



Tanks for nothing! Making sense of the Terrex incident by Bernard F.W. Loo

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On Nov. 23, nine Singapore Armed Forces (SAF) Terrex infantry carrier vehicles (ICV) on route from the southern Taiwan city of Kaohsiung to Singapore were detained by authorities at Hong Kong's Kwai Chung Container Terminal, after what appears to have been a routine inspection by Hong Kong Customs authorities. The Terrex ICVs were being shipped from Taiwan back to Singapore, having taken part in routine training exercises that the SAF conducts in Taiwan.

'Business as usual'?

There is ostensibly "nothing unnatural" about the SAF shipping military equipment by commercial carriers through Hong Kong, said the SAF's Chief of Army Maj. Gen Melvin Ong. Many military organizations use commercial carriers to move their heavy equipment, and military organizations of the region often ship their heavy equipment through Hong Kong. Shipping heavy equipment by commercial carriers is often the most cost-effective and efficient method to move such equipment.

Nor is the impounding of the SAF's ICVs unprecedented. In September 2010, a South Korean K-21 light tank and armored personnel carrier was impounded by Hong Kong's Customs authorities while being shipped from Saudi Arabia back to South Korea. The equipment was subsequently returned to South Korea through China's Ministry of Foreign Affairs.

Nevertheless, it may be counterintuitive to see the impounding of the SAF's ICVs as business (or politics) as usual. Instead, it is likely that two separate political developments are part of this incident.

First, this incident occurred in the midst of a dip in China-Singapore relations, which started after the July 12, 2016 ruling by the Permanent Court of Arbitration on the South China Sea and Singapore's subsequent response – which China interpreted as an anti-China stance. The relationship further deteriorated after Singapore's Ambassador to Beijing Stanley Loh issued an open letter to the editors of China's *Global Times* newspaper on Sept. 26, rebutting a *Global Times* report of the Non-Aligned Movement Summit meeting earlier that month, which alleged that the Singapore delegation raised the issues of the South China Sea and the Permanent Court of Arbitration's ruling. Since then, a series of angry exchanges

between the two countries, involving both public officials and private netizens, has ensued.

Second, the election of Tsai Ing-wen as president of Taiwan clearly rankled Chinese sensibilities, judging by the number of times her Facebook account was spammed, ostensibly by Chinese netizens. President Tsai pointedly omitted any mention of the 1992 "One China consensus" in her inaugural address. Cross-strait relations have since been frosty.

By impounding the SAF's ICVs, China may have been sending messages to both Singapore and Taiwan, a less-than-friendly reminder of the One China policy.

Singapore responds

Singapore's responses have been restrained. No mention has been made of the cooling in China-Singapore relations. Foreign Minister Vivian Balakrishnan asserted that "Singapore will not allow any single issue to hijack its longstanding, multifaceted relationship with China." At the Straits Times Global Outlook Forum on Nov. 29, he added that, "It's not a strategic incident; I don't lose any sleep over it."

Defence Minister Ng Eng Hen reiterated Singapore's commitment to the "One China" policy; he was also careful to not speculate, at least publically, on the reasons for Hong Kong's Customs authorities to inspect the cargo. Nevertheless, his response can be seen as somewhat more muscular, as he stated that Singapore will "exercise our full rights in recovering our assets."

Could this incident have been avoided? The short answer is yes. Given the current state of China-Singapore relations, it beggars the imagination that the SAF would have shipped the Terrex ICVs to Singapore using a carrier that would transit Xiamen, Hong Kong, and Shenzhen.

At the same time, however, moving goods from one point to another is an exercise in risk management. The movement of goods through multiple stopping points introduces new levels of risk. The security of the cargo should have dictated that it be shipped directly from Taiwan to Singapore, without any stopovers. Surely, cost effectiveness needs to be balanced by security considerations.

Assessing the fallout

An aspect of China-Singapore relations affected by this incident is Singapore's longstanding relationship with Taiwan. Singapore has maintained a special relationship with Taiwan, which stretches back to 1975, when the SAF was granted access to Taiwanese military training grounds and facilities. Taiwanese senior officers were instrumental in helping the SAF build up its naval and air forces. Over the years, a number of SAF personnel has been injured or killed while training in Taiwan, and these incidents had been reported by

Singapore's *Straits Times*. Hence, there is nothing secret about SAF training exercises in Taiwan.

China had adopted a studious silence with regard to Singapore's unofficial relationship with Taiwan and the SAF's regular training in Taiwan. No longer. A side effect of the Terrex incident is an open call from China's Foreign Ministry for Singapore to respect the "One China" principle, and not-so-subtle hints that Singapore needs to terminate military cooperation with Taiwan. No doubt Singapore's refusal of China's offer of training space in Hainan to replace Taiwan further rankles Chinese sensibilities.

The latter point, however, is disingenuous. Singapore and Taiwan have retained their informal relationship, and Taiwan continues to permit Singapore to conduct military training in the island, even though there is no military relationship between the two islands.

The damage, however little, is done. While Singapore will exercise its "full rights" in recovering the vehicles currently impounded in Hong Kong, it is difficult to see what instruments Singapore can leverage to expedite their recovery. That the vehicles will be returned to Singapore is beyond doubt; it is merely a question of how long Singapore will have to wait before they are returned. That waiting time is a message from China to Singapore.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.