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Singapore Government

PRESS RELEASE

Media Division, Ministry of Information and the Arts, #36-00 PSA Building, 460
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Speech by Mr David T E Lim, Minister of State for Defence and Information and The Arts, at the Singapore Student Symposium on 20 July, at 9.00 am at RELC Building

Mr Chen Chin Chi, Executive Director, Singapore International Foundation,

Ladies and gentlemen:

1. On July 13, the World Economic Forum released its annual ranking of the world's most competitive nations. Singapore topped the list, ahead of the United States, Hong Kong and Taiwan. It was Singapore's 4th year at the top of the charts.

2. The WEF's top ranking of Singapore in 1999 is all the more significant because the last 2 years have been difficult years for Asia. Many countries in the region experienced severe economic recession. Singapore's growth was cut from almost 8% in 1997 to a mere 0.3% in 1998.

3. Singapore has earned its reputation of being an "economic miracle" in more ways than one. We have done well in good times, and weathered the storm in bad. The success of Singapore is often attributed to a number of key factors, which include:

a. A capable and incorrupt government which has implemented conducive pro-business and pro-investment policies;

b. A skilled, hardworking workforce that is motivated by a fair and meritocratic system of rewards and opportunities;

c. First class physical infrastructure that is efficient, cost effective and reliable;

d. An impartial, effective and trustworthy legal system that upholds the rule of law, and so ensures the security of contracts and agreements;

e. Social stability and national unity which bonds a heterogeneous people of diverse races, cultures and languages together through shared values, and shared hopes.

4. Singapore's success these past 4 decades is built on an all rounded approach - economic pragmatism, coupled with social harmony and strong political leadership.

5. But in each of these areas, new challenges are emerging. This morning, I would like to address these challenges, and Singapore's response. For both the Singaporeans in the audience, and our friends from other countries, I hope that this would give you a better sense of the current thrusts and initiatives which Singapore is pursuing today, and an insight into how Singapore is continuing to grow and develop, and the opportunities we will create as we go into a new millennium.

6. In the economic arena, the regional crisis has heightened awareness of a global and inter-linked world. What happens in Russia or South America impacts the stock markets in New York, Tokyo or Singapore. Financial leaders worldwide are now struggling to find new structures and rules to govern global financial markets so that they do not wreak havoc and damage on fragile and unprepared economies.

7. But it is in the area of information technology that global inter-dependencies are most acutely felt. Advances and innovations in IT have made available massive computing power and communication capacities at low and affordable prices. The Internet, and all the electronic services that hang off it, has boomed, and is transforming the way we live, work and trade by offering unprecedented ease of information flow.

8. This easy flow of information has given rise to the emergence of the global knowledge economy. Ideas flow at the touch of a button from one laboratory to another, from one mind to the next, regardless of national borders or geographical boundaries. In such a global economy, the creation of wealth and value lies in intangible knowledge, rather than in the traditional factors of production, like land, labour and capital.

9. And in such a global world, talent has become the most sought after resource. Money chases ideas all around the world. Countries open wide their doors to welcome people who have the skills, the knowledge and connections to make this happen. Talents seek out other talents, feeding off each other's energies, like sword sharpening sword, moving faster and getting better with each thrust and parry.

10. For Singapore, our key economic challenge is how we can develop, attract and retain talent. To do so, we must create opportunities for talents to reach their full potential. We do this through a number of policies.

11. Firstly, we emphasise education. Our first priority is to ensure that every Singaporean gets the best education we can provide. Government spending on education is second only to defence expenditures. We are investing time, money and effort into training teachers, upgrading schools, improving curricula and sponsoring students to go overseas on scholarships and exchange programmes.

12. Resources are also set aside to retrain and update working adults. Knowledge today has a short shelf life. Much of what a person learns at work at the age of 20 is obsolete by the time he turns 30. Learning must be lifelong, and continual. To deal with this, our education institutions are being re-tooled to support the on-going need to re-educate our workforce.

13. Secondly, we emphasise creativity and critical thinking. This is essential in the knowledge economy. In a manufacturing-based environment, the critical factor of success could be called "reproducibility". Factories do well if they can make the same widgets repeatedly, with as little variance as possible, and always to same

standards and specifications. Success consists of doing the same things consistently well, over and over again. But in a knowledge driven environment, the critical factor is "ingenuity". What creates value is not consistency, but the cleverness of an idea to solve an old problem in a more efficient new way, or to deliver a new product or service that meets a previously unmet need.

14. We do not know if creativity can be taught, but we will introduce some ideas into our education pedagogy and curricula to try to facilitate this. More importantly, creativity develops through our daily experiences, and the stimuli we receive from the environment we live in. To address this, we are promoting arts, culture, sports, entertainment and leisure activities. Our goal is to create a lively and vibrant city that has the buzz and energy that provide the raw ingredients for new and novel ideas. Being called "funky" in the latest international edition of Time magazine is not quite the accolade we seek. But it shows that our efforts to create more vitality in our environment have not gone unnoticed.

