

07/02/2003

Syed Hamid: We're unhappy with pricing but we have honoured water pacts

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PUTRAJAYA, Thurs. - Malaysia has honoured the two water agreements with Singapore, and supplied it with water since 1927 at the rate of three sen per 1,000 gallons, even though it is unhappy with the pricing.

Foreign Minister Datuk Seri Syed Hamid Albar said there was no question of Malaysia not honouring its obligations even though it felt that the price was unreasonable in the current circumstances.

"Malaysia has not enacted any law to deny Singapore water. There is a dispute (over the price of water), there are provisions in the agreement for us to refer to the necessary legal process, I think we leave it at that."

He was speaking at a joint Press conference after signing the Special Agreement with his Singapore counterpart, Prof S. Jayakumar, to refer the dispute over Pulau Batu Puteh to the International Court of Justice.

Syed Hamid was responding to Jayakumar's comments that Singapore's stand on the water issue was pursuant to its interpretation of the water agreements.

"If we cannot resolve that via negotiations and talks," said Jayakumar, "then, the right way to do it is through third party arbitration, either the PCA (Permanent Court of Arbitration) or, if that is not acceptable to Malaysia, then we should follow the arbitration provisions that are in the water agreements and which bind both countries."

The agreements provide for arbitration according to Johor laws.

Jayakumar added there should not be unilateral action such as enacting domestic laws to render the water agreements null and void, as the supply of water was enshrined in the Separation Agreement.

Both ministers agreed that the water issue should be resolved in the spirit of goodwill as the dispute over Pulau Batu Puteh is being handled.

Responding to a question from a Singaporean reporter who accompanied the island republic's delegation to the signing ceremony today pertaining to Prime Minister Datuk Seri Dr Mahathir Mohamad's comments that Singapore's publication of private letters between him and its leaders was to distract its citizens from its economic woes, Jayakumar said Singapore had no need to do so.

Referring to the January survey of the "Political and Economic Risk Consultancy" which he brought with him, Jayakumar said the republic's style of governance was reflected in the survey report.

"The Singapore Government has a long track of following prudent economic policy, it is more willing than most Asian governments to raise problems like Islamic extremism, productivity shortcomings and competitive weaknesses for public scrutiny.

"It is not shy about making policy decisions that it thinks are in the island's long-term interests even if it risks negative reactions from the public in the short term. So that is the Singapore style of governance," he said taking a direct quote from the yet to be ascertained consultancy report.

Jayakumar also defended his government's decision of departing from the norms of diplomacy by publishing the personal letters and diplomatic notes.

Justifying the actions, he said Singapore resorted to such action because it was at the receiving end of accusations and allegations for several months.

"So we were subjected to this and we had to set the record straight, and to set the record straight we had to present conclusive evidence and documents which would speak for themselves," he said, clearly reflecting Singapore's diplomatic immaturity.

Responding to his statement, Syed Hamid said, "I think I will not be saying the truth or not being transparent if I say that we have taken the publication of the letters as a thing that is proper and right because in this case the only time I remember letters were published by Singapore to support its contention about certain position it has taken was in the case of Devan Nair, that was a long time ago, private letters were published and I think that did not create a good atmosphere. I think between Malaysia and Singapore there is a much deeper relationship".

He said the publication of the letters had misled the public on the discussions between the two sides over the water supply issue, adding that by publishing letters which were not conclusive and quoting unverified media reports, Singapore had made it difficult for the matter to be resolved via discussions.

(Devan Nair was a former President of Singapore who was humiliated and gradually removed from office after his personal letters to the then Prime Minister Lee Kuan Yew were made public and other embarrassing personal matters exposed during a heated period of differences between the two leaders.)

During the lengthy joint Press conference today, the Singapore Foreign Minister was also asked if he would choose to publish the Special Agreement signed today since his Government had no qualms about publishing personal correspondence and diplomatic notes.

Turning to Syed Hamid who was seated next to him, he said: "As far as I'm concerned I have no problem if the media want to have the text of the Special Agreement. We have signed but I must have the agreement of Minister Syed Hamid."