

**TRANSCRIPT OF REPLY BY MINISTER GEORGE YEO TO QUESTIONS IN  
PARLIAMENT ON 22 OCTOBER 2007**

**PARLIAMENTARY QUESTIONS**

**Ms Irene Ng Phek Hoong:** To ask the Minister for Foreign Affairs for his assessment of the political situation in Myanmar and on whether ASEAN can take bolder steps to press for a peaceful resolution to the problems in Myanmar.

**Ms Irene Ng Phek Hoong:** To ask the Minister for Foreign Affairs on Singapore's stand on continuing trade and investment in Myanmar, and on calls to use economic sanctions against the country.

**Dr Lily Neo:** To ask the Minister for Foreign Affairs whether the recent reaction by ASEAN members on the Myanmar issue heralds the beginning of the end of the policy of non-interference long treasured by ASEAN member countries and how will this change the ASEAN dynamics.

**Mr Charles Chong:** To ask the Minister for Foreign Affairs (a) what measures will be considered by ASEAN in support of UN efforts to bring about reform in Myanmar; and (b) whether ASEAN will consider the imposition of targeted sanctions, restriction of non-humanitarian aid and even a review of Myanmar's membership of ASEAN should they fail to comply with the resolutions set by the UN and ASEAN.

**Er Lee Bee Wah:** To ask the Minister for Foreign Affairs in view of Myanmar's recent show of disregard for human rights and its use of force against peaceful demonstrators (a) what is the military junta's explanation to ASEAN on its recent actions against its citizens; (b) what is the impact of the incident on Singapore; (c) what is the impact on Singapore's investments in Myanmar; and (d) what is the impact on the annual trade between Myanmar and Singapore.

**Mr Siew Kum Hong:** To ask the Minister for Foreign Affairs (a) whether Singapore has supplied arms and weapons to Myanmar; (b) what is the total value of investments by Government-linked companies in Myanmar; (c) what is the total value of remittances from Myanmar into Singapore over the past 5 years; and (d) whether the Government intends to take any action, either by itself or as ASEAN chair, in addition to making statements and writing letters to the junta.

**Ms Sylvia Lim:** To ask the Minister for Foreign Affairs whether the Singapore Government had anticipated the political developments in Myanmar in September 2007.

**Ms Sylvia Lim:** To ask the Minister for Foreign Affairs whether and to what extent Singapore businesses are or have been engaged with the Myanmar authorities in trade and consulting in the field of military hardware and surveillance equipment.

**Ms Sylvia Lim:** To ask the Minister for Foreign Affairs whether and to what extent there are arrangements in place for military cooperation between Singapore and Myanmar.

**Ms Eunice Elizabeth Olsen:** To ask the Minister for Foreign Affairs whether the

Government will consider granting humanitarian assistance and aid to the Myanmar people.

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**REPLY**

**Minister:** Mr Speaker Sir, please allow me to take questions 1 to 10 together as they are related.

2 Ms Sylvia Lim asked whether the Singapore Government had anticipated the recent developments in Myanmar. The short answer is no. We knew social discontent was building up but we could not imagine the Myanmar Government suddenly increasing fuel prices five-fold. That ignited the protests which took the authorities by surprise.

3 Mr Speaker Sir, to answer Dr Lily Neo, ASEAN had decided more than a year ago that since Myanmar preferred dealing with the UN over ASEAN, ASEAN would no longer defend Myanmar at international forums. We were as astonished as anyone else when the leadership suddenly shifted the country's capital to Nay Pyi Taw and were embarrassed when asked about it by others. We were relieved when Myanmar decided to skip its turn as Chair of ASEAN last year. But we refrained from criticising Myanmar openly because it was part of the ASEAN family.

4 However, we could not stay silent when the Government violently cracked down on peaceful demonstrators including Buddhist monks. ASEAN would have lost all credibility otherwise. Developments in Myanmar cast a pall on the entire region and have been raised at the UN Security Council. ASEAN's policy of non-interference cannot be rigidly applied when internal developments in a member country affect the rest of us. This is not the first time that ASEAN is addressing the situation in Myanmar. At the Summit in Singapore in 2000, ASEAN leaders met privately with Myanmar leader Senior General Than Shwe to express their concerns. In 2003, ASEAN Foreign Ministers publicly called on Myanmar to release Aung San Suu Kyi.

