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The Global Governance Group ('3G') and Singaporean Leadership: Can Small be Significant?

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Executive Summary

Since the modern state system came into existence following the Treaty of Westphalia in 1648, nations have resorted to groupings among themselves seeking accretion of strength and power. This has led to conflicts through the centuries culminating in the two cataclysmic World Wars in the twentieth century. However, the creation of the 'mother of all groupings', the United Nations (UN) in 1946 has possibly averted, at least to date, another major manmade global disaster.

The tendency to create groups, however, continued within and outside the framework of the UN. The goals and mandates now often extend beyond security, to include economic and political agendas. During the Cold War period, the Non-Aligned Movement (NAM) and the Group of 77 (G77) were the most prominent ones. Both largely represented the points of view of the 'developing South' vis-à-vis the 'developed North'. Over the decades, both somewhat lost their practical utility though unacknowledged by the rhetorics. As an economic parallel to the veto-wielding 'Permanent 5' (P5) in the Security Council, the advanced industrial nations formed the Group of Eight (G8) outside the UN framework. Eventually this gave way to a

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new generation Group of 20 (G20), comprising countries of both the 'North' and the 'South', more reflective of the emerging powers.

Reflective perhaps it was, but not necessarily representative. Many saw the G20 as 'selfappointed'; as the scope of its deliberations and decisions burgeoned, so did their level of anxiety. There were three broad sets of reactions among the states of the international community: one accepted the G20 as a positive development; another as negative; and a third simply ignored it. Singapore assumed a pragmatic position. Rather than oppose it (as one of its key decisions had adversely affected Singapore), Foreign Minister George Yeo and Singaporean diplomats floated some innovative ideas to 'strengthen the G20 process' and bring it within the parameters of the UN. Through a series of adroit and skillfully executed manoeuvres, they shepherded the creation of the Global Governance Group (3G), perhaps a third generation of such groupings, open to all who are committed to its purposes, with a view to creating a 'pressure-group' to render the G20 process more consultative, inclusive and transparent. The quiet, almost unobtrusive, Singaporean leadership in this has been widely acclaimed.

Leadership often also entails concomitant responsibilities. With Asia 'rising' in contemporary times, it is somewhat incongruent that 10 of the world's acknowledged 'Least Developed Countries' (LDCs) with severe structural development issues should be a part of this continent. Six of them, constituting a preponderant majority of global LDC population, are in South Asia. Empirical evidence shows them as suffering from a deficit in terms of conducting the necessary intricate global negotiations, though not in actual development potential. Singapore is privileged to have an 'abnormally competent leadership', whose benefits could and should spread beyond its borders. Singapore also has several centres of excellence in learning and training. One such, the Institute of South Asian Studies (ISAS), could be retooled and reengineered to accord this technical assistance in such capacity – building to the South Asian LDCs. If the decision would expand to similarly supporting all the Asia-Pacific LDCs, then the reputable Lee Kuan Yew School of Public Policy (LKYSPP) could also be involved.

The smallness of Singapore creates challenges for it that will require it to be enmeshed in a web of regional and extra-regional linkages and roles, as well as heightening regional and extra-regional stakes in its prosperity. The actions proposed will contribute towards that end. Singapore can demonstrate that one can be small yet significant. This significance will buttress its security, stability and progress.

Introduction

Since the current international state system emerged out of the Treaty of Westphalia in 1648, states have tended to form groups to buttress their strength and learning as if it were from the Aesop's fable where a bundle of sticks tied together was shown to be stronger than those that were single. Groupings often created counter-groupings resulting in ideas such as the need for 'balance of power' and often leading to conflicts, including the two cataclysmic man-made disasters in the twentieth century: the Great War (1914-1918) and the Second World War (1939-1945). So that such did not recur, the leading states, in 1946, formed the 'mother of all groups', a comprehensive collection of nation-states, the UN. President Harry S. Truman called it a 'supreme chance to establish a world-wide rule of reason'; President Dwight D. Eisenhower eloquently stated: "With all the defects, with all the failures we can check up against it, the UN still represents man's best organised hope to substitute the conference table for the battlefield."²

