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Sorting out some bilateral issues

MALAYSIA and Singapore are getting down to specifics in an effort to resolve some outstanding bilateral issues, according to Foreign Minister Datuk Seri Syed Hamid Albar. Good progress is being achieved, given a new resolve on both sides to move beyond the broad terms for a final settlement, he said, referring to the luncheon discussion he had with the republic's Senior Minister Lee Kuan Yew and delegation who are in town for a four-day working visit. It's about time too. The issues had been discussed at length, debated upon, and at various times even threatened to boil over. Lee is scheduled to call on Prime Minister Datuk Seri Dr Mahathir Mohamad today, and there is general optimism that something concrete would emerge from the meeting, though an instant agreement on the "package" of issues might be too much to hope for.

In fact, the way forward had been paved by Deputy Prime Minister Datuk Seri Abdullah Ahmad Badawi when he visited Singapore in February. He established an understanding on settling the KTM land issue; the sale of water to the republic; the status of the Customs, Immigration and Quarantine facilities at Tanjong Pagar; the use of Malaysian airspace by Singapore Air Force; and Central Provident Fund withdrawals by Malaysians in the peninsula who had previously worked in the island. Singapore had also agreed in principle to Malaysia's compromise proposal to move KTM railway station from Tanjong Pagar to Kranji, which is not as far north in the island and close to Johor as Bukit Timah or Woodlands, the possible new locations originally suggested by the republic's authorities.

The two economies have through the years remained closely linked, being major trading partners and fellow Asean members. Singapore companies have significant interests in Malaysia and its port is still preferred by many local companies when shipping goods abroad, although the domestic ports have in recent times made significant inroads to reverse the situation. There are even plans to replace the Johor Causeway with a bridge as well as to build a tunnel for trains. By and large, relations have been good and mutually beneficial, despite instances of emotions being fanned by careless - some say callous - words, including from the Senior Minister himself. And indications are that the new generation of leaders, corporate and government, from both sides will continue to build on the relationship. This has become all the more important of late because of the downturn in the global economy.

Dr Mahathir has said that Malaysia is ready to work with Singapore to counter the effects of the slump in demand especially for electronic goods. It is in keeping with the Government's long-standing policy of pursuing cooperation and maintaining friendly relations with its neighbours, as highlighted by the separate visits of three Asean heads of government to Malaysia in the past two months - Thai Prime Minister Thaksin Shinawatra, Philippine President Gloria Macapagal Arroyo and Indonesian President Megawati Sukarnoputri. They had all been accompanied by businessmen who met their local counterparts to explore new business and joint venture opportunities. On Sunday, Lee and his delegation had a closed-door dinner with 20 business leaders and members of the Asian Strategy and Leadership Institute.

Malaysia and Singapore do not always agree on things. As with the other neighbours, they are direct competitors on a number of fronts, and each country has its own priorities, sensitivities and alignments, which have

seen Singapore pursuing, among other things, bilateral free trade agreements (FTA) with Japan, US and Australia. Malaysia feels that such pacts could have adverse implications on the Asean Free Trade Area, in that the republic could be used by its trading allies as a backdoor into the combined market. But Kuala Lumpur is prepared to sort this out under the aegis of Asean, and have its concerns addressed, perhaps through the introduction of some safeguards in the FTA terms. Though sometimes not quite obvious, the relationship between the two countries has always been based and built on mutual respect and sensitivity towards each other's needs; which is as it should be considering the packaged destiny that they share together with the rest of the countries in the region.

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