Chan Heng Chee, Singapore's ambassador to the United States, noted

⁸ Kuik Cheng-chwee, "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China," *Contemporary Southeast Asia*, vol. 30, no. 2 (August 2008), pp. 159-185, see p. 11.

back in 1971, “survival was adopted [by Singaporean leaders] as a one-word slogan as well as a main theme underlying all analyses of problems and statement of policies and intent.”⁹ Likewise, Prime Minister Lee Hsien Loong of Singapore observed in 1984: “The meek may not have inherited the earth, but neither have the strong. Small animals survive and thrive in the jungles, as do small states in the international order. The price of their survival is eternal vigilance.”¹⁰ That said, the point here is simply that accounts which rely solely on a singular theoretical perspective to explain Singaporean foreign policy do a disservice to the aim of understanding that nation’s complex relationship with China.

Theory, Praxis and Singaporean Foreign Policy

Of recent scholarship on Singapore’s foreign policy undertaken from a theoretical perspective, there are three works that stand out: *Singapore’s Foreign Policy: Coping with Vulnerability* by Michael Leifer;¹¹ *Realism and Interdependence in Singapore’s Foreign Policy* by Narayanan Ganesan;¹² and *Singapore’s Foreign Policy: The Search for Regional Order* by Amitav Acharya.¹³ This section reviews and assesses their respective accounts of Singapore’s foreign and security perspective and policy. Beginning with Leifer and moving on to Ganesan and finally Acharya, one sees the following “progression” in increasing complexity, as it were, from Leifer’s classic realist interpretation of Singapore’s foreign policy towards the outside world, to Ganesan’s contention that Singapore’s foreign policy possesses both realist and liberal features, and finally to Acharya’s insistence that liberal institutionalism and social constructivism offer equally valuable insights into the city-state’s external relations, without which a strictly realist account, though useful, is at best incomplete.

Interestingly, although each of these accounts, which seek to explain Singapore’s

⁹ Chan Heng Chee, *Singapore: The Politics of Survival, 1965-67* (Singapore: Oxford University Press, 1971), p. 48.

¹⁰ Cited in Narayanan Ganesan, “Singapore: Realist cum Trading State,” in Muthiah Alagappa ed., *Asian Security Practice: Material and Ideational Factors* (Stanford, CA: Stanford University Press, 1998), pp. 579-607, see p. 579.

¹¹ Michael Leifer, *Singapore Foreign Policy: Coping with Vulnerability* (London: Routledge, 2000).

¹² Narayana Ganesan, *Realism and Interdependence in Singapore’s Foreign Policy* (London and New York: Routledge, 2005).

¹³ Amitav Acharya, *Singapore’s Foreign Policy: The Search for Regional Order* (Singapore: World Scientific, 2008).

foreign policy from independence in 1965 to the time of writing (the earliest which, in the case of Leifer's book, would be the closing of the twentieth century), adopt at least an implicit theoretical angle to their respective analyses, they nonetheless arrive at a similar (and, in my view, correct) conclusion: inherent pragmatism underlies Singapore's conduct of its external relations. Equally important is the tacit consensus among the three authors that just such a pragmatic foreign policy, insofar as Singapore's engagement of China is concerned, can be understood by way of a relatively unambiguous if somewhat crude formulation: on one hand, economic bandwagoning with China; on the other, security balancing against China. To be sure, Acharya's contention that Singaporean foreign policy is, in a sense, beyond realism could be viewed, and rightly so, as a significant objection to this formulation. However, as the following discussion seeks to show, subsequent reflections by Acharya published elsewhere, particularly in response to claims over a Chinese-dominated hierarchy in Asia, allude to his belief that Asian states including Singapore equally engage in security balancing against China.

Quintessentially Realist

Observers unfamiliar with the history of Singapore's external relations may be forgiven for any premature conclusion that its foreign policy outlook is inherently realpolitik in orientation, fixated as its leaders seem to be on the country's perceived vulnerabilities and the attendant necessity for balance of power thinking and practice to cope with various external challenges.¹⁴ When it comes to Singapore's self-image vis-à-vis the international political order, there is no denying that its leaders readily portray the security world in the dark metaphysical terms supplied by Thomas Hobbes's *Leviathan*, whose portrait of the state of nature has become a standard reference for realist international relations theory.¹⁵ For example, having identified the "primary task" of Singapore's foreign policy as the safeguarding of the nascent nation's independence "from external threats," its first foreign minister, Sinnathamby Rajaratnam, went on to note in 1966 that the fundamental problem confronting Singapore was "how to make sure that a small nation with a teeming population and

¹⁴ Leifer, *Singapore Foreign Policy*.

¹⁵ Barry Desker and Mohamed Nawab Mohamed Osman, "S. Rajaratnam and the Making of Singapore Foreign Policy," in Kwa Chong Guan ed., *S. Rajaratnam on Singapore: From Ideas to Reality* (Singapore: World Scientific, 2006), pp. 3-18, see p. 4. Also see Thomas Hobbes, *Leviathan* (New York: Barnes and Noble, 2004, originally published in 1651).

no natural resources to speak of, can maintain, even increase, its living standards and also enjoy peace and security in a region marked by mutual jealousies, internal violence, economic disintegration and great power conflicts.”¹⁶

According to Leifer’s study of Singapore foreign policy, it was from just such a difficult early history that a foreign and security policy rooted in a strategic culture of insecurity and a siege mentality, emerged. Newly independent Singapore, cast adrift from its hinterland moorings following ejection from the Malaysian Federation in 1965, adopted the pugnacious image of a “poison shrimp”: small, not invulnerable, but certainly no pushover.¹⁷ There was robust emphasis on the building of a credible military deterrent as evidenced in the formation of the Singapore Armed Forces and, more recently, its transformation into an integrated, technologically sophisticated, third-generation force.¹⁸

Further, the policy was buttressed by the robust belief in the importance of the role of the United States – “the [Asian] region’s great stabilizer and ‘honest broker’,” as two Singaporean analysts have put it¹⁹ – in maintaining a favourable (to Singapore, that is) balance of power in Asia. However, this is not to imply that Singapore, despite the Strategic Framework Agreement it signed in July 2005 with the United States to further expand their already considerable bilateral ties in defence and security cooperation, is therefore an unequivocal ally of the latter in everything else but name. For instance, in rejoinder to a query from some Singaporean parliamentarians whether Singapore was excessively “pro-US” in its support for the American-led invasion of Iraq in 2003, Singapore’s Foreign Minister S. Jayakumar noted in 2004: “I said we are not pro-US; we are not anti-any country. What we are is that we are

¹⁶ Taken from S. Rajaratnam, “Speech at University of Singapore Society,” July 30, 1966 cited in Desker and Osman, “S. Rajaratnam and the Making of Singapore Foreign Policy,” p. 4.

¹⁷ Pak Shun Ng, *From “Poison Shrimp” to “Porcupine”: An Analysis of Singapore’s Defence Posture Change in the Early 1980s* (Canberra: Strategic and Defence Studies Centre, Australian National University, 2005).

¹⁸ See Tim Huxley, *Defending the Lion City: The Armed Forces of Singapore* (St. Leonards: Allen and Unwin, 2003); and Bernard F. W. Loo, “Transforming the Strategic Landscape of Southeast Asia,” *Contemporary Southeast Asia*, vol. 27, no. 3 (2005), pp. 388-405.