This essay will not focus on the UN too heavily. Indeed within three decades of its foundation, serious international scholars had begun to express the opinion that the world body, largely on account of the great mass of documentation it engendered, had been 'overstudied'.³ The paper will therefore seek to examine the relevance of the most recent groupings of states to contemporary international relations. This new generation of groups succeed the previous ones such as the G77, or the NAM, from the 1960s to date, still formally existing but which have very largely lost their utility except for being 'talk-shops', and a platform for world leaders to meet and interact with one another.

Origin of G20

Indeed, such 'G's came in 'endless numbers'.⁴ But, those groupings largely comprised of developing countries that, with a modicum of reason, saw a shade of influence in numbers, unlike those of the present who are cross-cutting across the developed-developing, or the 'North-South' divide. The most important of these in contemporary times and a major focus of this study is the G20, which includes 19 countries and the European Union (EU). The creation of which was announced by the finance ministers of the 'Group of Seven' (or Eight, if Russia is included, so also called G8) leading industrial nations in Washington D.C. on 25 September 1999.⁵

² Paul Kennedy, *The Parliament of Man: The Past, Present and Future of the United Nations,* (New York: Random House, 2006), pp.46-47.

³ Hedley Bull, *The Anarchical Society: A Study of Order in World Politics* (London: The Macmillan Press Ltd., 1977), p.XIV.

⁴ *The Economist* (17-23 April 2010), p.61.

⁵ *New G-20 Forum: Backgrounder* (University of Toronto and Munk Centre For International Studies At Trinity College, March 2000), www.G-20.utoronto.ca/G-20backgrounder.htm. Accessed on 7 April 2010.

The body did not originate without accompanying birth pangs. The French opposed its creation. They felt it would undermine the International Monetary Fund (IMF) which was headed by a Frenchman, Michel Camdessus. The Italians lined up with them, also seeking to protect the IMF. The British, too, showed some initial reluctance, apprehending the erosion of authority of the new International Monetary and Financial Committee (IMFC), which the Chancellor of the Exchequer, Gordon Brown, was chairing, but eventually came round. The Canadians were supportive because they did want to see a broader consultative structure in consonance with the subtle Canadian penchant for imposing some kind of control on their mighty southern neighbour, the United States (US). The Japanese, an Asian power, truly saw the need for more Asian participation to respond to the global financial crisis and hence backed it. The US was by far the most enthusiastic.⁶ Eventually, Washington, in a successfully executed response to the current politico-economic imperatives, managed to get the detractors round.⁷

Indeed, in what could be seen as a *positive* legacy of George W. Bush (critics will contend there are not too many of them), he hosted the first ever meeting of G20 leaders, creating the summit in Washington on 14-15 November 2008 to coordinate a global response to the recession. Bush felt that the time had surely come to hear out leaders of 'emerging' nations or in some cases "re-emerging" ones, as many nations including India, Turkey, Mexico, Brazil and Saudi Arabia would be heirs to great civilisational heritage. Gordon Brown, by this time Prime Minister, hosted the second summit in London on 1-2 April 2009. The new US President Barack Obama, riding into office on a wave of optimism, organised the third summit in Pittsburg on 24-25 September 2009. The next such events are due to be held in Canada on 26-27 June 2010 and in South Korea on 11-12 November 2010. The G20 has already emerged as the premier forum for international economic cooperation.

Reactions to Expanding Agenda

As it is oftentimes wont to happen in such situations, the original agenda broadened. The perceived sense of it being a representative body led the G20 to focus on a variety of concerns, some beyond its immediate *raison d'être*. They pumped, or at least committed that they would, more money into the IMF (a possible US\$500 billion in new resources and

The nineteen countries were: Argentina, Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United Kingdom, and the United States. As earlier stated, the European Union was also included. The Bretton Woods Institutions (BWI), such as the International Monetary Fund and the World Bank sat in as well.

