

Singapore perspectives 2019 conference

# US-China trade talks likely to succeed, says George Yeo

Beijing knows time is on its side, but rivalry with Washington will go on: Former minister

Rachel Au-Yong  
Political Correspondent

Talks to resolve a bitter trade war between the United States and China are likely to succeed, because China "will go 80 per cent to meet US demands", former foreign minister George Yeo said yesterday.

"It's not because they are afraid or generous, but because they know time is on their side," he told 1,200 participants at the Singapore Perspectives 2019 conference organised by the Institute of Policy Studies. "They know in every field they are advancing slowly, feeling their own strength."

Regardless, the rivalry between the two nations will continue until "the US is convinced that China's nature is different from that of the US, and that of the Soviet Union".

Meanwhile, China must assure the world that its "statecraft is principally defensive", Mr Yeo said.

Turning to the Trans-Pacific Partnership (TPP) trade pact, he noted that the US had supported the deal, "but as an anti-China coalition", which he regarded as a mistake.

US President Donald Trump later pulled out of the TPP, and the remaining 11 nations have since negotiated a new deal – the Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Countries such as Singapore and Japan should persuade China to join the TPP, Mr Yeo said, but prolong the negotiations so as to prompt the US to take part. "If there's a TPP including China, it would be a problem for the US," he said. "But we must do this artfully, coordinate the negotiations so they join at the same time. Whatever China is prepared to give to the US, give it to the TPP."

Mr Yeo was speaking at a panel chaired by Ambassador-at-large Tommy Koh about Singapore's place in the world, which focused on the US-China relationship, and whether war between both powers is inevitable, among other things.

War would be madness, said Mr Yeo, who is chairman of Kerry Logistics Network.

"Every Chinese leader reads and re-reads Sun Tzu's Art Of War (because) you have to understand war and be prepared for war. But you're a fool to go into war lightly because once war begins, it will exhaust you and lead to consequences you cannot foresee."

Professor Koh asked if the rise of China has instilled fear in the US, just as the rise of Athens did in Sparta, resulting in the Peloponnesian War of 431BC.

Panellist and historian Wang Gungwu said it was hard to see how the US feels threatened, given the fact that it is located so far away

from other nations as to not have any real enemies.

One interpretation for the Trump administration's recent reactions, he said, is that its members see themselves as "masters of the world, responsible for world peace and prosperity... Anyone who disturbs it must be put down".

During the session, Prof Koh also challenged Mr Yeo's "benign view" of China, given that it has invaded countries such as Korea and Vietnam. In his prepared remarks, Mr Yeo had said "it is not in China's nature to be a missionary or colonising power".

Replying, Mr Yeo said: "You have to distinguish between those who are sometimes Chinese from those who are further. Ask yourself: Why does every Chinese dynasty seek to extend its borders but stops so its population remains homogeneous?"

He added: "The Chinese find it inconvenient to incorporate non-Han (Chinese)."

Prof Koh responded that the Uighurs and Tibetans are not Han Chinese, but China has "incorporated these into its sovereignty".

Mr Yeo paused, before replying with a slight smile: "I'm not here to defend the Chinese position."

Another area of discussion was whether China had any soft power – such as economic or cultural influence – and how it would wield it to exert its position.

Prof Wang said China does not possess soft power as the Americans understand it, such as popular

entertainment. But China would probably define soft power as anything that does not require military or political might, he added, citing peaceful commercial relationships as one example.

Mr Yeo said the consummate Chinese leader would achieve his objective without having to engage in war. "When you face China, they are very slow to threaten directly. They will use rhetoric, they'll know all the acupuncture points... They'll prescribe bitter herbs, look at you again, then they adjust the treatment. They will try to avoid surgery at all costs," he said.

"You call that soft power or hard power? That's Chinese power."

Both panellists emphasised the importance of Chinese history in understanding China today, with Prof Wang providing a succinct summary on the development of Chinese power over several millennia in his opening remarks.

Mr Yeo also urged Singaporeans to immerse themselves in Chinese history to develop deep knowledge of the country. He cited how founding Prime Minister Lee Kuan Yew, knowing the US would matter most to Singapore, spent one term at Harvard University in 1968, where he got to know influential Americans such as diplomat Henry Kissinger.