¹⁹ Chong Guan Kwa and See Seng Tan, “The Keystone of World Order,” in Alexander T. J. Lennon ed., *What Does the World Want from America? International Perspectives on U.S. Foreign Policy: A Washington Quarterly Reader* (Cambridge, MA: The MIT Press, 2002), pp. 39-49, see p. 40.

pro-Singapore in the sense that ultimately what guides us in our foreign policy is our national interest. And that remains our fundamental approach..."²⁰

The resultant image of Singapore as a nation-state armed with a hardnosed view of its external security environment, a comprehensive security philosophy that places a not insignificant stress on a self-help strategy, and a firm belief in and reliance on a US-led balance of power is by no means incorrect. Against this realist-based approach, however, it has been argued that Singapore's role as a trading state is best explained by way of liberal institutionalist theory.

Realist-Liberal Balance

Recent studies have complicated the foregoing view by distinguishing between the nation's security outlook and approach, which most see as arguably realpolitik in character, and its economic policy and practice, which in their view are allegedly liberal internationalist in orientation. Importantly, this view does not challenge the preceding notion that Singaporean foreign policy is largely driven by realist considerations. As Ganesan has put it in his book:

A clear core of realist self-reliance is layered with the demands of a competitive trading state that requires a liberal international trading regime. Hence both competitive and cooperative philosophies undergird Singapore's foreign policy. Accordingly, whereas Singapore's preoccupation with vulnerability is an enduring feature of policy output, it is arguable that cooperation and prosperity are better obtained through liberal arrangements.²¹

In this respect, Singaporean officials portray the economic world in commercial liberal terms. These two self-images (realpolitik security state, on one hand, and liberal economic trading regime, on the other) ostensibly form Singapore's worldview and inform its foreign policy in the security and economic spheres.

²⁰ "Our Stand on Iraq and Whether we were/are too Pro-US," Extract of Remarks in Parliament by Singapore Foreign Minister Professor S. Jayakumar, March 11, 2004, http://app.mfa.gov.sg/pr/read_script.asp?View,4259 (accessed October 16, 2008).

²¹ Ganesan, *Realism and Interdependence in Singapore's Foreign Policy*, p. 2.

Nonetheless, when measured against the historical record of Singaporean foreign policy, these self-images become considerably less settled than they appear. Deterrence aside, Singapore's security relations at the bilateral, regional and international levels have mainly been and continue to be characterized by diplomacy and the generous use of "soft power" instruments.²² In an important regard, this is not unacknowledged by Singaporean authorities; for instance, the defence white paper of 2000, *Defending Singapore in the 21st Century*, emphasizes the dual need for defence (or deterrence) and diplomacy.²³ For example, much as Singapore is often described as punching above its weight,²⁴ its ties with Indonesia are nonetheless marked to a significant extent by deference to Jakarta's *primus inter pares* (first among equals) position in the region. At the regional level, Singapore has historically invested in Southeast Asian regionalism vis-à-vis ASEAN. Whether one sees ASEAN as an embryonic security community,²⁵ or less ambitiously as an extant diplomatic community,²⁶ regionalism has provided a useful institutional framework through which Singapore pursued cooperative relations with regional neighbours and, where wider ASEAN-based regionalisms are concerned (ASEAN Regional Forum (ARF), ASEAN+3, East Asia Summit (EAS) or ASEAN+6), with Asian and other powers in the Asia-Pacific and/or East Asian regions. The argument here is not that Singapore has relied more on regionalism than self-help in ensuring its own security. But what Singapore's broad appropriation of multiple security modalities reveals is a policy diversity neither captured by nor reducible to its own "mythmaking."

So too, it may be argued, of Singapore's self-image as a liberal economic trading state. According to conventional wisdom about the extant liberal international economic order, the free trade regime, the "Washington Consensus" and so forth, the economic world is a global marketplace where economic competition is, if not totally free, than at least relatively fair. Multilateral institutions and rules, embodied

²² See, Chong, "Singapore's Foreign Policy Beliefs as 'Abridged Realism'"; and Ganesan, *Realism and Interdependence in Singapore's Foreign Policy*.

²³ See, *Defending Singapore in the 21st Century* (Singapore: Ministry of Defence, 2000).

²⁴ For example, in his review of the book, Tommy Koh and Chang Li Lin eds., *The Little Red Dot: Reflections by Singapore's Diplomats* (Singapore: World Scientific Publishing Co., 2005), Stephen Bosworth, dean of the Fletcher School at Tufts University, remarked it was "the excellence of Singapore's foreign service [that] has enabled the country to punch far above its weight in international affairs" (see back cover of said book).

²⁵ Amitav Acharya, *Constructing a Security Community in Southeast Asia: ASEAN and the Problem of Regional Order* (London: Routledge, 2001).

²⁶ Michael Leifer, *ASEAN and the Security of South-East Asia* (London: Routledge, 1989).

by the World Trade Organization (WTO), help keep things so. On the other hand, revisionist accounts of economic history argue the robust resort to mercantilist cum protectionist policies by major economies, including the United States.²⁷ In this respect, global economic history has been equally if not more economically realist as/than commercial liberalist, or, where intellectual visions are concerned, equally if not more that of George Friedrich List, advocate of economic nationalism, as/than of Adam Smith, advocate of free trade. For example, Singapore's adherence to comprehensive security as embodied by its Total Defence philosophy, clearly treats national economic development and progress in defensive terms, and urges its citizens towards vigilance in economic and other sectors of national life.²⁸ Again, the point here is not to question the verity of Singapore's self-images, but to underscore the fact that economic liberalism in praxis is often not absolutely liberal, certainly not all of the time. More likely, the commitment to economic liberalism does not preclude reliance, at times robust, on economic realism and/or mercantilism.

Beyond Realism

On his part, Acharya does not disagree that realism is useful to understanding the essence and direction of Singapore's foreign policy. That said, he contends, in much the same vein as Ganesan has done, that realism does not give sufficient credit to Singapore's liberal underpinnings in the global market economy. He also believes that the realist approach overstates the importance of the balance of power as a foundation of regional order at the expense of multilateralism and regionalism. In this respect, he draws attention to Singapore's active involvement in ASEAN and pan-Asian regionalism (ARF, APEC, ASEAN+3, EAS, etc.). Furthermore, the realist view, in his opinion, seriously downplays the impact of ASEAN in realizing Singapore's vital foreign policy and security interests. Here he highlights the city-state's reliance on regionalism to cope with real and potential extra-regional challenges. Finally, he argues that Singapore's role in global multilateral forums, including Singapore's

²⁷ For an interesting take on this issue, see James Fallows, *Looking at the Sun: The Rise of the New East Asian Economic and Political System* (New York: Pantheon, 1995).