15. Thirdly, we encourage enterprise. Apart from the many schemes that have long existed to help smaller companies grow and expand regionally, the government is now looking into ways to encourage entrepreneurship in technology-based industries. We call this techno-preneurship for short. A program to do this, called Technopreuship 21, is currently being worked out. As part of this program, DPM Tony Tan recently announced a US\$1 billion techno-preneurship fund to encourage more people to come up with creative business ideas, and also to attract innovative projects from elsewhere in the region. And a few weeks ago, the government also announced measures such as home offices, and revamped bankruptcy rules, to make it easier for new businesses to start up or for failed entrepreneurs to try again. Creating a new risk orientation would take some time, but it is vitally important for Singapore if we are to keep pace with the knowledge economy.

16. Fourthly, we welcome talents to work, invest, and live in Singapore. Singapore with its small population base can only generate a limited number of people with the skills and abilities we need in a knowledge economy. It is not just a matter of intelligence, but also of skills, experience and corporate culture. The best of Singaporeans are no less able than their counterparts in other countries. But they may not have been exposed to the same career opportunities, or the same risks and market conditions that talents from other parts of the world have. In a global economy, we need to adopt the best global practices to stay ahead. And the effective way to do this is to get the leading practitioners here to apply their knowledge. They can help make Singapore more competitive, and so create more job opportunities for Singaporeans.

17. Of all the policies I have outlined above, attracting foreign talents is the one that Singaporeans have expressed the most reservations about or unhappiness with. Their concerns are rooted in their sense of identity and belonging. One question they ask is this: "Is Singapore for Singaporeans or for foreigners?". They feel that by giving so much emphasis to the need for foreign talents, Singaporeans have been relegated to second place.

18. Of course, this is not what the government wants to do. Singaporeans come first. Their well being is what the government is concerned about. We are building Singapore for Singaporeans. But to flourish, we must also be open to those who can help us reach our goals. And for those who may want to adopt our way of life, our

values, and our hopes, we should welcome them to become, like our forefathers once became, new citizens of Singapore.

19. I have touched above on some of the key policies that we are pursuing today to enable Singapore to keep pace with the rest of the world, as we move towards a knowledge driven economy. For this shift to succeed, we will need to acquire new attitudes and mindsets, new skills and capabilities.

20. Such wide-ranging changes will bring new forms of social stress and tensions. This is not new for Singapore.

21. In the 60s, when we first became independent, we had to shift from being dependent on entrepot trade to becoming an industrial economy. Old jobs were lost. Workers had to acquire new skills or become unemployed. The pace of life quickened. Stress levels went up. But we coped. Parents understood the importance of a good education foundation. Workers understood the need for re-training.

22. The economic pressure to perform brought us closer together as families, friends and community. Parents toiled to give children opportunity for higher studies; elder brothers or sisters sacrificed their own careers to help younger siblings; communities organisations rallied to provide tuition classes and scholarships. Everyone was determined to get a better education and find a better job. We started poor, and being poor, we were willing to pool resources to achieve shared goals. It helped us build a strong sense of community.

23. The challenges we face today are different from yesteryear. Our basic needs for food, shelter, healthcare and education have been met. Singapore ranks amongst the top countries of the world in GDP per capita. Home ownership is pushing up against the 90% mark. There are no homeless on the streets, no soup kitchens, no ghettos in the city. In education, some 20% of each new cohort now make it to universities, 40% to polytechnics, 40% to technical and trade courses. Everyone with ability has the opportunity to get a higher qualification.

National Archives of Singapore

24. Now, when we consider the future, we begin on a different premise. Our basic needs are met, and we all are relatively well off. With this as a starting point, the underlying want in Singapore society today is a search for fulfilment beyond economic achievement. Having economic success is essential: everybody knows that they have to work hard to earn their way to a higher standard of living. But working hard, and getting more pay and more material wealth is not enough. There needs to be a sense of purpose, direction, and higher level goals.

25. This concern for a greater sense of purpose is from the viewpoint of the individual. If we look at it from the point of view of the community, other concerns emerge. With greater pressure to compete, we could easily develop an unhealthy attitude of "everyone for himself". Anecdotes of selfish and self-centred behaviour periodically make it to the newspapers. By extrapolation, our sense of community could weaken.

26. Furthermore, technology increasingly reduces the amount of face to face human contact. It provides convenient and low cost delivery of services, without the need for human interaction. For example: Shopping in cyberspace is far more convenient than waiting in long queues for the cashier, and electronic services can be delivered twenty-four hours a day, rain or shine. One concern is that lesser human contact, coupled with higher people mobility, would lead to erosion of our sense of place and home. In the past, families developed tight and close bonds because they lived in physical proximity to each other. In the future, as more family members scatter to different parts of the island, and the world, would our sense of family be as strong?

27. Recognising these trends and emerging concerns, an effort was initiated in 1997 to examine the kind of society we want to live in in the new millennium, and what values and principles to guide us towards that future. We cannot build walls around our island to stop people from going out, or to stop them from coming in. Whatever we wish, we do not have the resources to live in isolation. We have to plug Singapore into the worldwide economy and global community.

