

ME101 Series Introduction | Q&A with MEI Executive Director Michelle Teo – Developments in the Middle East: Why Singapore Should Care

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Q: You had stressed quite a bit about the Gulf in your speech – including competition – but how can Singapore compete against countries awash in petrodollars? You mentioned Hamad International Airport in Qatar and it is a tiny nation too but it has world-class museums and will be hosting the 2022 World Cup among other things.

A: I don't think we have anything to fear in terms of competition from the Gulf – Competition is not necessarily a bad thing; in fact, I think it is good. As a Singaporean, my pride is hurt that Hamad International Airport managed to knock Changi Airport off the number one position which we have held for eight years but I can tell you that we will compete to get back that number one position. I don't think you need to have deep pockets to be competitive and to adapt. If you look at the Gulf states – yes, they are awash in petrodollars and yes, they do use a lot of the revenue that they have earned to develop their country but I'd also say that they recognise the fact that they need to diversify away from oil and gas – their pockets are deep but they are not infinite.

On how we can compete against them: Singapore started with very little, if not nothing. We've worked very hard to get to where we are; we had help along the way from the United Nations Development Programme, for instance, and we will always be appreciative of what they did for Singapore to get started. Grit has also gotten us to where we are but we also have one very valuable resource – our human resource. We have set up infrastructures that are stable, transparent and we have an educated English-speaking workforce. I don't think money alone is going to ensure that we get ahead of the Gulf states – they have those resources in terms of the petrodollars but the truth is that they also recognise that they now need to build the skill sets within their population and not simply just import the talent and that's going to be a long road for them.

Q: About Egypt, you mentioned we had a start there but there is little mention of it in the media, for Instan but when there is, it is usually bad news. Is Egypt still relevant to Singapore?

A: Actually, it is. When I was in the foreign ministry, we recognised that Egypt had its share of problems but it was one of the first few countries to recognise our independence and in the 1960s, that counted for everything. So, some of the ties are somewhat sentimental. I think that's how we also tend to view the Commonwealth – there's a certain amount of sentimentality towards it and that is an appreciation. I think you have to appreciate these countries, no matter what they are going through now, for what they did for us when we were starting out at separation and when we became an independent state.,

Is Egypt still relevant to us? It is – the Al-Azhar University in Cairo is the oldest centre of learning for religious scholars and many Singaporeans do go there to study and I think that makes the country important and relevant to us.

Q: Are there any reasons why Singapore should pay attention to Central Asia?

A: Yes, there are. While it's not technically the Middle East – which is an artificial term – I think we look at Central Asia and this is something that has been growing for us. We've had these long debates and discussions: Should we be looking at the Central Asian republics? Are they relevant to us? Since they are not really West Asia – they're Central Asia – but they are an arena where you can see Turkey and Iran both seeking to influence the Russians, who have never really left that part of the world, although most of the Central Asian republics used to treat them with some suspicion. There's also a lot of potential in the Central Asian republics – You cannot ignore them in terms of the international economy because they are keen to be plugged in. Some have really done a great deal in terms of their development – Kazakhstan is the most obvious example that comes to mind. There were frequent visits by the Kazakh leadership to Singapore; they remain very fond of Singapore and we have helped them quite a bit through the Singapore Cooperation Programme and I think you can't ignore that. When I talk about the Central Asian republics, the reason why I say we ought to look at them is really because I would like to know what Turkey and Iran are doing there and what this means for us directly or indirectly. We do engage with Central Asian republics; I think our ministries or the government here does see a great deal of potential and there are quite a number of Singapore businesses in the Central Asian republics as well. I talked about Singaporeans being adventurous and you find them all over the Middle East but you can find them all over the Central Asian republics too. So we've got really intrepid people; they learn to speak Russian and then they live in places like Kazakhstan for five or six years. I actually think that – especially among younger Singaporeans – there's a greater sense of adventure and a recognition that there's a big wide world out there.

Q: How will the role of Islam evolve as the region attempts to modernise?

A: One of the things I've talked about is how there's a recognition among countries in the Middle East that they must diversify away from oil and gas and you see this particularly in the government of Saudi Arabia but in order to diversify, it needs to look at its infrastructure and workforce. Thus, it needs to "modernise" its workforce, which should encompass both males and females but when you do that, you come up against a very conservative part of the population; it's not simply the clergy or the religious older Saudi Arabians who are very conservative. I recall a couple of years ago, at one of our conferences, we had a speaker from Saudi Arabia who shocked me because he openly said that KSA women don't want to drive in the country and they don't support the move to drive there. I was wondering how this could be possible and then realised that he was talking about the traditional and conservative, against those who believe that there is a need to be a part of the 21st century. So I think Islam also has got to evolve accordingly now. Religions are not static; they are dynamic. With Islam, there has always been a little bit more acceptance but there's also been very conservative elements. I think that as countries in the Middle East push against the traditional tribal way of doing things and start to try to move their countries, societies and economies more into the 21st century – more diversified and less dependent on just one resource or another and being held hostage to the market forces – I think you will see that there will be these tensions and jostling. What I hope is that it doesn't lead to terrible disruptions that we have seen in some of the other states across the Middle East.