²⁸ See, for example, See Seng Tan and Alvin Chew, "Governing Singapore's Security Sector: Problems, Prospects and Paradox," *Contemporary Southeast Asia*, vol. 30, no. 2 (August 2008), pp. 241-263. The classic statement on comprehensive security as conceptualized and expressed by Southeast Asian states in their defence and security philosophy and practice is Muthiah Alagappa, "Comprehensive Security: Interpretations in ASEAN Countries," in Robert A. Scalapino, Seizaburo Sato, Jusuf Wanandi and Sung-Joo Han eds., *Asian Security Issues: Regional and Global* (Berkeley, CA: Institute of East Asian Studies, University of California Press, 1988), pp. 50-78.

strong support for and leadership in the UN Conference on the Law of the Sea or UNCLOS (1980-82) and the UN Conference on Economic Development or UNCED a.k.a. “Earth Summit” (1990-92), and especially in the development of regionalism in Southeast Asia is also significantly understated in existing accounts.

Equally significant for Acharya is Singapore’s contribution to global life as a source of novel, non-realist ideas for international and regional cooperation. These include former Prime Minister Goh Chok Tong’s “inter-regionalism,” which provided the conceptual basis for Goh’s promotion of the Asia-Europe Meeting (ASEM) process,²⁹ or Foreign Minister George Yeo’s “New Asian Order” defined along ostensibly common cultural attributes, wherein “Europeans and Americans seek a spiritual homeland in the Greco-Roman and Judeo-Christian traditions, [and] the chopstick civilisation nations (China, Japan, Korea and Vietnam) share a common bond.”³⁰ A more longstanding and prominent example of Singaporean contributions to the world of ideas, however, would be the image of Singapore as a “global city.” In the early 1970s, for instance, S. Rajaratnam took inspiration from the Italian trading city-states, Florence and Venice, in casting the vision of Singapore as a commercial and financial centre, a global city.³¹ In this regard, Singapore’s early self-image of a kind of contemporary Sparta was not the only one in vogue during its formative years. As Rajaratnam once put it:

If we view Singapore’s future not as a regional city but as a Global City then the smallness of Singapore, the absence of a hinterland, or raw materials and a large domestic market are not fatal or insurmountable handicaps. It would explain why, since independence, we have been

²⁹ See, for example, Paul Cammack and Gareth Api Richards, “Introduction: ASEM and Interregionalism,” *Journal of the Asia Pacific Economy*, vol. 4, no. 1 (1999), pp. 1-12; David Camroux and Christian Lechervy, “Close Encounter of a Third Kind?: The Inaugural Asia–Europe Meeting of March 1996,” *The Pacific Review*, vol. 9, no. 3 (1996), pp. 442-453; and Julie Gilson, “New Interregionalism? The EU and East Asia,” *European Integration*, vol. 27, no. 3 (September 2005), pp. 307-326.

³⁰ The words are purportedly George Yeo’s, cited in Yoichi Funabashi, *Asia Pacific Fusion: Japan’s Role in APEC* (Washington, DC: Institute for International Economics, 1995), p. 57.

³¹ See Kernial Singh Sandhu and Paul Wheatley, “Challenges of Success,” in Kernial Singh Sandhu and Paul Wheatley eds., *Management of Success: The Moulding of Modern Singapore* (Singapore: Institute of Southeast Asian Studies, 1989), pp. 1067-1107, see p. 1103.

successful economically and, consequently, have ensured political and social stability.³²

Acharya's focus on the contribution of arguably "non-realist" ideas challenges the conventional wisdom that the philosophy behind Singapore's foreign and security policies is principally defined, if not explicitly by self-help and balance of power logics, then certainly also by a purely instrumental or utilitarian understanding of multilateralism and regionalism. However, at the same time, it bears reminding that in his other writings, the same author has also insisted that the claim that the rise of China has motivated other Asian countries to bandwagon with it – most prominently argued by David Kang³³ – is erroneous because rather than the deference implied by bandwagon strategies, regional states have, in fact, acted in ways towards China that could be construed as balancing even though their behaviours cannot properly constitute a pure balance of power approach.³⁴ Indeed, that Singapore's participation in international peacekeeping in East Timor in September 1999 has been oddly described as about Singapore's rather than East Timor's national sovereignty – "If we don't go," Lee Kuan Yew explained, "our neighbours will think we are 'scaredies' and therefore, that we can be trampled on"³⁵ – arguably reflects, at least in this instance, the apparent realist motivations behind some seemingly non-realist aspects of the city-state's foreign policy.

Yet it is these ambivalences and nuances, particularly apparent in Singapore's China policy, that complicate attempts to elucidate Singaporean foreign policy by recourse to unambiguous theoretical explanations. As such, against the backdrop of the various claims about Singaporean foreign policy reviewed above, Alan Chong is absolutely right to note that the practice of "Singaporean realism" is "less than completely faithful to classical realist precepts" than what extant foreign policy scholarship on Singapore (or, for that matter, on small states) has allowed.³⁶ The same logic holds, or should hold, where the practice of "Singaporean liberalism" in economic life is concerned, that it too is less than completely faithful to conventional commercial liberal precepts

³² Cited in Desker and Osman, "S. Rajaratnam and the Making of Singapore Foreign Policy," p. 6.

³³ Kang, "Getting Asia Wrong: The Need for New Analytical Frameworks."

³⁴ Acharya, "Will Asia's Past be its Future?"

³⁵ Cited in Leifer, *Singapore's Foreign Policy*, p. 24.

³⁶ Chong, "Singapore's Foreign Policy Beliefs as 'Abridged Realism'."

than what existing views have allowed. Hence, care should be taken not to reduce the totality of Singaporean foreign policy to the simplistic ideological categories of security realism and economic liberalism, as some studies have done.³⁷ To be sure, Singapore leaders and statesmen, knowingly or otherwise, are occasionally given to using academic concepts when describing the country's foreign policy or discussing their personal outlooks, which may have inadvertently contributed to ideological conclusions, fair or otherwise, about their own strategic thinking.³⁸ But as long-time leader of Singapore Lee Kuan Yew reportedly mused about the late British journalist Dennis Bloodworth's view of him: "it was an accurate assessment of me, that I was not an ideologue but a pragmatist."³⁹ Whatever one makes of Lee's remark, it is this shared perception of the necessity for pragmatism among his Singaporean colleagues that likely explains the lack of fidelity to respective precepts affiliated with (ironically enough) the very ideas which Singaporean policymakers, and the scholars who study Singaporean foreign policy, ascribe to that city-state.

Hedging against China: The Outcome of a Pragmatic Foreign Policy

Arguably, it is this practical and paradoxical quality of Singaporean foreign policy, despite its settled self-images, that explains Singapore's strategic relations with a rising China. If anything, the sheer enormity of the Chinese presence in the Asian region is something that could neither be ignored nor, for that matter, refused by China's considerably smaller and/or weaker regional counterparts, not least Singapore. As Michael Mandelbaum once mused about America, "If you are the 800-pound gorilla, you are bound to be concentrating on your bananas and everyone else is concentrating on you."⁴⁰ In the same way, no amount of protestation regarding

³⁷ See, Acharya, *Singapore's Foreign Policy: The Search for Regional Order*; Ganesan, *Realism and Interdependence in Singapore's Foreign Policy*; Leifer, *Singapore Foreign Policy*; Bilveer Singh, *Singapore: Foreign Policy Imperatives of a Small State* (Singapore: Heinemann Asia for Centre for Advanced Studies, Faculty of Arts and Social Sciences, National University of Singapore, 1988); and Bilveer Singh, *The Vulnerability of Small States Revisited: A Study of Singapore's Post-Cold War Foreign Policy* (Yogyakarta: Gadjah Mada University Press, 1999).