⁶ John Kirton, '*What Is the G-20*?' (Munk Centre for International Studies and University of Toronto), www.G-20.utoronto.ca/G-20whatisit.html. Accessed on 7 April 2010.

⁷ Dr David Malone, President, The International Development Centre, Ottawa, Seminar: '*India and China: Can the Two Tigers Share a Mountain*' (Singapore: Institute of South Asian Studies (ISAS), 22 April 2010). He remarked that in contemporary times one often tends to 'underestimate' the subtle successes of US policy initiates because of pervasive anti-Americanism.

US\$250 billion in Special Drawing Rights) without any attempt to try reform the International Financial Institutions (IFIs) as they said they would. This generated criticism.⁸ Criticism was further generated by the fact that the G20 took upon itself the role to reform the IFIs in the first place, outside the framework of the UN, meaning without the participation of the vast majority of the world's nations. This was again something many countries disfavoured.⁹

Another hornet's nest it touched was the endorsement of the Organization for Economic Cooperation and Development (OECD) approach of publishing 'black lists' and 'grey lists' of alleged tax-havens. It aroused the ire of countries like Switzerland, Monaco, Liechtenstein, and Singapore. Apprehensions were expressed as to where the line of intervention to be drawn.¹⁰ In a candid press interview with Radio Australia Today on 5 February 2010, the Singaporean Foreign Minister George Yeo remarked (the paragraph is worth quoting in its entirety because of its significance.):

"At the London meeting (of G20), financial centres became a major issue and countries like Singapore and Switzerland unexpectedly found themselves in the grey list and came under some pressure to alter the way we operate. This was without prior consultation with us, we were not involved in the discussions but we had to react to the decision taken by the G20 and we have reacted. *That doesn't seem to me to be the right way to get things done*. Hong Kong, which had a situation very similar to Singapore, had China to look after its interests so it is not on the grey list but Singapore was, and other countries too. *So I think it is important that on issues that concern others, those who have major interest, should also be brought into the discussion*. That is a matter of process; *it would improve legitimacy* and the sense of fairness.¹¹

In course of the same interview, Minister Yeo referred to the idea of 'variable geometry', that was to eventually form the crux of a proposal formally presented to the UN Secretary General Ban Ki-moon in order to "strengthen" the G20 process. While broadly endorsing the G20 process, and indeed opposing its expansion in a mindless way, George Yeo floated this idea:

...on issues of sectoral interest, I think it is important for countries not in the G20, which have an interest in these particular sectors, to also be included, so

⁸ The Bretton Woods Project, 'The G-20 Summit: A Critical Assessment' (Part I and Part II), (7-8 April 2009), *Global Connections: The Globalist*, www.theglobalist.com/storyid.aspx?StoryId=7655. Accessed on 23 April 2010.

Ambassador Viveke Rovsingh Lauritzen of Denmark, Personal Meeting (Singapore: 20 April 2010).

¹⁰ Ambassador Daniele Bodini, Permanent Representative of San Marino to the United Nations, *Personal Meeting* (New York, 11 January 2010).

¹¹ Transcript of Minister's phone interview with Radio Australia Today, *Press Release February 2010* http://app.mfa.gov.sg/internet/press/view_press.asp?post_id=5780. Accessed on 24 March 2010.

that there is a kind of *variable geometry*. For example on discussions on financial institutions, Singapore and Switzerland have vital interest at stake, so we should be brought in. If one day, a subject like agriculture should be brought up for discussion...then a country like New Zealand should be included.¹²

There were much stronger negative reactions to the G20. It was much like how Oscar Wilde had sought to describe society: to be in it was a bore, but to be out of it was a tragedy! Norway, which is not a member of the EU, but nevertheless a key Nordic player in the global economic and political arena, was piqued. While George Yeo offered ideas to 'improve' the 'legitimacy' of G20, the Norwegian Foreign Minister Jonas Gahr Støre challenged it outright. He said, quite unequivocally, 'The G-20 is *sorely lacking in legitimacy* and must change'.¹³