Q: Will Singapore Prime Minister Lee Hsien Loong's offer to the US to use the RSAF's MRTT aircraft for the Afghanistan evacuation expose Singapore to more terror threats?

A: Probably so but we have always been very aware of the threat of terrorism. One of the things that we look at, at MEI, is how ideas flow. I don't want to talk about terrorism because that really is something that the Rajaratnam School of International Studies (RSIS) looks at more closely but that is a reality of the majority of individuals who have some religious belief – and I talk about this across the various faiths. Most are moderates and they want to live peacefully but you will always get the extreme elements and you see this across a lot of the religions. About the offer to the Americans to help out in Afghanistan: Yes, there will be those who will not agree with what we have done. The offer was made for humanitarian reasons. Does it open us up to risks? Yes, I think these are the kinds of risks that our internal security people have been very aware of and are very concerned about. A couple of weeks ago, there was an article that our intelligence agencies did say that they are worried about the US withdrawal and the speed at which the Taliban was taking control of Afghanistan back again meant that they'd have to be more alert and aware of the risks in terms of terrorism and possible terrorist attacks here. With regard to our offer of assistance to the US in Afghanistan, PM Lee did mention that this issue was a priority for the whole world and for Singapore also. It was really no exception and it's one of the reasons why the offer was made.

Q: Is there a difference in the terms Arab Gulf, Persian Gulf and the Middle East, both in how Singapore sees the region and how they view themselves?

A: The term Middle East is a British military term; just like how they described us as the Far East, they also have the Near East and the Middle East. It is a way of defining zones militarily and I don't find it an accurate explanation. The Persian Gulf is geographical; I rarely use the term Arab Gulf but what I can tell you is that when we had a couple of our researchers sit down and talk about this, they told me it isn't really possible to call the Middle East the Middle East because it's not an accurate representation and hence, we use the definitions of Northern tier and Southern tier. Here at MEI we tried to pick something that was more neutral so we picked Northern and Southern tiers as it gives us an easier way to analyse and bring in countries like Turkey and Iran that were never considered part of the Middle East –something which was mainly used to define all the Arab states. So, how do you decide which is the most accurate term to use? There isn't. Even using Northern tier and Southern tier can sometimes be a little bit clunky because you have to explain which are the countries that fall within Northern or Southern; we use very geographical divisions. When you talk about Southern tier, you are looking at the countries that are part of the Gulf – they're called the Gulf states because they are centred around the Gulf.

Q: When did Singapore's Ministry of Foreign Affairs decide to initiate the Middle East Directorate? Was there any particular reason for it or was it just the emerging importance of the region to Singapore?

A: I was one of the Ministry of Foreign Affairs officers who was around at the time and we were actually doing some re-organising of the ministry. This was during the time when Peter Ho was the permanent secretary of the ministry and he was also the head of the civil service. At that point, he recognised that the old way of looking at our directorate political policy and analysis wasn't actually ideal. For example, the Middle East was actually part of what was then called the Directorate Four and it was put together with Latin America, South Asia and Africa. It doesn't work, it's very clunky and at the time the decision was made to do some restructuring, then-Prime Minister Goh Chok Tong was also looking at the Middle East in a more serious way and he said we need to pay attention to them [the Middle East]. Our Chairman, Bilahari Kausikan likes to joke that while we didn't really pay that much attention to the Middle East, they paid a lot of attention to us. Dubai took many lessons from us, adapted them and picked up best practices

from everywhere else just as we had done. That's why Dubai is where it is today. So, when the Middle East Directorate was set up, it was part of a larger effort to actually restructure the directorates looking at the regions and allow for more focus in each of these regions because we recognised that there was potential and we couldn't just always focus on North America, Europe, Southeast Asia and North Asia. There was Africa, Latin America, the Middle East and South Asia and we needed to pay attention to all of these. So the decision to create the Middle East Directorate was part of that broader strategy, tied into the observation that Mr Goh had made that the Middle East seemed to be paying a lot more attention to us but we weren't doing enough to pay attention to them. He made this comment about Latin America as well and thus there was a restructuring. I think it was a much more rational approach; it allowed us to pay a lot more attention to each of these different regions and also work across agencies more effectively. If you look at the trade ministry and its statutory boards, you will see that they were much more geographical than we were originally. In part because the ministry at that time was very small. It's a larger ministry now – it's still one of the smallest ministries around but it is larger than it used to be because I think there was a recognition that you needed to give a little bit more focus to more regions, not just look at a few. In the early days, necessity meant that we focused only on a few but as we found our feet in the world, grew in confidence and became much more successful, it was good for us to actually look at where we could expand the markets that we could go into. We have relationships with many of these countries in the United Nations (UN) but the UN is a rather artificial construct – what happens in the UN doesn't necessarily translate into bilateral actions so you really need to take a two-pronged approach.