³⁸ See Lee Kuan Yew's two volumes, *The Singapore Story: Memoirs of Lee Kuan Yew, Vol. 1* (Singapore and New York: Prentice Hall, 1998); and *From Third World to First: The Singapore Story 1965-2000: Memoirs of Lee Kuan Yew, Vol. 2* (Singapore: Times Academic Press, 2000).

³⁹ Lee Kuan Yew, "MM sends his condolences," *The Straits Times*, June 16, 2005, p. H4.

⁴⁰ Cited in David Sanger, "The U.S. is an 800-pound Gorilla," *International Herald Tribune*, July 9, 1999.

China's ongoing rise (i.e., peaceful rise, or *Zhōngguó hépíng juéqǐ*) – or the newer language of “development” (i.e., peaceful development, or *Zhōngguó hépíng fāzhǎn*) – as inherently peaceful would likely reassure Singapore about Chinese intentions, not least when China's prodigious growth might (or, for some, has already) come at the rest of Asia's expense.⁴¹ For example, despite repeated assurances by the Chinese to ASEAN that all countries are equal regardless of their size, Lee Kuan Yew has wryly noted that each time Beijing is displeased with Singapore, it drops the not too subtle hint that “one thousand three hundred million Chinese are very angry” with Singapore.⁴² For these reasons, Singapore's hedging approach towards China – deep engagement with Beijing, certainly, but also with other powers as well – is arguably practical in its carefulness to avoid excessive investment in and reliance on one major power.

On the part of the People's Republic, the 1990s were significant in terms of confidence building, dialogue and social learning as China “came in from the revolutionary cold,” as it were, and “into the regional fold” of ASEAN-styled regional institution building.⁴³ So successful has China's participation in Asian regionalism been that some analysts wonder over the influence the PRC has over the region, including the ASEAN states.⁴⁴ To be sure, that this shift occurred in an era of perceived US unilateralism and growing anti-Americanism implies that China's efforts to win over the region could have received an indirect and unexpected boost from the Americans. Beijing has assiduously cultivated ASEAN through demonstrating remarkable sensitivity towards the region's concerns, taking pains to soothe nerves and win friends through engagement with various ASEAN countries on a bilateral basis.⁴⁵ In 2002, Chinese goodwill led to an agreement to establish the ASEAN-China Free

⁴¹ See, for instance, the special issue of *NBR Analysis* on “Assessing Regional Reactions to China's Peaceful Development Doctrine,” vol. 18, no. 5 (April 2008).

⁴² Shing Huei Peh, “S'pore Culture Unlikely to Emerge: MM,” *The Straits Times*, September 6, 2006, p. 1.

⁴³ See, Alastair Iain Johnston, “Socialization in International Institutions: The ASEAN Way and International Relations Theory,” in G. John Ikenberry and Michael Mastanduno eds., *International Relations Theory and the Asia-Pacific* (New York: Columbia University Press, 2003), pp. 107-162.

⁴⁴ Alice D. Ba, “Who's Socializing Whom? Complex Engagement in Sino-ASEAN Relations,” *The Pacific Review*, vol. 19, no. 2 (2006), pp. 157-179.

⁴⁵ See, Alice D. Ba, “China and ASEAN: Re-navigating Relations for a 21st Century Asia,” *Asian Survey*, vol. 43, no. 4 (2003), pp. 622-647; Evelyn Goh, “China and Southeast Asia,” FPIF Commentary, December 12, 2006, <http://www.fpif.org/fpif.txt/3780> (accessed August 21, 2007); and Joshua Kurlantzick, *Charm Offensive: How China's Soft Power Is Transforming the World* (New Haven, CT: Yale University Press, 2007).

Trade Area and also to the signing of the Declaration on the Conduct of Parties in the South China Sea.⁴⁶ Further, the extent to which the Chinese appear to have aced their education on multilateral diplomacy is evident in their leadership of the Shanghai Cooperation Organization, the sole security forum serving the Central Asia region. In a word, China has transformed in a short span from a revolutionary regime highly suspicious of multilateralism and regionalism as Western-inspired projects aimed at the Cold War-styled, strategic encirclement of China, into a sophisticated connoisseur today of multilateral diplomacy and an astute practitioner of soft power. And this thanks partly to Singapore and the ASEAN countries.

At the bilateral level, Singapore has attempted to balance a general disposition of deference towards China with firm resolve regarding its own autonomy and the right to assert it. At the regional level, Singapore has relied on ASEAN-based regionalism to strategically engage China. Today, it has become conventional wisdom to assume the significance of ASEAN's contribution to encouraging and facilitating China's robust involvement in regional multilateral arrangements.⁴⁷ Singapore's efforts at engaging China have no doubt been complicated by regional circumspection about Chinese motives and power. This said, the principles of the ASEAN Way, the avoidance by Singapore and its ASEAN counterparts of discourse that defines China as a threat and so forth, have all resonated well with China.⁴⁸ As Alice Ba has argued, the "complex engagement" approach of ASEAN – one deliberately "informal, non-confrontational, open-ended and mutual" – has likely swayed China to reconsider its relations with ASEAN, to view ASEAN more positively and to be more responsive to ASEAN's concerns.⁴⁹

⁴⁶ See, Jose L. Tongzon, "ASEAN-China Free Trade Area: A Bane or Boon for ASEAN Countries?" *World Economy*, vol. 28, no. 2 (2005), pp. 191-210; Vincent Wei-Cheng Wang, "The Logic of China-ASEAN FTA: Economic Statecraft of 'Peaceful Ascendancy'," in Ho Khai Leong and Samuel C.Y. Ku eds., *China and Southeast Asia: Global Changes and Regional Challenges* (Singapore: Institute of Southeast Asian Studies, 2005), pp. 17-41; Leszek Buszynski, "ASEAN, the Declaration of Conduct, and the South China Sea," *Contemporary Southeast Asia*, vol. 25, no. 3 (2003), pp. 343-362.

⁴⁷ Alastair Iain Johnston, "Is China a status quo power?" *International Security*, vol. 27, no. 4 (2003), pp. 5-56.

⁴⁸ For a look at regional security discourse on China, see, See Seng Tan, *The Role of Knowledge Communities in Constructing Asia-Pacific Security: How Thought and Talk Make War and Peace* (New York: Edwin Mellen, 2007).

⁴⁹ Ba, "Who's Socializing Whom? Complex Engagement in Sino-ASEAN Relations," p. 160.

