

Both S'pore, KL will gain from closer bilateral ties: MM

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The Straits Times, 2 February 2008

SINGAPORE and Malaysia will benefit from closer connectivity and cooperation as two growing countries, said Minister Mentor Lee Kuan Yew yesterday.

'It is not a zero-sum game,' he said. 'As we grow, they will grow, and vice-versa.'

In fact, in the long term, Malaysia will stand to gain more from closer bilateral ties.

Said Mr Lee: 'In the longer run, Kuala Lumpur has more talents and can win more than Singapore, because they have the larger critical mass.'

'They have the bigger human resource pool.'

Mr Lee was speaking to the media at the Istana to elaborate on his answer to a question posed earlier at an Institute of Policy Studies conference on Singapore's future.

A conference speaker, Deutsche Bank chief economist Sanjeev Sanyal, had listed as one of Singapore's challenges the need for a hinterland to become a global city.

Thus, how can Singapore become more integrated with its neighbours, including Malaysia, asked the dialogue moderator Tommy Koh.

In the media interview, Mr Lee said that former Malaysian prime minister Mahathir Mohamad had 'wanted to compete against and reduce Singapore to secondary status'.

Today, Malaysia's current Prime Minister Abdullah Badawi's proposal to develop the Iskandar Development Region (IDR) in Johor in cooperation with Singapore, is 'a move in the right direction for the two countries'.

'Singapore will do what it can to make the IDR succeed,' Mr Lee stressed.

He noted, however, that the business, professional, financial, academic and intellectual power of Malaysia is gathered in Kuala Lumpur and not Johor Baru.

Said Mr Lee: 'So the twinning between Singapore and Kuala Lumpur will get the maximum value out of cooperation.'

This was Dr Mahathir's original idea when he proposed a tunnel for fast rail between Singapore and Malaysia.

Singapore welcomed it.

But during the Asian financial crisis, then-prime minister Goh Chok Tong could not agree to a variation of the terms of a loan to Malaysia and Dr Mahathir 'turned suddenly sour against Singapore'.

'But the logic is still sound,' said Mr Lee.

Be it faster air travel, budget airlines, faster road or rail travel between Kuala Lumpur and Singapore, it will be a 'win-win' situation for both sides.

'But for this to happen, Malaysia must believe it is really win-win,' said Mr Lee. 'That Singapore will gain, but so will Kuala Lumpur, Johor Baru and Malaysia.'

'Who gains more is left to history to decide and is a secondary matter.'

In the long run, Malaysia will gain more.

Said Mr Lee: 'But it needs a mindset change from competition and antipathy for Singapore, to cooperation and acceptance of Singapore.'

Singapore cannot push for this. If it does, it will be counter-productive, he said. Therefore, it has decided to let Malaysia set the pace for cooperation in the IDR.

Mr Lee concluded: 'This is the signal we want to send out to Malaysian leaders that we are ready to work with you because we will grow, but so will you, and you can grow more than we can because you have the critical mass.'