Q: How wide and deep are the economic political and security linkages between Singapore and the Middle East? Who in the Middle East is driving the development and agenda in the region?

A: Our linkages with the Middle East really depends on the specific country – we can do a lot more but it also depends on how engaged the countries themselves want to be.

Let me answer the second question first: We have partnerships with Saudi Arabia and the UAE in part because these two countries' crown princes have a lot of common ground in terms of the concerns that they have and the interests they share and in many ways, they have set quite a bit of the agenda in that when they came up with their vision plans and they talked about diversifying, modernising or transforming. They were doing this because it was in their natural interest to do it and both countries recognise the need for them to really bring their countries into the 21st century. The UAE is a union of smaller emirates. Collectively, they are more effective than if they were to work individually but the wealthiest of the emirates are Dubai and Abu Dhabi and Abu Dhabi is where the capital is. So, a lot of what is being done in the UAE is being driven by Abu Dhabi. In Saudi Arabia, it is of course the house of Al Saud and the crown prince who are making the changes. They do bring the smaller countries along with them; for example, Bahrain is rather dependent on Saudi Arabia so they get brought along in those changes.

It is a fact that Saudi Arabia and the UAE decided that they were going to come up with their vision plans and have worked out strategies have actually spurred everybody else. That's why you also see that Qatar does not work always in alignment with the UAE and Saudi Arabia – there was a blockade against the Qataris that shocked everybody and yet somehow, Qatar got through it and came out stronger. It has accelerated a lot of its development plans and the Qataris are extremely competitive. I would say that these are probably the three countries that are really driving the process in the Middle East but amongst the three, it is actually Saudi Arabia because it's the biggest and the wealthiest of them. Saudi Arabia is also influential because it is the custodian of the holy places. Where are these transformations going to lead? I really don't know if the three countries will succeed in their transformation processes – that remains to be seen.

Q: My Impression Is that the Middle East Is going through quite a lot of turmoil right now. Which aspects of the Middle East Is Singapore most concerned about?

A: The Middle East is a region that has been in turmoil for a very long time. I don't think that's going to change anytime soon but this is exactly what we wanted to try to do in running this series. If you read the media, you think that it is a region that is perpetually in turmoil. It depends on how you define turmoil. If you go to Israel, it's a remarkably successful state; very stable, even though there is a chasm developing between the sectarian and ultra-orthodox Israelis. If you are talking about states like Iraq, Syria and Lebanon, they have been struggling for a long time and there is a lot of sectarian violence. The interference of external parties has not helped but the problems are the problems of that region. There's not a lot that we can do in Singapore. You can offer assistance through humanitarian aid agencies but it is tough. While we do look at the Middle East with concern, there are countries there that are very stable too, like the Gulf states. If you look at Turkey and Iran, they are stable despite having their own domestic issues – we do have bilateral relationships with both of these countries and I think it is the right approach to take.

Q: What are the potential climate issues facing the region and how important is the Middle East in contributing to the global effort in dealing with climate change?

A: I talked about the fact that the Middle East is arid; water is an issue for them and recently, there was an interesting article that said that the region is running out of water. So, climate change is actually a big problem for them and they recognise this – we've actually got a session in this series that will look specifically at climate change. Some of the other issues that they face are extreme heat and desertification. Can they contribute to the global effort in dealing with climate change? If you look at what Saudi Arabia and the UAE are doing, they've come up with "green plans". The two countries are investing in green technology and doing so in a big way; they have a clear vision and deadlines – for being greener – that they would like to achieve some of the goals by. They do have a role to play and understand that climate change is having a major impact on their part of the world. It's a very hot and dry region; climate change is making the heat even more extreme and they are facing the issue of desertification. They will be in a lot of trouble if they are running out of water and will have to find ways to deal with that.

Q: How Is Jordan relevant to Singapore?

A: We have an old relationship with Jordan – King Abdullah is a big fan of Singapore and he has very good ties with our Prime Minister as well as ministers of the past and present. He's made many visits to Singapore to promote interfaith dialogue and to talk about coexistence and religious tolerance. I think the Jordanians, better than anyone else, understand this issue. They're right next door to Israel; they've had a tumultuous relationship with the Israelis but they also have their own domestic issues. They also have a very large Palestinian population and there are ethnic and religious tensions and divisions. – On that front, I think the Jordanians are very relevant because: one, we have a good relationship with them; two, what they are talking about is a topic that is important to us in Singapore.