Bilateral Ties with China

Let us consider bilateral ties first. Singapore's public image of hardnosed pugnacity, promoted since early independence with its "poison shrimp" and "porcupine" analogies,⁵⁰ stands in contrast to the city-state's considerably more measured policy towards the People's Republic. The tired but not retired cliché that Singapore, because of its large ethnic Chinese constituency (nearly 76% of the total population), constitutes a "third China" fails to take into consideration the fact that Singapore, ensconced between two larger Malay-Muslim neighbours, treads very cautiously when relating to Beijing. In this regard, Singapore has worked especially hard to shake off the label of itself as "a Chinese island in a Malay sea" so as to avoid being distracted from its domestic goals by unnecessary attention provoked by any perceived effort on its part to bandwagon with China.⁵¹ For example, in deference to regional sensitivities and concern over criticism that its foreign policy is ethnically oriented, Singapore's normalization of ties with China did not occur till November 1990, after Indonesia had done so in August 1990.⁵² Moreover, it is not simply external considerations that argue against bandwagoning with China, but domestic interracial cum socio-economic ones as well, not least the small yet politically sensitive non-Chinese constituencies of the city-state.⁵³

At the same time, this finely calibrated diplomacy towards China includes a robust balance of power outlook. It is no secret that power balancing through engaging the big powers in Southeast Asia is a crucial element in Singapore's security strategy, evidenced by its incessant insistence throughout the post-Cold War period, in contrast at times to the anti-Americanism of its regional neighbours, that the United States must maintain a strategic foothold in Southeast Asia.⁵⁴ The role of America has long been regarded by the city-state's leaders as paramount to the preservation of the balance of power in Asia and hence of the regional status quo. Absent the United States, the resultant power vacuum created would sooner or later destabilize the region due to strategic competition among other powers. As this author has noted elsewhere:

⁵⁰ See Ng, *From "Poison Shrimp" to "Porcupine": An Analysis of Singapore's Defence Posture Change in the Early 1980s*.

⁵¹ Kuik, "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China," p. 181.

⁵² The point is made in Michael R.J. Vatikiotis, "Catching the Dragon's Tail: China and Southeast Asia in the 21st Century," *Contemporary Southeast Asia*, vol. 25, no. 1 (April 2003), pp. 65-78.

⁵³ Hussin Mutalib, "The Socio-Economic Dimension in Singapore's Quest for Security and Stability," *Pacific Affairs*, vol. 75, no. 1 (2002), pp. 39-56.

⁵⁴ Ganesan, "Singapore: Realist cum Trading State," p. 579.

In the view of Singapore's leaders, the United States is peerless in its role as a security guarantor and key balancer in Asia; in the absence of preponderant US power, Singapore would [be seen to] be at risk. Should the US security guarantee prove unreliable, particularly in response to a militarily aggressive China, Singapore may be tempted to acquire a nuclear weapons capability. Its longstanding, deep engagement of China, however, makes this an unlikely prospect.⁵⁵

This has led Singapore to pursue a long-term strategic relationship with the United States, underscored most recently by the Singapore-US Strategic Framework Agreement of 2005. It is probably fair to say that this policy direction is not primarily defined by Singapore's concern with China; in this regard, the dual absence of geographical propinquity to China and territorial disputes with China means the PRC does not pose a direct threat to Singapore. The recent enhancing of Singapore-US security cooperation arguably has more to do with the war on terrorism than any felt need for a direct response against rising Chinese power.⁵⁶ That said, counterterrorism likely constitutes an immediate-term concern for Singapore policymakers, whereas a rising China is viewed as an indirect challenge for Singapore and would remain so for a considerable period of time.⁵⁷ As a so-called "classic anticipatory state" (the phrase belongs to Yuen Foong Khong), Singapore is clearly concerned over what rising Chinese military power could mean to it and the region in the long haul.⁵⁸ In this sense, Singaporean policymakers see the United States as the countervailing power that can balance China and, in so doing, keep the regional peace:

⁵⁵ Tan See Seng, "ASEAN: The Road Not Taken," in Muthiah Alagappa ed., *The Long Shadow: Nuclear Weapons and Security in 21st Century Asia* (Stanford, CA: Stanford University Press, 2008), pp. 451-476, see p. 456.

⁵⁶ See, Evelyn Goh, *Meeting the China Challenge*, Policy Studies 16 (Washington, D.C.: East West Center Washington, 2005); See Seng Tan and Kumar Ramakrishna, "Interstate and Intrastate Dynamics in Southeast Asia's War on Terror," *The SAIS Review of International Affairs*, vol. 24, no. 1 (2004), pp. 91-105; and David Capie, "Between a Hegemon and a Hard Place: The 'War on Terror' and Southeast Asian-US Relations," *The Pacific Review*, vol. 17, no. 2 (2004), pp. 223-248.

⁵⁷ Evelyn Goh, "Singapore and the United States: Cooperation on Transnational Security Threats," paper prepared for the 26th Annual Pacific Symposium, Honolulu, Hawaii, June 8-10, 2005, <http://www.ndu.edu/inss/symposia/Pacific2005/goh.pdf> (accessed October 25, 2008).

⁵⁸ Yuen Foong Khong, "Singapore: A Time for Economic and Political Engagement," in Alastair Iain Johnston and Robert Ross eds., *Engaging China: The Management of an Emerging Power* (New York: Routledge, 1999), pp. 109-128.

China is conscious that it needs to be seen as a responsible power and has taken pains to cultivate this image. This is comforting to regional countries. Nevertheless, many in the region would feel more assured if East Asia remains in balance as China grows. In fact, maintaining balance is the overarching strategic objective in East Asia currently, and only with the help of the US can East Asia achieve this.⁵⁹

Accordingly, as Kuik has noted, in view of uncertainty over China's strategic intentions and future behaviour, Singapore has opted to adopt "fall-back positions" or contingency measures in anticipation of plausible Chinese actions.⁶⁰ What this essentially amounts to, according to Khong, is systematic assessments on the part of policymakers and analysts of "possible scenarios for the future and how they might affect Singapore"⁶¹ – efforts at coping with strategic uncertainty, in other words.⁶² In this respect, three areas in particular stand out about the intent and capacity of China to do the following: disrupt regional stability and prosperity; delimit Singapore's policy choices; and drive a wedge between Southeast Asian states that would undermine ASEAN cohesion.⁶³ Thus understood, where regional stability and prosperity are concerned, despite the luxury of geographical and political distance from, say, the potential flashpoints in the Taiwan Straits and the Korean peninsula, Singaporean leaders are reportedly worried that armed conflict in Northeast Asia could severely destabilize the flow of foreign trade and investment, a situation anathema to a trading state like Singapore.⁶⁴ Likewise, though it is not a claimant state to any of the South China Sea islands, Singapore's anticipatory outlook would lead it to view with growing concern the emerging military might and reach of China's South Sea Fleet, as well as the prospect of conflict over territory – as evidenced by Chinese belligerence at the Mischief Reef incident of 1995 – as potentially detrimental to the navigational safety

⁵⁹ Goh Chok Tong, "Challenges for Asia" speech presented at the Research Institute of Economy, Trade and Industry (RIETI) Special Seminar, Tokyo, March 28, 2003, http://www.rieti.go.jp/en/events/03032801/speech_01.html (accessed October 25, 2008).

⁶⁰ Kuik, "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China," p. 177.

⁶¹ Khong, "Singapore: A Time for Economic and Political Engagement," p. 113.

⁶² Yuen Foong Khong, "Coping with Strategic Uncertainty: The Role of Institutions and Soft Balancing in Southeast Asia's Post-Cold War Strategy," in J.J. Suh, Peter Katzenstein, and Allen Carlson, eds., *Rethinking Security in East Asia* (Stanford: Stanford University, 2004), pp. 172-208.