5 The violent suppression of dissent in Myanmar recently has evoked outrage in ASEAN and around the world. As ASEAN Chair, Singapore had to discharge its responsibility. The Prime Minister called all his ASEAN counterparts who agreed with him that ASEAN should issue a strong statement. PM also wrote to Senior General Than Shwe. I was at the United Nations in New York when the situation broke. After settling the ASEAN Charter, the ASEAN Foreign Ministers confronted our Myanmar counterpart. They agreed for me to issue the statement that I read out to the international media in their presence.

6 To answer Ms Irene Ng on the present situation, a semblance of normal life appears to have returned but we continue to receive reports of arrests and raids taking place which UN Special Envoy Ibrahim Gambari described as 'extremely disturbing'. We hope that the Myanmar authorities will cease these arrests and release those detained quickly. The Myanmar government has offered talks with Aung San Suu Kyi and appointed a liaison officer. However, the offer comes with conditions. Aung San Suu Kyi's National League for Democracy has expressed a desire for talks but rejected preconditions. These are just opening moves by both sides. From Singapore's perspective,

the only precondition should be a commitment by both sides to work for national reconciliation and to serve the interest of the Myanmar people.

7 Mr Speaker Sir, there is no quick and easy solution. All parties in Myanmar need to take a fresh approach because it is clear that the old way led to nowhere. The present lull cannot last if the process towards national reconciliation does not gather momentum. However, we must be prepared for negotiations to be long and complicated. There is a limit to the influence of the outside world. Myanmar is a resource-rich country and the Government has long been inclined to self-isolation since the days of General Ne Win. The Western embargo has not been effective because Myanmar's giant neighbours, China and India, have kept the back and side gates open. ASEAN's economic leverage is not significant but ASEAN does wield moral influence. Myanmar would rather remain a part of the ASEAN family than be by itself a buffer state sandwiched between two rising powers.

8 Mr Charles Chong, Mr Siew Kum Hong and Ms Irene Ng asked if we would consider putting more pressure on the Myanmar government, such as sanctions, or withdrawal of aid, or even a review of Myanmar's ASEAN membership. Indeed there have been strident calls to bring down the military regime. The key consideration here is to help the process of national reconciliation not make it more difficult. Some external pressure can be helpful. But, as Malaysia's Foreign Minister Syed Hamid said recently, talking about sanctions or expulsion now would make national reconciliation harder not easier to achieve. Aung San Suu Kyi herself acknowledges the need to involve the military. Without the military, Myanmar can dissolve into civil war. The country has many ethnic groups, a number of which are still armed and can easily restart rebellions in the border regions. The last thing we want is a Yugoslavia or an Iraqi situation at our doorstep. In this regard, ASEAN shares a common position with China and India. Thant Myint-U, the grandson of the third Secretary General of the UN U Thant, who's no apologist for the regime, has wisely cautioned that "We don't want Myanmar to be a parallel of Iraq, where we said it's good Saddam Hussein is no longer there, but then did not know how to handle the insurgency that went on after he was gone."

9 Our priority now must be to support the UN Special Envoy Ibrahim Gambari in his mediation efforts. Acting on the authority of the UN Security Council, Mr Gambari plays a critical role as a catalyst. Somehow he has managed to earn the trust of both the military and Aung San Suu Kyi. The Myanmar authorities have made it clear they prefer to deal with him rather than with ASEAN. A year and a half ago, the Myanmar authorities rebuffed the Chairman of ASEAN at that time, Syed Hamid, but they have received Mr Gambari three times and allowed him on all three occasions to meet Aung San Suu Kyi. It is important that whatever actions we take strengthen his hand and not make his already complicated task more difficult. Different countries have different roles to play in accordance with their values and their geopolitical interests. The US and EU have stepped up sanctions and expressed strong views. China has quietly played a very helpful role in facilitating Mr Gambari's last visit to Myanmar. Although Japan has cut aid, it has taken a position closer to ASEAN.