28. But for our society to hold together, we must build a community that Singaporeans would want to be a part of and a place where Singaporeans can find fulfilment and purpose.

29. The Singapore 21 Vision launched by PM Goh Chok Tong in April this year attempts to point a way towards such a future. It is a Vision drawn up by many Singaporeans, reflecting their hopes and aspirations.

30. The premise of this vision is that hardware - the physical development of better infrastructure, nicer office buildings and prettier homes - is not sufficient to create our dream future. Neither would software - our policies, and rules of governance which ensure an orderly, safe and functional society. What we also need is heartware - an emotional attachment and commitment of individuals to the community - to bind everything and everyone together.

31. This heartware vision as spelled out in the Singapore 21 report has five elements:

- a. Firstly, that "every Singaporean matters". Everyone has a contribution to make, whatever his ability or station in life.
- b. Second, that "strong families are our foundation and our future". They are they building blocks of our society.
- c. Thirdly, that Singapore should be a place which provides "opportunities for all", a place where every Singaporean can realise his dreams and hope.

d. Fourthly, that we should build up a "strong Singaporean heartbeat", an emotional feeling for our homeland, and a whole person commitment to build and defend it.

e. And finally, we should encourage all Singaporeans to be "active citizens", where each and everyone is involved and making a difference to our future.

32. These are strong assertions of hope and aims. Putting them into practice requires each of us re-examine our attitudes and actions.

For example, do employers "write-off" employees who have fallen behind because it takes time and effort to retrain or re-orientate them, and hire young "flexible" workers instead? If we do that, can we say everyone counts?

Or do family members who have less education or who earn less money get less say when it comes to decisions involving family matters? If we take this attitude, will strong families be the result?

33. The development of a society cannot be as easily defined and shaped as the development of an economy. We can, by policy, give incentives or tax breaks to make it worthwhile for investors to put their bets on Singapore, to build factories and create jobs. But can we develop a more gracious, caring, strongly bonded people by offering free gifts and lucky draws?

34. I think not. It can only come about when each one of us makes a personal commitment to do what we can, at this point in time, despite all the constraints of extant rules and regulations. Whether we take a big step or a small step depends on our individual ability and energy. But only if we act would get a step closer to our wished for future. Social development requires each one of us to act out our convictions, and not just to memorise our lines. This is the moving spirit, the ethos of Singapore 21.

35. Singapore's attention to building heartware may appear nascent when compared to the attention we have given to building our economy. This is not so. Ever since our Independence, we have given careful attention to the strengthening of social cohesion and harmony. We ensured that everyone had equal opportunity to apply their abilities, and took steps to encourage all ethnic groups to preserve their culture and their heritage. This is why despite the racial riots and unrest in regional countries over the last 2 years, Singapore society has not experienced any outburst of racial hate or recriminations.

36. Young Singaporeans today think less of the racial and religious differences in Singaporean society. They do not accept discrimination on the basis of race or religion or gender. Their thinking is that we are all Singaporeans: one heart, one hope, one nation. Such thinking is commendable. It does not reflect a cavalier

attitude. Rather, that they believe this underscores the progress we have made in forging a national identity over the past 4 decades.

37. But race and religion are still potent forces. They have deep and emotional roots, which can easily be stoked-up and manipulated by those who want to do mischief. While we have made progress, we would be naïve to believe that extremist views are no longer dangerous and that racial strife has disappeared for good. Forging good race relations and social harmony still requires sensitive conversations, and continued quiet efforts in education to foster understanding.

38. The heartware we need to build for the 21st century will be built on the social progress we have made over the last 4 decades. This is what Singapore 21 attempts to do.

39. Ladies and gentlemen: I have given you a broad sweep of the economic and social development issues that will challenge Singapore in the new millennium. Time did not permit me to go in detail into each of the challenges. But I hope that I have left you with some clear impressions of our hopes for the future.

40. To the Singaporeans in the audience, let me say this by way of conclusion. We are a heterogeneous people, thrown together by quirks of history. We struggled to survive, and we succeeded beyond even our own expectations. Today, we have built our own way of life, our own peculiar form of society. This society can sustain, and grow, and develop, if we want it to, and we each do our part to bring it about. I hope that this vision of Singapore in the 21st century is also an exciting vision for you. And that wherever you may travel to, in your studies, your work or your adventures, you will always feel that this is where your home is and where your hopes will be fulfilled.

41. And to our friends from other countries - I hope this has given you an understanding of what Singapore is, and where our hopes lie. Singapore strives for progress. But we are not alone. Each of you, and your various countries, also strives for progress. Perhaps some of our hopes are also your hopes. Perhaps some of our ideas and principles also apply in your country. We face an unknown future, but we all share a common wish - that tomorrow will be better than today. And it can be, if we work hard, co-operate and learn from each other. This is a journey we can make together.