⁶³ Goh, *Meeting the China Challenge*, p. 13.

⁶⁴ Allen Whiting, "ASEAN Eyes China: The Security Dimension," *Asian Survey*, vol. 27, no. 4 (1997), pp. 299-322, see p. 308.

of the sea lanes of communication (SLOC) in the South China Sea.⁶⁵

Perhaps nowhere has Singapore's ambivalent approach to Beijing – marked by a mixture of deference and bold assertions of its sovereign right to act no matter what China thinks – been more evident than in the brouhaha surrounding Deputy Prime Minister Lee Hsien Loong's visit to Taipei in July 2004. In a respect, it could be argued that Singapore leaders' belief, mistaken or otherwise, that China, at least since Deng Xiaoping, fully shares in Singapore's pragmatism could have led them to assume that Beijing, beyond the usual perfunctory protest, would probably not be overly concerned with the Taipei visit. For that matter, there has been a tradition of "private visits" by Singaporean leaders to Taiwan long before the normalization of Sino-Singapore ties in 1990. Moreover, in 1992, Singaporean and Chinese leaders agreed that these private visits would not affect their bilateral ties.⁶⁶ Yet this was a presumption which the Chinese clearly did not share regarding DPM Lee's Taipei visit, particularly with Taiwan being led by the pro-independence ruling party of President Chen Shui-bian.

The unusually strong Chinese reaction was therefore noteworthy, in view of China's customary tolerance over Singapore's ties with Taiwan, an issue that some have identified as the singular "dispute" in Sino-Singapore relations.⁶⁷ Deference to China quickly ensued, however: the bilateral spat only subsided following politic displays of contrition and repeated endorsements of the "One China" principle from Singapore.⁶⁸ Another occasion where China allegedly sought to pressure Singapore in its dealings

⁶⁵ See, for example, Shigeo Hiramatsu, "China's Advances in the South China Sea: Strategies and Objectives," *Asia-Pacific Review*, vol. 8, no. 1 (2001), pp. 40-50; and Ian Storey, "Singapore and the Rise of China: Perceptions and Policy," in Herbert Yee and Ian Storey eds., *The China Threat: Perceptions, Myths, and Reality* (London: RoutledgeCurzon, 2002), pp. 205-226.

⁶⁶ Serene Loo, *Coping with the Rising Dragon: Strategies Adopted by Southeast Asia*, Master of Science (International Relations) dissertation (Singapore: S. Rajaratnam School of International Studies, Nanyang Technological University, 2008), p. 31.

⁶⁷ Derek Da Cunha, "Southeast Asian Perceptions of China's Future Security Role in its 'Backyard'," in Jonathan Pollack and Richard Yang eds., *China's Shadow: Regional Perspectives on Chinese Foreign Policy and Military Development* (Santa Monica, CA: RAND Corporation, 1998), p. 116.

⁶⁸ Joseph Chinyong Liow and Tan See Seng, "A Step Back in China's 'Charm Offensive'," *The Straits Times*, July 22, 2004. Similarly, while Singapore criticized the US invasion of Grenada in 1983 on the basis of unwarranted contravention of Grenada's sovereignty, it did not criticize Indonesia's invasion of East Timor in 1975 but instead abstained from voting on it at the UN, and subsequently defended the action as an "internal affair" that required no outside interference. See, Ganesan, "Singapore: Realist cum Trading State," pp. 586-587.

with Taiwan was when, in 2002, the Chinese trade minister purportedly warned his Singaporean counterpart against pursuing a free trade pact with Taiwan.⁶⁹ Singapore's response was again one of deference; for example, as recently as March 2008, it reacted cautiously to Taiwanese President-elect Ma Ying-jeou's proposal to resume talks on a free trade agreement between Taiwan and Singapore, saying it would only be prepared to do so if Taiwan refrained from politicizing the issue.⁷⁰

To be sure, Beijing's policy towards Singapore and the region, particularly from Deng Xiaoping onwards, has largely been based on its own pragmatic calculations of its long-term national interest and grand strategy rather than revolutionary ideology and idealism.⁷¹ Pragmatic rather than ideological considerations clearly predominated in Singapore's decision to vote in favour of China's admission – in place of Taiwan – into the United Nations in 1971, despite its own long-drawn struggle with Chinese-inspired communist subversion at home.⁷² On the other hand, this policy change has not prevented Singapore from forging strong economic and unofficial political ties with Taiwan⁷³ – a precarious feat of diplomacy, by any stretch of imagination. Engagement with Taiwan in the face of Chinese annoyance – which escalated into outrage at the 2004 Taipei trip, and pressure on Singapore against a free trade agreement with Taiwan – perhaps best exemplifies Singapore's readiness to march to its own drumbeat, although it seems intermittent deference to Beijing is the norm, no matter the city-state's no-nonsense self-image.

⁶⁹ "China Asked not to Block Taiwan-Singapore Trade Pact," *Reuters*, September 15, 2002, <http://www.singapore-window.org/sw02/020916r1.htm> (accessed October 26, 2008).

⁷⁰ "Singapore Conditions FTA talks with Taiwan on Non-politicization," *Asian Economic News*, March 31, 2008, http://goliath.ecnext.com/coms2/gi_0199-7691996/Singapore-conditions-FTA-talks-with.html (accessed October 26, 2008).

⁷¹ See, for example, Chen Jian, "China and the Bandung Conference: Changing Perceptions and Representations," in See Seng Tan and Amitav Acharya eds., *Bandung Revisited: The Legacy of the 1955 Asian-African Conference for International Order* (Singapore: NUS Press, 2008), pp. 132-159; Avery Goldstein, *Rising to the Challenge: China's Grand Strategy and International Security* (Stanford, CA: Stanford University Press, 2005); Michael D. Swaine and Ashley J. Tellis, *Interpreting China's Grand Strategy: Past, Present, and Future* (Santa Monica, CA: RAND Corporation, 2000); and Tan Kah Beng, "Singapore," in Goh ed., *Between and Between: Southeast Asian Strategic Relations with the U.S. and China*, pp. 39-50.

⁷² Kwa Chong Guan, *Defending Singapore 1819-1965* (Singapore: Department of Strategic Studies, SAFI Military Institute, 1996).

⁷³ See, for example, Asad Latif, "Taiwan," in idem, *Between Rising Powers: China, Singapore and India* (Singapore: Institute of Southeast Asian Studies, 2007), pp. 180-191; and Philip Courtenay, "Taiwan-Singapore ties examined," *Taiwan Journal*, vol. XXV, no. 42 (October 24, 2008), <http://taiwanjournal.nat.gov.tw/site/Tj/cj.asp?xItem=24860&CtNode=122> (accessed October 24, 2008).