"The more we understand China, the more useful we are, not only to China, but to Asean and the US," he said, adding that China also has to learn to adapt to other countries.

rachelay@sph.com.sg

## ARTFUL NEGOTIATIONS

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MR GEORGE YEO, chairman of Kerry Logistics Network, who says countries such as Singapore and Japan should persuade China to join the TPP, but prolong the negotiations so as to prompt the United States to take part.



(From left) Former foreign minister George Yeo, Ambassador-at-large Tommy Koh and historian Wang Gungwu at a panel discussion at the Singapore Perspectives 2019 conference yesterday. They talked about Singapore's place in the world, focusing on the United States-China relationship and whether war between both powers is inevitable, among other things. ST PHOTO: CHONG JUN LIANG

## Asean helps manage tensions in region, say panellists

Arlina Arshad  
Regional Correspondent

Asean is a useful tool in managing tensions in the region and must remain central to Singapore's foreign policy.

Panellists at the conference, Singapore Perspectives, organised by the Institute of Policy Studies (IPS) yesterday underlined the importance of the 10-member regional bloc. "Asean is a vital and irreplaceable means of managing the tensions... and there is no substitute,"

retired Singapore diplomat Bilahari Kausikan said.

He acknowledged, however, that it is "one tool of many" and has limitations and hence, "not the panacea for all the ills in the world" as well as those in Singapore and the region.

Former foreign minister George Yeo said large communities from various Asean countries reside in Singapore, making the Republic the "most Aseanised country" among its members.

"A strong Asean gives us more room to manoeuvre" even as bigger nations engage in rivalry, he said.

He highlighted the importance of Indonesia taking the lead.

"Without Indonesia, it's very hard for Asean to coalesce a common position. In my years as a trade and foreign minister, I always made it a point of principle to align Singapore's interests with those of Indonesia's," he said.

"I hope in the coming years, we will spend much more time developing our relationship with Indonesia."

Foreign Minister Vivian Balakrishnan said Asean, as well as the European Union, are two of the most

successful regional organisations in the world but had "different starting bases".

The EU's 28 member states have a lot in common in terms of civilisations, cultures and approach to law as well as trade, a commonality achieved after centuries of wars and conflicts.

Asean members, on the other hand, "recognise they are very different" with various ruling systems from absolute monarchies to military arrangements to varieties of democracies, yet the five founding member states have had "strong leaders who realised it was better to hang together than to hang separately", he said.

"Because of diversity, founders of Asean created this principle that everything will have to be decided by consensus," which has contributed to peace, prosperity and development, among other things, for more than 50 years.

"If you look at the numbers, we are poised for growth. We in the next 20 years we'll be number four in the world after China, US, EU," Dr Balakrishnan said.

Former Indonesian foreign minister Marty Natalegawa urged Asean countries not to be passive in policy response and display a "can-do spirit" and develop instruments to deal not only with the US and China, but other bilateral episodes including those between the US and Russia and China and Japan, and India and China.

Dr Natalegawa praised Singapore's "tremendous leadership" as chairman of the bloc last year.

He said: "All in all, it is a challenging environment, but Asean has in the past, whenever doubt had been suggested of its continued relevance, managed to reinvent itself and prove its relevance."

aarlina@sph.com.sg

Singapore Perspectives 2019 conference

# S'pore's success and unity key to its foreign policy: Vivian

Before country can navigate 'dangerous new world', it has to get domestic conditions right

Rachel Au-Yong  
Political Correspondent

If Singapore is not successful or united, there would be no foreign policy to speak of.

But because it is, "we are in the happy position where... Singapore will never be intimidated or bought", Foreign Minister Vivian Balakrishnan said yesterday.

Referring to the current world order where many nations are embroiled in fractious politics, he said answers to such problems do not lie in foreign policy.

"You better get the chain of causality right. Fix your domestic conditions first. Create a fair and just society, give everyone hope, equip every Singaporean with the skills needed so they know they have a fair chance of a better future. Then we can have good poli-

tics," he added. "Once you have settled that, you can work out how we can navigate this dangerous new world that is unfolding."