10 I know a number of Members in this House would like ASEAN to cut off all links with Myanmar. But this would only give us short-term satisfaction. On our own, our economic influence is not significant. If we in ASEAN boycott Myanmar, we

would lose our moral influence which is not insignificant. Such an approach would only worsen the long-term position for us. In any case, the preference of all the ASEAN countries is to continue engaging Myanmar and keeping it in the family. This is certainly Singapore's preference.

11 Ms Irene Ng, Mr Siew Kum Hong, and Ms Sylvia Lim have asked about Singapore's economic and military links with Myanmar. Singapore has limited economic links with Myanmar. Before the Asian financial crisis, we did encourage our businessmen to invest and to do more in Myanmar. At that time, there was hope that the Government was taking the Indonesian road from an authoritarian military government to constitutional democracy. But when Suharto fell in 1998, the Government in Yangon froze and the economy slid backwards. Generally speaking, our businessmen are not doing well in Myanmar and many regret having invested there. Singapore companies' cumulative total direct investments in Myanmar for the year ending 2005 was only S\$742 million. MTI does not keep track of how much of this is by GLCs, because the Government is not involved in the individual investment decisions of GLCs.

12 Overall, our total trade with Myanmar last year was S\$1 billion, which represents only 0.1% of Singapore's total trade. Myanmar ranked 50th among our trading partners. Therefore, our policy on Myanmar does not hinge on this. Instead, our actions are guided by what is best for the long-term interests of ASEAN.

13 As for remittances, MAS does not track the amount of money remitted into or out of Singapore by any country. For an international business and financial centre like Singapore, funds can be transferred for various purposes including payments for goods and services, trades on the stock exchange, even for school fees. But MAS operates a strict and rigorous regime against money laundering, like all other leading financial centres. Banks and financial institutions in Singapore are required to institute strict procedures, including the need to identify and know their customers, and monitor and report any suspicious transactions. Our rules are vigorously enforced. Should there be links with illicit activity, MAS will not hesitate to take necessary action.

14 If there are UN mandated sanctions against Myanmar, we will of course comply with them. Whatever policy we adopt must apply to all companies operating in Singapore, not just owned by Singaporeans.

15 Singapore has very few defence interactions with Myanmar. But we have to maintain links with the military because it is a key institution. These are largely limited to interactions at multilateral events such as ASEAN-related meetings, international defence exhibitions, and sports activities like the Army Half Marathon. As far as defence sales are concerned, it is established policy of the Government not to divulge details publicly. Myanmar is not subject to any UN arms embargo. If there is any UN sanction against Myanmar, Singapore will of course abide by it. Nevertheless, I can say that over the years defence sales to Myanmar have not been substantial, and have always been carefully limited to items that are not suitable for countering civilian unrest. There have not been any defence sales to Myanmar in recent years and, going forward, we will continue to behave in a responsible manner.

16 Ms Eunice Olsen asked whether the Government would consider granting humanitarian assistance to the Myanmar people. We would certainly do so if there is a request from Myanmar. Singapore has provided significant technical assistance to Myanmar for human resource development over the years. To date, we have trained more than 6,000 Myanmar officials in several areas, including English language, tourism, IT, civil aviation and telecommunications. We do not intend to stop such assistance. Under the Initiative for ASEAN Integration, we have established a training centre in Yangon. Should one day the Myanmar Government open up and request further assistance from us, we will certainly do all we can.

### **SUPPLEMENTARY QUESTIONS**

**Charles Chong:** Mr Speaker Sir, the UN Envoy Gambari was reported to have asked ASEAN to go beyond just rhetorical support for his mission. I would like to ask Minister if ASEAN is willing to consider trying influence China, India and Japan to bring about change in Myanmar.

### **REPLY**

**Minister:** China, Japan and India have stated their positions on Myanmar publicly, so these are on the record. Next month, we are having the ASEAN Summit, during which Myanmar is bound to be discussed. We fully expect Myanmar to be present, and to sign the ASEAN Charter, the legal scrubbing of which, was happily completed at midnight on Saturday. Professor Tommy Koh reported this to me this morning. After that, we will have the East Asian Summit, where the leaders of ASEAN will meet the leaders of China, Korea, Japan, India, Australia and New Zealand. I am quite sure at that Summit, Myanmar will be discussed again. In fact I have received phone calls from some of the Foreign Ministers who informed me that they intend to raise Myanmar during the Summit. Then after that, on 22 November, the leaders of ASEAN will be meeting the leaders of Europe, during the Commemorative Summit, and no doubt Myanmar will again be an issue on the agenda.

