RSIS S. RAJARATNAM SCHOOL OF INTERNATIONAL STUDIES
Nanyang Technological University

RSIS COMMENTARY

www.rsis.edu.sg No. 022 – 2 February 2017

Foreign Policy Lessons from the Terrex Episode

By Alan Chong & David Han

Synopsis

The recent impounding of the nine Singapore Terrex armoured personnel carriers was widely perceived as a proxy pressure tactic not just against Singapore but also other parties that stand in the way of China's interests. The issue is a test for Singapore's foreign policy and external security.

Commentary

NEWS OF the impounding of nine Singapore Armed Forces' (SAF) Terrex armoured personnel carriers on 23 November 2016 had been received with mounting disbelief by Singaporean and foreign news media outside China. In their turn, Chinese media, especially *The Global Times*, in tandem with the Chinese foreign ministry, led the charge in criticising Singapore's relations with Taiwan and its negative impact on Beijing's preferred One-China policy.

In historical terms, these conflicting opinions are not abnormal. The seizure of undeclared military cargo on merchant ships hint at subterfuge by either the consignee or consignor. On 24 January 2017, nearly two months after the seizure, the Terrexes were released by Hong Kong amidst unspecified hints that improper documentation on the part of Singapore and the shipping company APL were liable for legal action. Although no legal actions have since been taken, the seriousness of the incident in the normal conduct of foreign policy is evident.

History of Seizure of Military Assets

Throughout contemporary times, the seizure of military assets both in ports and on the high seas has served either as the prelude to war or the *casus belli* itself. Witness President Kennedy's naval quarantine of October 1962 during the Cuban

Missile Crisis. There were also cases of weapons shipped from neutral ports under third party shipping registrations to belligerent states during both World Wars.

Debates raged as to whether neutral merchantmen were liable to be searched, impounded or sunk by combatant navies. On the heels of the War on Terror, the US implemented the Container Security Initiative involving its maritime allies to thwart the shipping of illegal explosives into its ports.

Lessons Learned

There are two important lessons that this episode offers to both Singaporeans and concerned world opinion: the risks of diplomatic engagement and the need for precautions.

The first lesson is that the Sino-Singapore relationship was obviously tested. China's concerns over Singapore's relations with Taiwan in the military realm is hardly surprising as China has consistently been adamant about its One-China policy, in which Taiwan is viewed as a renegade province. China's actions, however, convey strong signals that Singapore should acknowledge China's national interests, without any direct confrontation between the two countries which could rupture bilateral ties.

The fact that the APL container vessel was first detected with its cargo of Terrex vehicles in the port of Xiamen in China and subsequently allowed to proceed to Hong Kong implied that a deliberate foreign policy manoeuvre was afoot. A seizure in Xiamen would have been tantamount to a direct confrontation by China against Singapore. Xiamen officials tipped off Hong Kong customs – a territory designated as a Special Administrative Region (HKSAR) – who then proceeded to seize the vehicles under the charge of improper declarations in the cargo manifest.

The location of the seizure was symbolic in the staging of the incident. Notwithstanding the fact that China possesses ultimate sovereignty over Hong Kong, the HKSAR is still ostensibly an autonomous region even if it is for window dressing. It would appear that the Chinese authorities had allowed Hong Kong a free hand to decide whether to impound the armoured vehicles, thus avoiding the scenario that the impounding was openly ordered by the Chinese authorities. This train of events allowed China to 'naturally expose' the symbolism of the SAF vehicles incorrectly transiting its territory after training exercises in Taiwan.

Alternative Interpretations and International Law

The back and forth of Chinese press editorials also reveal many alternative interpretations of the incident. One interpretation reads Beijing's attempt to remind Hongkongers of China's sovereignty over the territory, especially at a time when domestic unrest has been brewing in Hong Kong over China's handling of the island's legislative affairs. Beijing also wanted to signal that Taiwan-Singapore ties could not remain special if Taiwan wished to head down the road towards independence from the 'One-China' position.

Additionally, some observers believe that the seizure could be an act to pressure Singapore to concede to China's position on the South China Sea dispute. As

China's stature in the region has risen over the years, it is no surprise that it would seek recognition of its political ascent in Asia. The late Mr Lee Kuan Yew had always warned that engaging with the great powers would carry unknown risks especially when they leaned hard on a small state to yield to their interests.

Lee's strategy was always to balance the stakes each great power would have in maintaining the Republic's territorial integrity and prosperity. Additionally, he warned his countrymen to stand on principle and patiently wait out the crisis through sincere diplomatic efforts.

This is where international law will always be a vital linchpin of Singapore's approach towards the great powers. Nation-states do not fight all the time despite claiming that their respective sovereignties acknowledge no authority higher than their own governments. This is because they see the practical benefit of reciprocal observance of the proverbial 'rules of the road' that make peaceful and productive exchanges possible.

China and Singapore – and Taiwan and ASEAN for that matter – have a great deal to gain economically if political disputes are reined in. This is why on 9 January 2017, Defence Minister Ng Eng Hen revealed that Singapore's prime minister had written to his Hong Kong counterpart to seek the release of the Terrexes.

The Need for Precaution

The second lesson concerns taking one's own precautions. As Singapore's foreign minister Vivian Balakrishnan rightly pointed out early on, Singapore has to be always clear and transparent about its foreign policy positions. The Republic has always espoused a One-China policy vis-à-vis the Taiwan Straits issue, and enjoys a multifaceted win-win relationship with China.

Simultaneously, it is open knowledge that Singapore signed a military training agreement with Taiwan in 1975 merely to facilitate military exercises outside land scarce Singapore. This allows the country's foreign policy to show quiet resolve in the face of provocation by propaganda.

Equally important is the point made by Minister Ng about the need to comprehensively review how the SAF's military equipment is being transported overseas. Outsourcing of military logistics by the SAF to private firms began in selective areas some years ago and the trend is set to intensify. But the Terrex affair has rightly raised a red flag.

How politically secure are commercial logistics companies when they are vulnerable to third party pressures at transit points? Perhaps there is a case to be made to revert to the practice of transporting military equipment on warships or government protected transport vessels. These measures are definitely within Singapore's control given its official obsession with maintaining supply security as a global port.

Looking back on the episode, Singaporeans should therefore not have been perplexed by the Terrex episode. China has changed and Singapore must now exercise care so that its actions cannot be seized upon by its detractors as unfriendly

acts vis-à-vis Chinese foreign policy. When the unexpected occurs, it is important for calm contemplation to prevail. Emotion and megaphone diplomacy through media outlets are unwise.

Alan Chong is Associate Professor in the Centre for Multilateralism Studies and David Han a Research Analyst in the Malaysia Programme of the S. Rajaratnam School of International Studies (RSIS), Nanyang Technological University, Singapore.

Nanyang Technological University
Block S4, Level B3, 50 Nanyang Avenue, Singapore 639798
Tel: +65 6790 6982 | Fax: +65 6794 0617 | www.rsis.edu.sg