Singapore could have become 'one country, two systems' within Malaysia, not sovereign country

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Fifty years ago today, our future was uncertain. We didn't know it then, but on January 26 1965, the Singapore Cabinet debated a paper that Mr Lee Kuan Yew had written on possible constitutional re-arrangements in Malaysia.

1964 had been tense: the People's Action Party had decided to contest the Malaysian General Election in April 1964, but won only one seat among the nine it contested in Peninsula Malaysia. In July 1964, and again in September, Singapore exploded in race riots, killing a total of 36 people and injuring 560. Singapore and Kuala Lumpur clashed repeatedly, in the Federal Parliament, in the media and on the ground.

Singapore saw no economic advantage in merger - the reason why we joined Malaysia in the first place, believing a small island state could not survive without a hinterland. For example, the Economic Development Board had to seek permission from Kuala Lumpur to award pioneer certificates to prospective investors here, entitling them to tax-free status for five to 10 years. In the two years we were in Malaysia, only two out of 69 such applications were approved, and one came with so many restrictions it amounted to a rejection.

Dr Goh Keng Swee recounts in his Oral History a conversation he had with a World Bank expert who was advising Kuala Lumpur and Singapore on the common market. "Suppose [the Malaysian Finance Minister Tan Siew Sin] does not play the game and the common market does not get off the ground - what happens?" Dr Goh recalls asking the World Bank expert.

The expert answered presciently thus: "In that event, Mr Minister, it's not the common market which should be in danger; the whole concept of Malaysia would be in danger."

By December 1964, the Malaysian Prime Minister Tunku Abdul Rahman was already sounding an ominous warning: "If the politicians of various colours and tinges and flashes in Singapore disagree with me, the only solution is a breakaway," he said in a speech to the Medical College in Singapore. Ten days later, on Dec 19, he spelt out to Mr Lee privately what he meant by "breakaway": Singapore was to be "in partnership, independent, but part of the peninsula". In other words, a confederation, not a federation.

The Singapore government was to possess all the powers it had in the years of self-government between 1959 and 1963 prior to joining Malaysia. Kuala Lumpur would be in charge of only defence and external relations, as the British had been, and both governments would share responsibility for security in an Internal Security Council.

Singapore citizens would not participate in politics beyond the island and Malaysian citizens would withdraw from political activity on the island. This was the substance of the paper Mr Lee presented to his Cabinet on January 26, 50 years ago today. Mr S Rajaratnam and Dr Toh Chin Chye vehemently opposed the proposals but the majority of the Cabinet supported the idea, according to Mr Lee. They saw disengagement as a way to avoid bloodshed.

But the proposal floundered for a number of reasons:

One, it soon became obvious that the Tunku wanted Singapore out of the Malaysian Parliament altogether. But he wanted Singapore to contribute to the cost of Malaysian defence, with a portion of Singapore's tax revenue going to Kuala Lumpur. There could be no taxation without representation, Mr Lee told the Tunku. We cannot become a colony in Malaysia.

Two, Kuala Lumpur wanted Singapore out of Malaysian politics but it wasn't prepared for the quid pro quo: Malaysia out of Singapore politics. Their fundamental precondition, Mr Lee was to write in his memoirs decades later, "was that, not only in Malaysia but even in Singapore itself, the PAP should stay out of the Malay world and leave it entirely to UMNO to deal with the Malays… even in Singapore."

And finally, the British got wind of the talks and scuttled everything. They were defending Malaysia against Indonesia's "Confrontation" and they weren't prepared to see their rear disintegrate while they defended the frontier. Instead of a looser confederation, they wanted a national government, with PAP ministers in the federal cabinet.

But what would have happened if the British had not scuttled the confederation idea? There was a reasonable chance the two parties, Singapore and KL, might have come to an agreement. We cannot say with certainty 50 years later, but it is probably fortunate the confederation idea collapsed. It would have given us "one country, two systems" decades before Deng Xiaoping proposed it for Hong Kong. Only in this case it would have been an arrangement between two peoples who had perhaps less in common than Hongkongers have with PRC Chinese today - despite which, see what difficulty the Special Administrative Region has had.

In retrospect, it may seem obvious that with the confederation idea having collapsed by February 1965, Separation six months later was inevitable. But there was nothing inevitable about any of it. As uncomfortable as the Malaysian leaders were with Singapore, there was always at the back of their minds a fear that a Singapore out of Malaysia was a worse possibility than a Singapore in Malaysia.

Indeed, a few years after Separation, both the Tunku and Tun Abdul Razak were to express regret for having let Singapore go. And as glad as the entire Singaporean leadership - indeed almost all Singaporeans - were to become that Singapore had

extricated itself from Malaysia, that wasn't the consensus view even within the PAP at that time.

"Singapore shall forever be a sovereign democratic and independent nation," the Proclamation read on August 9, 1965. On August 8, there were many among the 10 who signed the Separation Agreement who doubted if Singapore should ever be an independent state, let alone be independent forever! The desire for independence came the day after, on August 10.

There were at least two views within the Singapore leadership then:

One, a group that felt that since the common market wasn't in the offing merger was literally useless. Trying to make a political success of an arrangement that lacked an economic rationale was pointless. Dr Goh Keng Swee seems to have been the first Singaporean leader who arrived at this conclusion. He was instrumental in effecting the extrication of the albatross around our necks that Malaysia had become. Others who held this view included Mr E.W. Barker, who was to draft the Separation Agreement, and Mr Lim Kim San.

Two, a more pronounced political group that believed with every fibre of their being that Singapore was an inextricable part of Malaya, and they owed it to the millions they had mobilised in both East and West Malaysia to fight on, unbowed and dauntless, for a Malaysian Malaysia. Dr Toh and Mr Rajaratnam, in particular, held this view, as did Mr Ong Pang Boon. They signed the Separation Agreement with a heavy heart, impelled more by loyalty to the movement and Mr Lee than conviction that Separation was the right course.