Q: As Saudi Arabia and Iran continue to have a fractious relationship, how can Singapore maintain a good relationship with both countries?

A: With great difficulty, I think we see value in relationships with both countries. At the beginning of my speech, I talked about how one of the three countries that we paid attention to is Saudi Arabia and it was because of Jeddah and the Hajj – our Muslim population would make the annual pilgrimage but that relationship has moved beyond that. We have a post in Riyadh and we have an ambassador there. Sending

an ambassador and setting up an embassy is a big deal in terms of international relations and how you view a particular country. We don't have the same with Iran mainly because there are many more Singaporeans who go to Saudi Arabia so we have to be a little practical. The Iranians are not too happy about this as they would like for us to set up an embassy in Tehran. For now, we have a non-resident ambassador to Iran and we have always taken a very practical approach – as a sovereign state, we have the right to have relationships with whomever we choose to build ties with and we have chosen to have links with both Iran and Saudi Arabia since we see opportunities for co-operating with both but of course, there are difficulties. With Iran, it's easier said than done given that there are so many sanctions imposed on them. At this point, the relationship has not moved forward even though we recognise that they do have a talented population and have something to offer. So, the short answer to your question is that maintaining the balance between the two is not easy. Small countries inevitably come under some kind of pressure but I don't think it's just small countries – any country which gets caught in that will face some difficulties and I don't think that it's just confined to Saudi Arabia and Iran in the Middle East.

Q: Could – and should – Singapore be more involved in peace and resolution of conflicts in the Middle East? What could we offer?

A: For some of these conflicts, there may be no easy answer to them. If the main players are not willing to come to the table and have a discussion, it's difficult for the countries within that region to help them resolve their problems; let alone a country like Singapore that does not belong to that region. I know it sounds very pragmatic and almost callous in the answer that I have given you but sometimes you have to be a bit practical about this. So, my answer to that is we would have to offer them what could not be better offered by countries in that region.

Q: MEI Chairman Mr Bilahari Kausikan wrote in a column recently that the US withdrawal from Afghanistan is a strategically correct move although the human caring toll is sad. What are your thoughts on it?

A: I have the same view. I think it was done in a very messy way; they have made some mistakes but from a strategic perspective, it was the correct move because the Americans, finally and perhaps belatedly, learned what the Russians have: Afghanistan is an almost impossible place to be in. The humanitarian toll is pretty horrendous; the Biden administration essentially made a decision and the collateral damage are the Afghan people themselves because the US' priority is to save the American people and to withdraw their troops. Americans, domestically, are just tired of being involved in wars that are not of their making. If you were to look at Afghanistan, my question is: What is the strategic imperative for the Americans to be there? I'm not sure that I see one. Therefore, the decision now – and I think our chairman described it as “cutting the guardian knot” – is a rather dramatic action that they have done. I think there would have been no right way for the US to withdraw from Afghanistan. I'm not sure I necessarily agree with the way the Americans did it but I can understand the strategic imperative for doing it. On that basis, it probably was the correct move for them.

Q: Can social change occur in the Middle East given its highly religious and conservative culture?

A: I think it is going to be a faltering effort that's going to be really difficult. What you have to see is that in diversifying the economy away from a dependence on oil and gas, the Gulf states are essentially trying to move away from what is essentially a rentier economy and with that, a social compact that they have worked out with their people. They have subsidised most basic goods and services in order to ensure compliance. When you diversify and move away from a rentier economy, you therefore have to take away

subsidies. A couple of years ago, KSA tried to take away the petrol subsidies and there was a huge cry from Saudi Arabians and they almost immediately had to reinstate it – that just tells you how difficult it's going to be. Additionally, you've correctly pointed out that it is a very conservative society. My view is that they are going to have to loosen up some of these conservative structures in order to ameliorate the pain of taking away subsidies and getting a buy-in from their population. Are they going to succeed at it? I don't know; it's going to be very difficult.

Q: Will close ties with Israel prevent Singapore from being able to take on a truly neutral stance on the Israel-Palestine conflict?

A: Singapore has actually supported almost every UN resolution in favour of Palestinians. The Israelis have always been upset with us. I was a delegate at the UN and the Israelis were rather upset with us because on the issue of Palestinians, we have always supported every UN resolution. At the UN, we condemned the Trump administration's decision to move its embassy to Jerusalem because we didn't feel that this was a good move. On the issue of Palestinians, I would say you need to take a look at what we've done at the UN because despite all that we have with the Israelis, this is the one issue we have not agreed with them on. It's not just the Israelis who have been upset with us; the Americans usually are pretty upset with us as well but we had to take a stand.