To facilitate our work, I will be visiting Beijing this Friday, to have consultations with the Chinese Foreign Minister, and with the Japanese Foreign Minister the day after in Tokyo. I have also asked to visit New Delhi to consult the Indian Foreign Minister. I will go in my capacity as Singapore Foreign Minister, in order that we can play a more effective role as the Chair of ASEAN. I believe that if we coordinate some of our actions, we can help create a more conducive environment for there to be national reconciliation in Myanmar. That will help, of course, the Special Envoy Ibrahim Gambari.

**Irene Ng:** Sir, Myanmar seemed to be in a state of denial, and they are quite impervious to moral censure or economic sanctions. Given that Myanmar has rebuffed ASEAN's approach of constructive engagement for over ten years, how confident can the Minister be that we can reap any moral influence over Myanmar? And given that we expect Myanmar to sign the ASEAN Charter, will it not tarnish our image and our credibility as a grouping? Should we not ask Myanmar to stay home until they can shape up and come to Singapore to sign the ASEAN Charter?

## **REPLY**

**Minister:** Mr Speaker Sir, Ms Irene Ng has expressed views that are shared by some members in this Chamber. There are only bad alternatives. Let us say we decide to ostracise Myanmar, to dis-invite them, if we could, from the Summit. Then what happens? Then Myanmar, on its own, will be an isolated buffer state sandwiched between China and India, each of which eyes the other very carefully. India is very concerned to maintain its links with Myanmar because it sees China having influence over Myanmar. And if there is civil strife there, I believe both would be forced to take bets in their own self defence. If Myanmar is divided, and there is external interference by the big powers, then we'll be dragged in. It won't be in our interest for Myanmar to be balkanised. It cannot be. So we decided to bite our tongue to keep Myanmar in the family because it serves our long-term strategic self interest. But of course, if Myanmar decides on its own to claim that what happens in the country is its domestic affairs, and if they are not prepared to accept the fact that we have every intention in ASEAN to discuss their domestic affairs at our meetings, they can object to this and decide not to attend the meetings. Then we will have to respect their wish. But I do not believe that that would happen because they do know that it is better for them to remain in ASEAN and to stay in the family, than to be left alone outside.

**Dr Lily Neo:** Mr Speaker Sir, MM had said that an unstable Myanmar is a "time bomb" for Southeast Asia. Could Minister elaborate on it? Are ASEAN countries in agreement with this view? Should such scenarios be discussed in ASEAN countries so that all can be better prepared to mitigate such eventualities?

## **REPLY**

**Minister:** It is true that Myanmar is a ticking time bomb. For the time being, because of the way the government has been able to arrest 'trouble-makers' and intimidate the population, there is an apparent return to normalcy. So the curfew has been withdrawn, some people have been released. But how long can this position remain? There is a lot of anger in Myanmar and among the Myanmar people in Singapore - there are tens of thousands of them here. I met some of them two days ago at the Burmese temple here. There is great frustration. They readily admitted that the recent crackdown was much less than what had happened in 1988, which was a really brutal crackdown. But that was the period before the Internet and handphone cameras, and today whatever happens will be quickly spread worldwide. And the Myanmar diaspora is over 2 million, not only in neighbouring countries, but also in Europe, Australia and America. So there is no way the current situation can go on like this for a long time. There has to be a genuine dialogue. It cannot be a case where the leaders just goes through the motion so that things will calm down, and then back to status quo ante. I just had a conversation with Thai Foreign Minister Nitya Pibulsonggram three days ago. We were exchanging views and he said, "There can be no going back to status quo ante". I told him, "I fully agree with you and that must be ASEAN's position". I believe that the leaders, when they meet in Singapore, will take that position.

**Mr Siew Kum Hong:** Sir, I have two supplemental questions. Firstly, President George Bush of the US has categorically stated that business as usual is unacceptable.