It is next to impossible for almost all of us here to understand the depth of these sentiments. "History with its flickering lamp stumbles along the trail of the past, trying to reconstruct its scenes, to revive its echoes, and kindle with pale gleams the passion of former days," Churchill once wrote.

Let me speak personally for a moment to try to revive some of these echoes. My father, Devan Nair, was the only PAP candidate to have won a seat in the 1964 Malaysian GE.

Therefore, when Separation came, he was the only Singaporean leader with a seat in the Malaysian Parliament by virtue of representing a constituency in the peninsula, not Singapore. Dr Goh had arranged with Tun Razak that no PAP MP would be present in the Malaysian Parliament when it voted on the Separation Bill. Mr Devan Nair, however, attended and declared that Malaysia might have separated from Singapore but it had not separated from him.

In a speech interrupted many times by the Government benchers, he spoke of "a wrench in the heart" and announced he would remain in Malaysia and continue fighting for a "Malaysian Malaysia".

Thus the PAP in Malaysia became the Democratic Action Party or DAP, now the largest opposition party in Malaysia.

Contrary to rumours then (and now), this decision to remain behind in Malaysia was his and not that of the Singapore leadership. It took another two-and-a-half years for Mr Lee to persuade him to return to Singapore. Mr Devan Nair announced in May 1968 that he was resigning as DAP Secretary-General and would not re-contest his seat in the Malaysian Parliament in the next GE. He returned to Singapore and the NTUC in 1969.

He was the last among Singapore's leadership of that time to accept that Separation was irreversible. He was 45 when he finally received his IC. He had believed till then that he was Malayan.

So had all the founding leaders of Singapore, including Mr Lee. He had said on August 9, 1965 that he had fought for merger all his adult life and that he would always look back on that day as "a moment of anguish".

After the idea of a looser confederation had floundered in February 1965, Mr Lee had adopted a strategy fraught with enormous risk to himself and his colleagues, including the possibility he might have been bumped off, as then British Prime Minister Harold Wilson recognised.

He decided to raise the stakes considerably: either the Malaysian leadership settled on our terms - a non-communal, multiracial and multi-religious polity - or they had to let us "hive off", to use a phrase of the Tunku's. So Mr Lee backed the Malaysian Solidarity Convention that Dr Toh and Mr Rajaratnam had formed, linked up all the non-communal political parties in Malaysia and didn't let up on the campaign for a Malaysian Malaysia.

If anyone tried to start another riot in Singapore, they would have to account for the possibility of riots spreading to all the urban centres in the peninsula.

In the meantime, Dr Goh, who had begun talks with Tun Razak on July 13 or thereabouts, told the Tunku's key lieutenants they should settle fast before Mr Lee became irretrievably committed to the Malaysian Solidarity Convention and won more support for the PAP both at home and abroad in the Commonwealth.

The Tunku himself had by then concluded that he wanted Singapore out of Malaysia and asked Tun Razak to pursue all options, including outright separation, with Dr Goh. Dr Goh, committed as he was by then to independence, took the bull by the horns, got a letter of authorisation from Mr Lee to pursue all options with the Malaysian leadership, ignored the idea of a looser confederation, plumped straight for Separation, suggested all the necessary constitutional instruments be put through the Malaysian Parliament on August 9 and insisted on absolute secrecy especially from the British.

Within a little more than four weeks, a constitutional coup - or "negotiated separation" as the draughtsman of our independence, Mr Barker, put it in his Oral History -- was encompassed.

I have said elsewhere that these months from January to August 1965 was the founding generation's finest hour - and I'm not referring only to the leaders of that time but also to the electorate that coalesced around them.

For if Singaporeans had allowed themselves to be cowed, we might still have been offered "one country, two systems" as late as August 1965.

Fortunately, our forefathers were a pride of lions led by lions.

Why do I recall this history? To remind ourselves there was nothing inevitable about our founding. What might have been and what has been point to one end, which is always present, the poet T.S. Eliot wrote.

A people who forget their history will perish. I fear we might well become such a people. Raised in clover and accustomed to success, our elite especially have come to regard themselves as self created, self-sustaining, self-perpetuating entities. What is is; they have no antecedents; history is bunk. So they come to believe, for instance, that we were never vulnerable, that vulnerabilities are myths, lies. Only a people who forget their history can delude themselves so.

What might have been and what has been point to one end, which is always present. Consider this: We came close to getting one country, two systems before we stumbled on Separation. All our founding leaders initially believed Singapore couldn't survive without a hinterland. They only abandoned the idea when it became obvious a common market with Malaysia wasn't on the cards.

Even then, it hadn't occurred to them the world could be our hinterland; or if it had occurred to some of them, they didn't as yet know how to give effect to that vision. The notion of a "global city" was some years away; globalisation decades. That we could be a hub in a variety of fields, that MNCs could be our ticket, that we could be the centre of this that or the other - none was obvious.

What might have been and what has been point to one end, which is always present. What might be that one end, which is always present?

It means the paths not taken as well the paths taken remain always possibilities - now. It means the risks avoided, the successes attained, the dangers circumvented, the achievements chanced upon - all are never ever wholly voided or erased. It means our history - for 50 years now a triumphant arc that bent always toward sunlit uplands and fresh pastures - our history can still turn tragic.

What might have been and what has been point to one end, which is always present. The one constant in our history has been our audacity.

Pray that it may always remain so.

This is the text of a speech delivered at the Institute of Policy Studies' Singapore Perspectives 2015 seminar on Jan 26.