

Singapore Management University

Institutional Knowledge at Singapore Management University

Research Collection Yong Pung How School Of
Law

Yong Pung How School of Law

1-2021

Important not to let HSR termination hobble further cooperation

Tan K. B. EUGENE

Singapore Management University, eugene@smu.edu.sg

Follow this and additional works at: https://ink.library.smu.edu.sg/sol_research



Part of the [Asian Studies Commons](#), [International Relations Commons](#), [Transportation Commons](#), and the [Transportation Law Commons](#)

Citation

EUGENE, Tan K. B.. Important not to let HSR termination hobble further cooperation. (2021). *Business Times (Singapore)*. 3-3.

Available at: https://ink.library.smu.edu.sg/sol_research/3676

This Transcript is brought to you for free and open access by the Yong Pung How School of Law at Institutional Knowledge at Singapore Management University. It has been accepted for inclusion in Research Collection Yong Pung How School Of Law by an authorized administrator of Institutional Knowledge at Singapore Management University. For more information, please email cherylds@smu.edu.sg.

Important not to let HSR termination hobble further cooperation

Eugene Tan K. B.

Published in Business Times, 2021 January 5, p. 3.

The tantalising prospect of being able to leave Singapore and arrive in Kuala Lumpur in just 90 minutes remains a pipe dream after the High Speed Rail (HSR) agreement was terminated last Friday, along with what could have been an important confidence booster to bilateral ties between Singapore and Malaysia.

The HSR had the potential to be more than just a major land transport mode between two countries bound by intricate ties, an inter-twined history between two closest neighbours, which are like fraternal twins.

It was vital for its putative signalling effects. The main story was not so much the progress and growth in bilateral ties, but that it could have been the catalyst to drive the imperative of Singapore and Malaysia to collaborate more closely, leveraging on each other's complementarities and strengths.

The HSR was to be the largest government-to-government collaboration between Singapore and Malaysia since Separation in 1965.

It would have demonstrated the growing commitment to "prosper thy neighbour", by which both countries co-invest in each other's success and future.

As Mr Lee had put it aptly in 2013, the HSR "will transform the way people interact, the intensity of our cooperation and the degree to which we become interdependent on one another and, therefore, have stakes in each other's success".

The push for seamless and speedier travel could engender a perceptual shift in how both countries, their governments and people look at each other.

It would also reinforce the symbiotic relationship between the two countries at a time of growing economic nativism. Increasingly, economic investors and businesses invest in economic clusters, rather than in a single country.

Given the complementary nature of Singapore's and Malaysia's economies, both countries offer that intuitive, geographic concentration for inter-connected companies and institutions.

This encompasses an array of linked industries and other entities important to competition such as access to raw materials, factors of production such as labour, land and capital, and specialised infrastructure such as seaports and airports.

Such a network of companies facilitates business-related and technical knowledge transfers and productivity while promoting multinational investments.

Even as Malaysia functions as Singapore's economic hinterland, that is an important component to Malaysia's economy.

Furthermore, even closer economic cooperation could be the precursor to the economic integration that was envisaged by both territories when they merged in September 1963.

Bilateral relations

Both countries must now not let the HSR project's termination hobble further bilateral cooperation. It may take some time before both countries will consider another collaboration of a similar scale to the HSR.

But cooperate and collaborate is not really a choice but an imperative. This theme is being underlined in the current pandemic.

Despite the pandemic and Malaysia's domestic political challenges, bilateral ties have stabilised under Prime Minister Muhyiddin Yassin.

When Mr Muhyiddin took over from Mahathir Mohamed in March last year, Singapore's Foreign Minister Vivian Balakrishnan said Singapore was confident that it would continue to have a "constructive, mutually beneficial relationship" with Malaysia under its new leader.

Before long, the first major test came along. When Malaysia imposed its movement control order, including a lockdown of its borders to combat the spread of Covid-19 in mid-March, Mr Muhyiddin assured Mr Lee that the flow of goods and cargo between Singapore and Malaysia, including food and essential supplies, would continue uninterrupted.

Before the pandemic, over 300,000 people crossed the Causeway every day, including about 100,000 Malaysians who commuted daily between Singapore and Malaysia.

Singapore had to roll out arrangements with its companies to help these Malaysian workers stay in Singapore temporarily.

Both leaders agreed to establish the Singapore-Malaysia Special Working Committee on Covid-19, with the group tasked to propose and coordinate a joint mitigation plan to ensure the safe and sustainable movement of people, goods and services between Malaysia and Singapore.

Coordinating joint responses to the Covid-19 outbreak, "particularly on measures where we can work together, or where the actions of one country will affect the other" was crucial to both countries, reflecting the bond of interdependence.

On July 30, 2020, both countries agreed to resume work on the cross-border Rapid Transit System (RTS) Link between Woodlands and Johor Bahru, following multiple postponements to the project.

The four km system is expected to commence passenger service by end-2026. It will help alleviate the congestion at the Causeway. At peak capacity, the RTS can support up to 10,000 passengers per hour in each direction.

So not all is lost even without the signature HSR project; there will be the occasional hiccups and strong disagreements - all the more so between closest neighbours.

The political environment in Malaysia is very different from Singapore's. This may invariably result in bilateral relations being prone to being affected by the vicissitudes of Malaysia's domestic political dynamics and contestation.

However, strong people-to-people ties can help temper political histrionics and moderate any negative impact on political ties. This is one area that can be worked on.

Nonetheless, the challenge is real and of paramount importance in ensuring that there is deep political will on both sides of the Causeway to stay focused on the long-term and to strenuously avoid politicking for short-term gains.

Investors and business people are sensitive to the signals from governments. As such, leadership is a sine qua non for sustainable and bountiful relations, for which there is no alternative where Singapore and Malaysia are concerned.

The writer is associate professor of law at the Singapore Management University.