Describing the G-20 as a 'self appointed group established without the consent of other nations', Minister Støre went on to say "the self-appointment of the G20 represents, from the point of view of international law and multilateral principles, *a major step backwards* in the way international cooperation has occurred since World War II". He critically likened the formation of the G20 to the Congress of Vienna, arguing that such 'spirit has no place in the contemporary international community', and stating, "if the G20 cooperation should effectively result in decisions being imposed on the great majority of other countries, it will quickly find itself stymied."¹⁴ It may be added that Støre, who was a colleague of the author as a diplomat in Geneva in the 1990s and later in the respective cabinets of their countries in the 2000s, is widely seen as an influential policy-maker in the international scene, given Norway's overall positive image.

Singapore's Initiative and the Birth of '3G'

Singapore, in particular Foreign Minister George Yeo, endeavoured to find a way out of this imbroglio through a 'golden mean', the proverbial Asian middle-path. Acknowledging the fact that the G20 constitutes 80 per cent of the world's gross domestic product (GDP), he hosted a meeting on the margins of the World Economic Forum in Davos, Switzerland in early 2009. He said, reflecting a very pragmatic approach, '*Power itself confers legitimacy*. At the same time it cannot be that the interests of small countries can be given short shrift. In the nature of international politics what isn't *organised* and what isn't *heard* tend to matter

¹² Ibid.

¹³ Jonas Gahr Støre, 'Time for G-20 to Address its Legitimacy', *The Straits Times* (6 April 2010).

⁴ *Ibid.* The Congress of Vienna (November 1814 to June 1815) was a conference chaired by the Austrian statesman Klemens Metternich, which met following the Napoleonic Wars with a view to generally undo the effects of the French revolution, carving up Europe among the victors, Kings and princes, also creating tensions and tendencies that led to the Revolutions of 1830 and of 1848, the Franco-German War of 1871 and ultimately to the disastrous Great War of 1914-1918.

less.¹⁵ In his assessment the challenge therefore was to be 'organised' and 'heard'. The way to do it was to form an effective group with a heavy intellectual content, so that its voice carries more weight than would otherwise be dictated by the individual size of the membership. The result was the formation of the 'Global Governance Group', a name coined by the Liechtenstein Foreign Minister Aurelia Frick; later contracted to '3G' so that, in George Yeo's words, "it did not sound too grandiloquent."¹⁶

Speaking at the Singaporean Parliament, in response to a question in March 2010, George Yeo explained:

We participate in this '3G' process in order to help the G20 assume greater legitimacy in the global community of nations. It is to improve the G20's interaction with the general membership in the UN, which in turn would build wider support for G20 actions. It is important that the decisions of the G20 take into account the interest of other countries and are supported by them. The G20 process should strengthen the UN and other international organisations, not weaken them.¹⁷

These few words contained, as if it were, the founding philosophy of 3G. First, it would confer 'greater legitimacy' (without challenging it) on the G20; second, it would be a conduit linking the G20 to the UN and its general membership (thus involving the UN to ensure the functioning of the G20 within its framework, though it was founded by the G8 outside it); and third, the G20 must hear the voices of its non-members, when and where relevant.

3G in Action

The Singapore Permanent Representative to the UN in New York, Ambassador Vanu Gopala Menon, in a series of adroit moves, quickly got to work at the UN headquarters to translate his Foreign Minister's ideas into action. Since July 2009, he had been convening meetings in New York with 'like-minded' colleagues to track developments on the G20 front and calibrate the response of 3G. The latter group soon expanded to 28: Six from South East Asia and Asia Pacific (Singapore, Malaysia, Brunei, the Philippines, New Zealand and Vietnam); three from the Middle East (Bahrain, Qatar and the United Arab Emirates); three from Africa (Rwanda, Senegal and Botswana); eight from Europe (Sweden, Belgium, Ireland,

¹⁵ Cited in Lim May-Ann, 'SIIA Welcomes New 3G Initiative for Small States' (12 February 2010), (Singapore Institute of International Affairs), www.siiaonline.org/q=print?3413. Accessed on 24 March 2010.