Dr Balakrishnan was speaking at a dialogue at the Singapore Perspectives 2019 conference at Marina Bay Sands, organised by the Institute of Policy Studies (IPS).

On maintaining domestic consensus on foreign policy, he said the Cabinet spends "an enormous amount of time" working through the options. He then briefs other parliamentarians, including opposition MPs, about the next course of action.

"Based on my experience so far, no gap, no party politics has intervened with our pursuit of foreign policy," he said.

"I'm going to do my darnedest to maintain this bipartisan consensus... We cannot afford the kind of raucous to-ing and fro-ing that of-

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FOREIGN MINISTER VIVIAN BALAKRISHNAN, on maintaining domestic consensus on foreign policy.

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The Workers' Party has, on this front, played its part, he said.

During the dialogue, Dr Balakrishnan was also asked how Singapore can remain neutral in an ongoing politicised race between the United States and China to develop and roll out the fifth generation of mobile communications, or 5G.

"We need the ability to say no from time to time in a principled and disciplined way," he replied.

"We can't simply be more obliging just because someone is a friend or in a position to exercise leverage against us. Once we compromise or oblige in an unprincipled manner, believe me, the next request will come in fast and furious, and people will expect you to compromise."

IPS deputy director Gillian Koh asked the minister why the authorities did not name the state behind the recent SingHealth cyber attack.

"The more relevant question is, given that this is the state of the world... what shall we do about it?" Dr Balakrishnan said.

Beyond technical steps such as encryption and Internet separation, which are already practised, he pointed to the need for more education: "The weakest link is still a human being, and you cannot take humans out of human systems."

He later added: "We decided that simply naming names is not going to make our system secure... It may be of interest to the public but not in the public interest."

rachelay@sph.com.sg



From left: Economic Development Board managing director Chng Kai Fong; moderator Gabriel Lim, permanent secretary at the Ministry of Communications and Information; and CapitaLand group chief executive Lee Chee Koon at a panel discussion on Singapore's international economics position. ST PHOTO: CHONG JUN LIANG

## Be more connected to Asean to remain competitive: Panel

Joanna Seow  
Manpower Correspondent

The need to understand Asean to seize the region's geographical advantage and stay ahead appears lost on many Singaporeans, and this is a concern for Economic Development Board managing director Chng Kai Fong.

He noted yesterday that many students go abroad for exchange programmes and internships, but the interest is in going to places like Stanford University in the United States or universities in Europe, rather than those in Jakarta or Ho Chi Minh City.

The preference to work in certain cities even had a regional company's chief executive declaring that he had given up on hiring Singaporeans as management trainees, turning to Malaysians instead because they are more enthusiastic, and willing to accept lower wages and take on assignments to places with tougher living conditions, such as Africa and South America.

Recounting the remark, CapitaLand group chief executive Lee Chee Koon said he felt sad when he heard it.

Both men were on a panel discussing Singapore's international economics position, during a ses-

sion moderated by the Ministry of Communications and Information permanent secretary Gabriel Lim.

The session was part of the Institute of Policy Studies' Singapore Perspectives 2019 conference.

Explaining the importance of Asean, Mr Chng said: "We need to get to know Asean better because that's how we're going to make our living, by facilitating the connections in Asean."

But Mr Lee lamented that it was not easy to convince Singaporeans to work in less popular countries, even though being more globally aware and connected will help them stay competitive in the job market.

"There's no way we can teach hunger, but what we can do is to continue to instil among Singaporeans the concept of being competitive, to encourage them to take the road less travelled, to deal with uncertainty," he said.

One way to help them understand the challenge is to bring in more "global talent" with skill sets and experiences that will push Singaporeans "to evolve, to innovate and to improve", he added.

There are four other areas Singapore has to work on to continue staying ahead, said Mr Chng.

These include understanding the opportunities digital technology brings to industries here and ensuring new jobs facilitate the building of an inclusive society.

Despite global uncertainties, he is "cautiously optimistic" about Singapore's prospects, owing partly to its advantageous position in Asean, a region that promises to be the fastest-growing market in the world.

joseow@sph.com.sg