As for Singapore's economic engagement of China, there is no question that the commercial imperative has played a significant part. Indeed, economic engagement with advanced economic and industrial powers and markets has long been a key strategy for Singapore, as elucidated by Lee Kuan Yew in a speech in India in 1996: "We had decided soon after independence to link Singapore up with the advanced countries and make ourselves a hub or nodal point for the expansion and extension of their activities."⁷⁴ In this respect, the recent signing of the China-Singapore Free Trade Agreement (CSFTA), to take effect on January 1, 2009 – the first comprehensive bilateral FTA that China has signed with another Asian country, covering trade in goods, trade in services, rules of origin, trade remedies, sanitary measures, technical barriers to trade, customs procedures, economic cooperation and dispute settlement, among others⁷⁵ – is the logical culmination of a long relationship dating back to the 1960s and throughout the 1980s where, in the absence of diplomatic relations, Singapore was actively promoting bilateral economic ties. The economic opening of China to the world in 1978, together with the economic recession in Singapore during the mid-1980s and Singapore's decision in the early 1990s to develop a so-called "second wing" of the national economy – that is, economic internationalization or regionalization – provided added incentives for Singapore, whose economy complements China's, to exploit growing economic opportunities in China.⁷⁶ With the exception of a couple of years here and there, Singapore has long been China's largest trading partner in ASEAN; it remains China's eighth largest trading partner – an amazing fact given the small size of Singapore's economy – while China is Singapore's third largest trading partner.⁷⁷ Bilateral economic cooperation has not only focused on trade but has also taken the forms of investment and management skills transfer, exemplified by the Suzhou Industrial Park project.

On the other hand, despite the complementary nature of their economies, Singaporean

⁷⁴ Cited in Leifer, *Singapore's Foreign Policy*, p. 12.

⁷⁵ "Singapore Signs Free Trade Agreement with China," *Asia One*, October 23, 2008, <http://business.asiaone.com/Business/News/SME%2BCentral/Story/A1Story20081023-95742.html> (accessed October 26, 2008).

⁷⁶ See, Audrey Chia, "Singapore's Economic Internationalization and Its Effects on Work and Family," *Sojourn: Journal of Social Issues in Southeast Asia*, vol. 15, no. 1 (2000), pp. 123-138; and Kuik, "The Essence of Hedging: Malaysia and Singapore's Response to a Rising China."

⁷⁷ "Singapore, China to Sign Free Trade Pact in Beijing," *Channel News Asia*, October 21, 2008, <http://www.channelnewsasia.com/stories/singaporelocalnews/view/384360/1.html> (accessed October 26, 2008).

firms face serious competition from the large pool of low-cost Chinese labour. To tackle this problem, Singapore has opted for a strategy of retraining its labour force, reducing its manufacturing sector while expanding its service sector.⁷⁸ For Singapore policymakers and business leaders, the key here is not to take China head-on in an economic slugfest – which Singapore would in all likelihood lose – but to create niche markets for itself in China by focusing on particular strengths, such as promoting Singapore as a trustworthy brand name for business integrity.⁷⁹ According to a market analyst, “Singapore has to do things that the Chinese can’t do.”⁸⁰ Even then, Singapore today finds itself confronted with the exact problem that Japan has long faced: having its business model and ideas voraciously copied and reproduced by China. For example, shortly after the Suzhou project was established, the Chinese set up a rival park that made use of the Singapore’s ideas and fought for the same investors.⁸¹ Another major concern for Singapore and its fellow ASEAN members is Chinese competition for foreign direct investment (FDI).⁸² Yet other research suggests that the perceived threat of competition over FDI has been grossly exaggerated as the ASEAN states, including Singapore, have in fact gained from economic engagement with China.⁸³ All this has proved a tad discomforting to Singapore, whose possibly naive assumption that sharing a common culture and reasonably close relationship with the Chinese would ensure success in bilateral economic cooperation.⁸⁴

As this section has demonstrated, Singapore’s bilateral ties with China are marked by ambivalence, finely balanced between deference to the PRC and getting its own way, as both countries seek to find common ground and advance their mutual interests. Acknowledging the inevitable existence of differences and occasional disagreements,

⁷⁸ See, Peck Ming Chuang, “SM Lee – S’pore Must Remake Itself,” *The Business Times*, October 16, 2001; and Liu Yunhua, “Economic Competition and Cooperation between ASEAN-5 and China in Trade,” paper prepared for “WTO, China and Asian Economies II” conference, Beijing, June 18-19, 2004.

⁷⁹ “China Races to Replace US as Economic Power in Asia: NY Times,” *PeopleDaily.com*, June 28, 2002, http://english.peopledaily.com.cn/200206/28/eng20020628_98737.shtml (accessed October 27, 2008).

⁸⁰ Cited in “China Races to Replace US as Economic Power in Asia: NY Times.”

⁸¹ Hui Yin Loh, “Singapore ‘to Finish only Portion of Suzhou Park’,” *The Straits Times*, June 10, 1999.

⁸² See, Fred Herschede, “Asian Competition in Third-Country Markets,” *Asian Survey*, vol. 31, no. 5 (1991), pp. 434-441; and Chia Siow Yue, “ASEAN-China Economic Competition and Free Trade Area,” *Asian Economic Papers*, vol. 4, no. 1 (Winter 2005), pp. 109-147.

⁸³ John Ravenhill, “Is China an Economic Threat to Southeast Asia?” *Asian Survey*, vol. 46, no. 5 (2006), pp. 653-674.

⁸⁴ Leifer, *Singapore’s Foreign Policy*, p. 121.

according to Foreign Minister George Yeo, the foundation of the relationship between Singapore and China is of “mutual respect and mutual benefit.”⁸⁵

Multilateral Engagement via Regionalism

At the multilateral and/or regional level, the aim of Singapore has long been to draw China into global and regional multilateral frameworks in terms of both security and economics. In this regard, Lee Kuan Yew noted in 1996, in view of China’s anticipated entry into the WTO – which eventuated in November 11, 2001 after 15 years of protracted negotiations – that China should be encouraged to choose international cooperation over going it alone.⁸⁶ Singapore has been on the forefront of an institutional strategy, through ASEAN and related pan-Asian regional organizations (APEC, ARF, ASEAN+3, and most recently EAS), to engage China. This engagement policy has been variously referred to as “binding engagement” or “omni-enmeshment.”⁸⁷ By binding or locking China to and in a web of institutions, Singapore aims to give the PRC a stake in the peace and stability of the region.⁸⁸ As Evelyn Goh has contended, “Singapore wants to see China enmeshed in regional norms, acting responsibly and upholding the regional status quo.”⁸⁹ In this sense, there appears to be a reasonably strong supposition among Singaporean policymakers that China could be persuaded – indeed, has been, according to some observers⁹⁰ – to assume its rightful place as a responsible stakeholder in the Asian region.⁹¹

To be sure, China has long regarded multilateral institutions as mechanisms utilized by America and other western powers to exercise their influence and constrain Chinese behaviour.⁹² Singapore has expended considerable energy to ease China’s entry into Asian regionalism, not least by insisting that ASEAN’s longstanding commitment

⁸⁵ “Differences with China will Arise Sometimes: BG Yeo,” *The Straits Times*, September 3, 2004.

⁸⁶ “Singapore’s Lee calls for China Membership of WTO,” *Reuters News*, November 12, 1996.

⁸⁷ Khong, “Singapore: A Time for Economic and Political Engagement”; and Evelyn Goh, “Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies,” *International Security*, vol. 32, no. 3 (2007/08), pp. 113-157.

⁸⁸ Whiting, “ASEAN Eyes China: The Security Dimension.”