George Yeo, Minister of Foreign Affairs, Speech Given in Parliament during Committee of Supply Debate, 5 March 2010, www.dpiap.org/resources/article.php?id=0000521&year=&genreid=15. Accessed on 24 March 2010. What was left unstated was that '3G' could also stand for a 'third generation' of UN groupings as it is open-ended, inclusive, pragmatic, non-territorial and non-ideological. 17

Ibid.

Luxembourg, Switzerland, Liechtenstein, Monaco and San Marino); two from Latin America (Uruguay and Chile); and six from Central America and the Caribbean (Costa Rica, Guatemala, Panama, Jamaica, Barbados, and Bahamas). Obviously not just small, but middle-size countries were also participating. Ambassador Menon insisted to the author that 3G was not a closed group; any country subscribing whole-heartedly to the 'Framework document' (more on it later) can be included.¹⁸

On behalf of the 'informal' 3G, Menon submitted to Ban Ki-moon a document entitled "Strengthening the Framework for G20 Engagement of Non-Members", which was made public by the UN on 11 March 2010.¹⁹ Accepting the fact that the G20 process and its 'swift, decisive actions' had "helped avert a global economic depression" the previous year, the document clearly asserted that for that body's "deliberations to be translated into effective actions on a global scale, they (the G20) would need to be *more consultative, inclusive and transparent.*"²⁰. This of course implied that in the perception of the 3G countries, though such was not the case yet.

The document made three more important points. First, the G20 must 'recognise and reflect the reality' that "the UN is the only global body with universal participation and unquestioned legitimacy". Second, it implied that the UN Secretary–General and his 'sherpas' (aides) have been insufficiently associated with the G20 so far, and it demanded that such involvement be 'formalised'. Third, it proposed the 'variable geometry' configuration that Minister Yeo had earlier spoken of, as a method to allow for participation of non-G20 members "on issues of specific concern to them."²¹ Since the already sizeable membership of the 3G had varied and differing ideas as to its role, it took the Singaporeans considerable skill to package and present them in a way that found resonance among wide UN membership.²²

In an outreach activity, spreading 'the word', Menon spoke at length on the subject at the UN University in New York on 25 March 2010. He analysed three sets of reactions in the global community to G20. One appeared to have accepted that the G20 was here to stay and sought to develop 'mechanisms to engage' it as it continued to evolve so that other key interests were taken onboard. A second chose NOT to acknowledge the G20 at all and was 'averse' to taking any steps that would reflect such acknowledgement. A third was quite 'indifferent'. Singapore was clearly one of those that saw the reality and, without losing any precious time,

¹⁸ Ambassador Vanu Gopala Menon, *Personal Meeting* (New York), 9 January 2010.

¹⁹ UN General Assembly, Doc. A/64/706, 11 March 2010.

²⁰ *Ibid* ²¹ *n*; *J*

²¹ *Ibid.*

²² The author had spoken to a large number of Ambassadors at the UN in New York in January 2010. For example, key UN actors like Pakistan and Bangladesh, with much potential for contribution to any expanded G-20 agenda like development issues, climate change or fight against terrorism would prefer bodies such as this to be more drawn into the UN framework.

became involved in organising this number of small and medium states to come together 'in the hope of developing a constructive dialogue on coordination and cooperation between G20 and non-G20 members'.²³ As has been stated, rather than actually getting into G20, medium and smaller size economies would be better served by 'organising' themselves, and 'working together.'²⁴ The series of activities, quiet and at times even unobtrusive, particularly at the UN in New York, was important as preparations are currently afoot for the summit in June of the G20 in Toronto, Canada. Naturally the activities would need to be continued thereafter.

