

# PROSPER THY NEIGHBOUR

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The Iskandar Development Region project in Johor presents an opportunity of mutual benefit for Malaysia and Singapore.

IT'S on track again - that best describes the relationship between Malaysia and Singapore following last week's meeting between Datuk Seri Abdullah Ahmad Badawi and Lee Hsien Loong.

With the two premiers having a close personal relationship, bilateral ties between the two countries can only get better.

The two leaders have adopted a realistic approach: a good neighbour is better than a friend a few thousand miles away. In the case of Malaysia and Singapore, we are stuck with each other for better or worse, thus it's more realistic to work together.

Sadly, there remain insular politicians in Malaysia who continue to cling to their myopic views. Their prejudices and imaginary suspicions do not help Malaysia, especially Johor.

We can talk about wanting to be competitive, but we have to change our mindset first.

The world has changed and the tide of globalisation simply cannot be stopped because businesses are operating without borders. Narrow nationalism with its protectionist tendencies is simply self-defeating.

Malaysia must try to make itself more attractive, more competitive and more open if we wish to be on the radar screen of international investors.

The current flavours are India and China, two giant blips on the radar. Unless we get ourselves heard or seen, we will become little dots that investors may miss.

The Iskandar Development Region (IDR) project, the brainchild of Pak Lah, is set to dramatically change the socio-economic landscape of the country but we cannot do it alone. We need Singapore. Period.

It is an ambitious plan aimed at making Johor bigger than China's Shenzhen province, which has benefited greatly from Hong Kong.

Johor, similarly, hopes to gain from Singapore which plans to raise its population to 6.5 million, with tourist arrivals estimated at 13 to 14 million a year once its two integrated resorts begin operations in 2010.

Our politicians can argue that the proposed bullet train should end in Johor Baru and not Singapore. The point is, if Malaysians want to visit the two casinos, they will still go to the island republic.

Similarly, foreign investors to the IDR will find it easier to fly to Singapore and then take a 30-minute drive to Johor. It doesn't make sense to fly to Kuala Lumpur first.

Our politicians should understand that Johor can gain from Singapore's success and growth. Malaysians will not lose the shirts off their backs by working with Singaporeans - on the contrary, there is plenty to gain if we complement each other.

No doubt there are outstanding issues such



as the price of water supplied to Singapore, railway land, Central Provident Fund withdrawals for Malaysian workers and a bridge to replace the Causeway, but we have to move on to areas of agreement too.

The wisdom of our leadership is that we should not assume too much and we should not give in too much.

Fortunately, that is the thinking of Putrajaya but parochial-minded politicians have sometimes sent the wrong message to Singapore.