Does the Minister agree and if so, what is the Government doing that goes beyond business as usual? Are there measures short of sanctions that target the Generals specifically? My second question Sir, the Minister has stated that ASEAN's economic leverage over Myanmar is limited. But as I understand it. Thailand and Singapore are the second and third largest investors in Myanmar. I then like to ask the Minister why he considers ASEAN's economic leverage limited.

### **REPLY**

**Minister:** Mr Speaker Sir, ASEAN's limited economic leverage is a matter of fact. Statistics bear out and for as long as China and India keep the back gate and the side gate open, there is very little which a trade embargo can do. It is a resource-rich country. It has got rice, it has got fish, it has got minerals aplenty, it's got oil and gas. And it is already a country predisposed towards isolationism and doesn't need very much encouragement in that direction. China supplies it consumer products. Can we take the Western position? The position of America and Europe. It sounds tempting and perhaps emotionally we feel justified to do so. But if we do so, and China and India maintain their present policies the result will be what I said earlier, Myanmar de facto no longer being a part of ASEAN and becoming a buffer state in between China and India, tempting both to interfere in its domestic politics. And one day, giving us more trouble because of this. So for these reasons, it would be better if we take our own position. The Chinese do not want to take an open position because they cling on to a principle of non-interference because they do not want other countries to interfere in their domestic affairs. Therefore they cannot be seen to be interfering in other people's domestic affairs and they will never want to say that they are. To a certain extent, we have to give them cover. If they do things because ASEAN wants them to do certain things, they can say that, no, we are not interfering because we are doing it at ASEAN's request. The Japanese have been an important aid giver to Myanmar. You know when the Japanese journalist was killed, I met Foreign Minister Koumura the day after. They were very affected. Later on when I saw the news reporting of the funeral, the Buddhist monks in Japan wept. Buddhist monks are not supposed to weep at funerals, but they felt it so strongly. I told Foreign Minister Koumura you cannot take the Western position, you have to do something because not doing anything would be wrong. So they've cut off some aid but they will keep closer to the ASEAN position. Each country must respond according to its own interests and its own value system. For their own domestic politics, the US and Europe have got to take the positions that they are taking. That's fine. We cannot take the US position. We cannot take the European position. Neither can we take the Chinese or Indian position. We take our own position and so long as we loosely coordinate, I think we can improve the chances of there being national conciliation. To be sure we are not optimistic. It is going to be difficult. It is going to be troubled, but what's the alternative? The alternative would be much worse. And we may yet to come to that, but for now this is our best bet. It is the only game in town for the time being and we have to go along with it.

**Ms Sylvia Lim:** Mr Speaker Sir, what concerns me is to what extent Singapore might be implicated in somehow propping up the military authorities in Burma or Myanmar in their oppressive tactics. And the reason I ask this, there have been some press reports recently as well as in the past. Just to cite one example, a Melbourne newspaper called The Age last month came up with an article called "Web of Cash, Power and Cronies"

which reiterated in fact, soft contents from earlier articles in Jane's Intelligence Review in 1998. And the content of those articles basically is to say that Singapore has in fact been much involved in shipping ammunitions and other military equipment to Myanmar and also been instrumental in helping to set up a cyber centre where intelligence equipment was subsequently used to monitor activists. So, I would like to ask the Minister to comment on these articles, whether there have been some activities as such, in the past, to what extent it has minimised now. Such clarity I think would be very important for us.

### **REPLY**

**Minister:** On the question of military sales, I've given a full answer earlier. It's been insubstantial. We've always made sure they were items which could not be used against civilians and there has been no sales in recent years. I shouldn't go on beyond that because it is our established policy not to divulge details of military sales. We have replied to the Australian newspaper. As for the reports about helping them establish a listening facility to monitor civilian dissidents, there's no truth in that. We have made repeated clarifications to Australian newspapers. They have printed our replies, but somehow the journalists who wrote subsequently ignored those replies we've made. As for their accusations about us being involved in drug money laundering, it goes back quite a long time to Dr Chee Soon Juan. We've clarified again and again but they keep being recycled and that article you've referred to contains some of that recycled hash.

<http://app.sprinter.gov.sg/data/pr/20071022990.htm>