Singapore, a Small State

There has been much debate in the literature in international relations on definition of what is a small state. A number of criteria such as the size of territory, population, military power, economic strength, and soft-power influence have been proffered.²⁵ Over the past decades, their influence has grown, largely due to the evolution of the concept of 'sovereign equality of states'. However mythical, it has emerged as a core principle of international relations, being played out effectively in many international organisations, including in the UN. By almost every criterion Singapore is recognised as a small state. In fact, in a television interview with Charlie Rose in the US on 13 July 2005, Prime Minister Lee Hsien Loong described Singapore as a 'small but relevant spot in Asia'. George Yeo gave a practical definition of a 'small state' as those with populations of less than ten million and narrated in Parliament how Singapore, over the years, had been promoting an informal Forum of Small States (FOSS).²⁶

Undisputedly, the architect of modern Singapore is its first Prime Minister (currently Minister Mentor), Lee Kuan Yew, whom Henry Kissinger described as 'one of the seminal figures of Asia'.²⁷ At the S. Rajaratnam School of International Studies lecture in April 2009, Minister Mentor Lee said, 'to ensure survival, small countries like Singapore have to rise above geographical and resource constraints and be accepted as a serious player internationally',

²³ The speech was reproduced in the IPS *Terra Viva* UN Journal, New York, 29 March 2010.

²⁴ Simon Tay, 'G-20: Gulliver and Lilliputians?', Asia Pacific Voices, (Singapore Institute of International Affairs, 15 October 2009).

²⁵ See for instance, D. Vital, *The Inequality of States: A Study of the Small Power in International Relations* (Oxford: Clarendon Press, 1969); Robert Keohane, 'Lilliputians' Dilemmas: Small States in International Politics', *International Organization*, Vol. xxiii (Spring, 1969) ; Karl W. Deutsch, *The Analysis of International Relations* (Englewood Cliffs, N.J.: Prentice–Hall Inc., 1968), and Peter A. Baehr, 'Small States: A Tool for Analysis?', Review Article, *World Politics*, Vol.27, No.3, (April 1975).

²⁶ Committee of Supply Debate on 5 March, op. cit. It still exists but is being overtaken by the greater imperatives of the 3G agenda.

²⁷ For a detailed account of the process, see, Lee Kuan Yew, *From Third World to First: The Singapore Story*, 1965-2000 (New York: HarperCollins, 2000).

noting "as the world changes, small countries have to swiftly adjust their policies and positions and remain nimble to seize opportunities that come with changing circumstances."²⁸

In what is generally seen as the first major study in English on Singaporean foreign policy, one by Michael Leifer, the well-known analyst on Southeast Asia had discounted Singapore's multilateralism. Instead, he emphasised upon the need to focus on its problematic neighbours, which is on its vulnerability in the 'immediate locale'.²⁹

This is in consonance with the hypothesis advanced by Ronald Barston that a small-power has a low level of international involvement.³⁰ He also bases his argument on the assumption that the interests of small states are usually regional, and economic considerations will be placed higher on a scale of priorities than for the bigger powers. He overlooks the fact that the essentially regional interests of a small state may have wider international ramifications, and also that the primacy of its economic interests may indeed lead it to greater international interests. This is exactly what has happened in the case of Singapore. A more recent observer has written, 'Whereas the country (Singapore) remains small both in terms of land area and population size, there is a very real sense that the smallness is compensated by its international linkages and presence.'31 It is possible some may see Singapore's relations with powerful neighbours such as Malaysia, Indonesia, or even China as what the Scandinavian Erling Bjol has described as 'pilot-fish' behaviour, 'tacking close to the shark to avoid being eaten',³² an empirical observation of Singapore's behavioural-pattern. This may show that Singapore has sought to make up for any power deficits by widening its web of international interactions and becoming an active international actor. The current initiatives on 3G are cases in point.