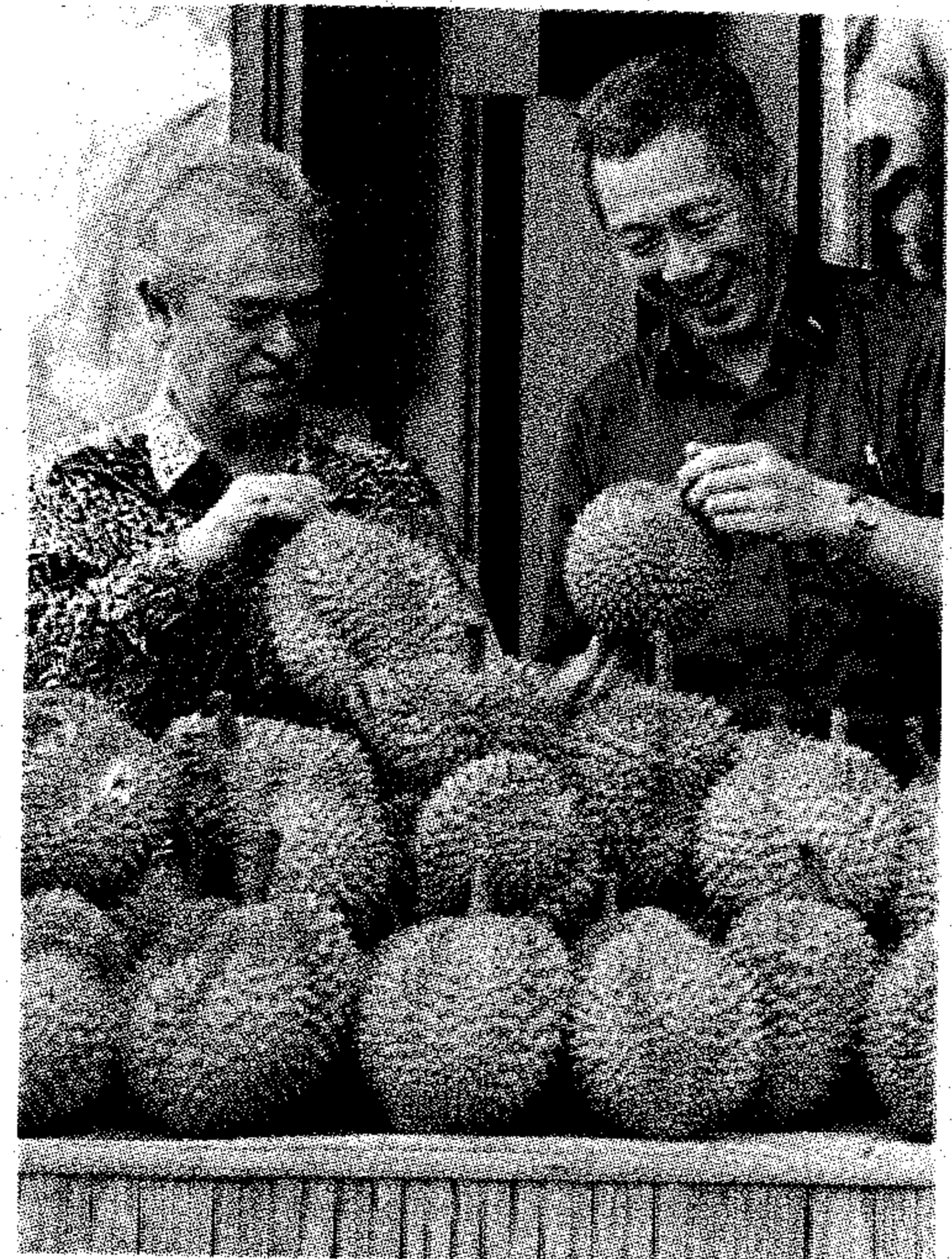
Let's be clear about the IDR. It is the cornerstone of the Prime Minister's national economic agenda and plenty of resources and energy will be channelled to this 20-year project. Two other growth areas are in the east coast and the northwest covering Perak, Penang and Kedah.

The IDR - covering 2,217 sq km, which is nearly three times the size of Singapore - has the potential to turn Johor into an economic powerhouse that is bigger than Bangkok or Jakarta.

For a start, Johor has allocated about RM1bil to clean up and rehabilitate three of its most polluted rivers ahead of plans to build Danga Bay, a massive waterfront project with residential, commercial, recreational and social amenities.

Johor needs a new image. Visitors see the city as badly planned with traffic congestion, squatter settlements and high crime rate. An extreme makeover through the IDR will certainly rejuvenate the state once a new skyline comes into place.

If Pak Lah has his way, he would want immigration officers to process passports of visitors on the buses instead of making them queue up. He understands the frustrations of having to line up for a couple of hours at the Customs, Immigration and Quarantine (CIQ) checkout.



**Durian diplomacy:** Abdullah and Lee choosing the king of fruits during their meeting in Langkawi.

The original proposal to introduce a passport-free region in IDR late last year was scrapped due to concerns that the area could be flooded with foreigners. One possibility is to issue smart cards, with similar features to the present Malaysian passport, so that visitors can have easier and faster access into Johor.

Malaysia and Singapore have taken the right step in setting up a special ministerial committee to focus solely on bringing in investments and facilitating business and tourism to the IDR.

It is the kind of language acceptable to both sides. Certainly, with its combined muscles the panel can expedite projects that benefit both nations.

Another meeting between Pak Lah and Lee is scheduled, this time in Singapore. Now the barriers should be removed to make the journey ahead smoother.