⁸⁹ Evelyn Goh, “Singapore’s Reaction to a Rising China: Deep Engagement and Strategic Adjustment,” in Ho and Ku, *China and Southeast Asia: Global Changes and Regional Challenges*, p. 313.

⁹⁰ Johnston, “Is China a Status Quo Power?”

⁹¹ Alastair Iain Johnston and Robert S. Ross, “Conclusion,” in idem, *Engaging China: The Management of an Emerging Power*, p. 285.

⁹² David Shambaugh, “China Engages Asia: Reshaping the Regional Order,” *International Security*, vol. 29, no. 3 (2004/05), pp. 64-99.

to national sovereignty and noninterference as well as a gradualist approach to regionalism so as to mollify Chinese concerns and hopefully diminish suspicions.⁹³ The ARF's decision to amend the proposed third stage of ARF security cooperation in the 1995 ARF Concept Paper from "conflict resolution" to "the elaboration of approaches to conflict" is a clear attempt to appease the Chinese. At the same time, however, Singapore has not always deferred to Chinese wishes with respect to regionalism in Asia, as evidenced by Singapore's support for the EAS, a new grouping that draws India, Australia and New Zealand into the regional framework, in contrast to China's preference for the ASEAN+3 as the regional vehicle for economic integration and community building in East Asia.⁹⁴ No matter Singapore's admiration for Chinese *savoir faire* in fostering greater trust and cooperation with the Southeast Asian region, hedging dictates that China and the other major powers with stakes in the Asia-Pacific region be enmeshed in institutionalized relations defined according to terms and parameters set by ASEAN. In this respect, the ARF or the ASEAN+3 can be understood as forms of intergovernmental regionalism "guided" by ASEAN's model of regional security, wherein a soft or associative balance of power between major powers keeps regional relations on a more or less even keel.⁹⁵

Singapore's engagement of China, in the hope that the Chinese would embrace regionalism and thereby apply self-moderation in the regional interest, is not without precedent. Here the experience of the ASEAN's formation, and Indonesia's role in that, has vital significance. It has been argued, for example, that Indonesia's long preferred formula of "regional solutions to regional problems" found little support among fellow ASEAN members (particularly Singapore), who view the Indonesian formula as a euphemism for Indonesian hegemony in Southeast Asia, and as such value access to external powers as sources of countervailing power.⁹⁶ If anything, Singapore's experience of Confrontation with Indonesia in the mid-1960s rendered

⁹³ Kim Chew Lee, "ARF: S'pore Proposes a Gradual Approach," *The Straits Times*, July 23, 1994.

⁹⁴ See Seng Tan and Ralf Emmers eds., *An Agenda for the East Asia Summit: Thirty Recommendations for Regional Cooperation in East Asia* (Singapore: Institute of Defence and Strategic Studies/S. Rajaratnam School of International Studies, November 2005).

⁹⁵ See, Ralf Emmers, *Cooperative Security and the Balance of Power in ASEAN and the ARF* (London: Routledge, 2003); Michael Leifer, *The ASEAN Regional Forum*, Adelphi Paper 302 (London: Oxford University Press/ International Institute for Strategic Studies, 1996); and Tan and Emmers, *An Agenda for the East Asia Summit*.

⁹⁶ See Michael Leifer, *ASEAN and the Security of South-East Asia*, pp. 5-6; and his "Regional Solutions to Regional Problems?" in Gerald Segal and David S. G. Goodman eds., *Towards Recovery in Pacific Asia* (London: Routledge, 2000), pp.108-118, see p. 109.

difficult any ready acceptance on their part of such a formula. Thus understood, ASEAN's formation in 1967 required not only Indonesia's agreement, but its readiness to forego its hegemonic aspirations. In this respect, it has been argued that President Suharto of Indonesia understood the importance of restoring regional confidence and stability through locking Indonesia "into a structure of multilateral partnership and constraint that would be seen as a rejection of hegemonic pretensions."⁹⁷ That Jakarta could be "coaxed" into joining ASEAN indicated its willingness to cooperate with neighbouring states seeking to impose institutional constraints on it. More than anything else, Suharto realized the significance of reassuring his fellow ASEAN members by demonstrating good-neighbourliness towards them.⁹⁸

Crucially, to the extent that this example of "political self-denial in the interest of regional order" on Indonesia's part can be "emulated within the wider Asia-Pacific is central to any parallel between ASEAN and the ASEAN Regional Forum."⁹⁹ In other words, as an ASEAN-centred expression of pan-Asian security regionalism, the ARF is thereby an extension of ASEAN's model of regional security, not only because it relies on the ASEAN Way in its deliberations, but also because the Indonesian example of strategic restraint via regionalism has become the *de facto* model for integrating hegemonic China into the regional order. It was Indonesia's signal of its willingness to collaborate with its neighbours, at the expense of its own regional aspirations, that served as a key foundation for the success of ASEAN regionalism. In return, Indonesia received recognition from Singapore and other ASEAN members of its *primus inter pares* status within the Association. Has the Indonesian example proved a noteworthy precedent for China to emulate? According to an analyst, "Beijing's move to involve itself in ASEAN activities since the early 1990s was part of the country's good-neighbourliness policy [*mulin zhengce*] that aimed at strengthening its ties with the neighbouring countries in the wake of the Tiananmen Incident in 1989," rather than a new orientation in the conduct of Chinese foreign policy.¹⁰⁰ Whether the Indonesian precedent influenced Chinese behaviour towards Southeast Asia is uncertain. But what seems clear enough is Singaporean policymakers' apparent

⁹⁷ Leifer, *The ASEAN Regional Forum*, p. 13.

⁹⁸ Shaun Narine, "ASEAN and the Management of Regional Security," *Pacific Affairs*, vol. 71, no. 2 (1998), pp. 195-214.

⁹⁹ Leifer, *The ASEAN Regional Forum*, p. 13.

¹⁰⁰ Kuik Cheng-Chwee, "Multilateralism in China's ASEAN Policy: Its Evolution, Characteristics, and Aspiration," *Contemporary Southeast Asia*, vol. 27, no. 1 (2005), pp. 102-122, see p. 102.

belief that the Chinese penchant for good-neighbourliness and strategic restraint is something that deserves strong encouragement and reinforcement, with the promise of regional recognition of China's proper place as a regional leader, but one very much within an ASEAN-centred framework. It amounts to an invitation to China to assume its place in the regional order as a responsible stakeholder on ASEAN's terms.

Conclusion

This paper has sought to highlight the ambivalent and nuanced nature of Singapore's execution of its complex policy towards China. Crucially, existing theoretically-informed accounts of Singapore – the writings of Leifer, Ganesan, and Acharya – provide a good sense of the elaborate nature of that policy. But as this paper has sought to show, the definition of Singapore's China policy in terms of economic liberalism and security realism, while correct for the most part, is nonetheless reductionist in that it does not allow for hints of economic nationalism, on one hand, and security idealism on the other. Put differently, the pragmatism undergirding Singapore's relations with China simply does not allow for one-dimensional conclusions through a single theoretical prism. That said, the academic exercise of deploying theoretical handles to assess Singapore's foreign policy is nonetheless useful, if only to highlight how policymakers perceive and define their national security situations, not least through the national myths and narratives they construct and maintain about themselves.