South Asian LDCs and Singapore

Evidently, what Singapore should aim at is increasing the stakes of the rest of the world in this island state in as many ways as possible. It appreciates and takes into account the centrality of Association of Southeast Asian Nations (ASEAN) in the region.³³ Its active role in the UN, the Asia-Pacific Economic Co-operation (APEC) and the World Trade

²⁸ Hasnita Majid, 'Singapore's foreign policy must remain relevant to ensure survival', *Channel NewsAsia*, (9 April 2009), www.channelnewsasia.com/stories/singaporelocalnews/view/421314/1/.html. Accessed on 25 April 2005.

²⁹ Michael Leifer, *Singapore's Foreign Policy: Coping with Vulnerability* (London: Routledge, 2000), p.129.

³⁰ Ronald P. Barston, 'The External Relations of Small States', [August Schou and Arne Olav Brundtland (eds.)] *Small States in International Relations* (Stockholm: Almqvist and Wiksell, 1971), p.41.

³¹ N. Ganesan, *Realism and Interdependence in Singapore's Foreign Policy* (New York: Routledge, 2005), p.11. ³² Edited Dial (The Small State in Laterational Political in Solver and Penduland environ 22 Dial environment)

³² Erling Bjol, 'The Small State in International Politics' in Schou and Brundtland, op.cit, p.33 Bjol was analysing Finland's relations with the Soviet Union during the Cold War.

³³ See speech on the subject by the noted scholar and diplomat, K. Kesavapany, 'ASEAN Centrality in Regional Integration', (Bangkok: ASEAN Studies Centre, 26 February 2010), Accessed on 1 March 2010.

Organization (WTO), whose first ever Ministerial Conference Singapore hosted in 1996, point to its increased role. Singapore over the years has, as Professor Amitav Acharya had observed eighteen years ago, 'become more adept at operating at the international level to ensure (its) interests and objectives'³⁴ as it must.

For a country with such a burgeoning role, what would be important would be a 'developmental role'. This would also be in consonance with the received wisdom concerning the role of the more privileged in the Asian ethos to be supportive of those that are less. Singapore does not, indeed, need be a major 'donor' given its small size. What it can do, however, is press its services to build the capacity of some underprivileged fellow Asian countries, to upgrade their ability to negotiate better terms and conditions for themselves in the real world of hard-headed economic diplomacy or negotiations.

The UN recognises 49 countries around the world as LDCs. The number was greater earlier, but Botswana and Cape Verde have graduated. The LDCs are low-income countries suffering from long-term handicaps to growth and severe structuring weaknesses. The UN classifies a country as such if it meets three criteria: first, it must have low income (a three-year average gross national income of less than US\$905); second, it must suffer from human resource weaknesses (based on indicators of nutrition, health, education, and literacy); and third, it must be economically vulnerable (based on instability of agricultural production, instability of export of goods and services, economic importance of non-traditional activities, merchandise export concentration, handicap of economic smallness and percentage of population displaced by natural disasters. The LDCs are also organised as a Group at the UN.³⁵

While most LDCs are in Africa, there are eleven such in Asia. The largest concentration in any sub-region in population and numbers is in South Asia, where there are six of them: Afghanistan, Bangladesh, Bhutan, Maldives, Myanmar (if one is to extend the territorial definition of South Asia a bit), and Nepal. The five others are Cambodia, Lao People's Democratic Republic, Vietnam, Timor Leste and Yemen.

African LDCs have traditionally received more focus for a variety of reasons from traditional donors and development partners due to better political organisation through the African Union. On the other hand, the Asian LDCs, despite their potential of better returns for assistance provided, have often been neglected. For instance, at the G8 Summit in Gleaneagles, Scotland in 2005, and thereafter at a similar conference in Heiligendamm,

³⁴ 'The Evolution of Singapore's Foreign Policy: Challenges of Change'. Paper presented to the Conference on 'The Political Economy of Foreign Policy in Southeast Asia', (Windsor, Ontario: University of Windsor, 29 October - 1 November 1992).

³⁵ The author was a Special Advisor to the Secretary General of the United Nations Conference on Trade and Development (UNCTAD) in 2000. Later, as Foreign Advisor (Foreign Minister) of Bangladesh, he was elected as the Chairman of the Group of LDCs in New York in 2007.

Germany in 2007, the major donors agreed to double aid to Africa by 2010, with Gleneagles writing off more than the US\$40 billion debts owed by African LDCs.³⁶ While no one would object to expanded aid to Africa, where it was and still is sorely needed, the problem was insufficient attention was paid to improving the absorptive capacity which inevitably impacted adversely on aid-effectiveness. Asian LDCs, whose debts were not forgiven, felt that performance was not rewarded but punished. During the WTO Ministerial Meeting held in Hong Kong in 2005, 97 per cent of LDC products were given duty-free access to developed markets; it so happened that the 3 per cent not accorded such status were Bangladeshi manufactures.³⁷

What the South Asian LDCs would greatly benefit from, it appears from the series of experience narrated above, is technical assistance or support in capacity-building for negotiations. Singapore has emerged as a regional hub of excellence in related intellectual fields. With regard to the South Asian LDCs, such support could be accorded, for instance, by ISAS, if it is appropriately equipped, which would not entail major costs. Alternatively, if Singapore chooses to expand this support to other Asian LDCs including the smaller Pacific islands who are also members of the Group (Kiribati, Samoa, Solomon Islands, Tuvalu, and Vanuatu) then the larger LKYSPP could also be effectively associated. A project in this regard could be prepared in collaboration with the Geneva-based UN Conference on Trade and Development (UNCTAD) and/or the New York-based Office of the High Representative for LDCs (UNHLSS). Such an activity could form an action-oriented function of 3G or may even be outside its framework, as an independent Singaporean foreign policy activity.

Conclusion

The American author, Fareed Zakaria, has described Singapore as a 'small city state with abnormally competent ruling elite'.³⁸ He and others of his ilk have been predicting, if not so much the 'decline of America' then at least most certainly the 'rise of the rest'. Kishore Mahbubani has urged America to now show a decent respect for the opinions of mankind. He has argued that the West must gracefully give up its dominance of global institutions, from the IMF to the World Bank, the G7 to the Security Council.³⁹ International relations, like nature, hates a vacuum; in the space created by the West's withdrawal, 'the rest', particularly Asia are slowly but inexorably moving in.

³⁶ 'G8 Nations should Redeem Pledges on Development Aid to Africa' (World Press. Org., 4 June 2007).

³⁷ 'Bangladesh Lists Products for Duty-free Market Access under WTO' (*One World South Asia*, 21 April 2006).

³⁸ Fareed Zakaria, '*The Post-American World*' (New York: W.W. Norton & Company, 2008), p.102.

³⁹ Kishore Mahbubani, *Beyond the Age of Innocence: Rebuilding the Trust between America and the World* (New York: Public Affairs, 2008) and *The New Asian Hemisphere: The Irresistible shift of Global power to the East* (New York: Public Affairs, 2008).

These do not have only to be the bigger Asian powers, like the 'rising' China and India, or the already acknowledged powerful entity of Japan but also the smaller ones, the tigers who showed how to tap the woods such as Singapore, Hong Kong and Taiwan. Among them Singapore perhaps has a more prominent global presence. Professors Tan Tai Yong, Derek Heng and Kwa Chong Guan in their seminal work on Singapore's history have asserted that Singapore would need to be 'understood within the context of its oscillation between proactively driving its survival agenda, on the one hand, and being drawn into the agenda and processes of larger regional and international events, and circumstances on the other'.⁴⁰ With this understanding and recognition will also come some responsibilities - small to begin with, that Singapore is well-equipped to discharge. One can be small, but also significant. This significance will also buttress one's security, stability and prosperity.

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⁴⁰ Singapore, A 700-Year History: From Early Emporium to World City (National Archives of Singapore, 2009), p.216.