

**TRANSCRIPT OF SENIOR MINISTER GOH CHOK TONG'S PRESS CONFERENCE
HELD AT THE PRIME MINISTER'S OFFICE IN TRIPOLI ON 8 MAY 2008**

Libyan Official: "... (indistinct) ..."

Mr Goh: "Thank you very much for inviting me, your government, to Libya. I find this visit fascinating. It's a country which is not familiar to myself and to every Singapore leader, except for my Foreign Minister, who had been here last year. As a project, there are many things we can do together. I'm here to learn what Libya is going to do regarding its reform of its economy, which direction would Libya be taking and you mentioned that there are several areas where Singapore can help you. I wanted to ask you the question directly -- why do you do think Singapore? Why so? What's so special about Singapore that you should choose Singapore? Well, you mentioned that our experience is relevant to Libya. If that is so, as a government, we will be very happy to share the experience that we have with you and I have told the Minister and also the Prime Minister that Singapore will be happy to share our experience with you. But as I told you, the Singapore Government is still to build to have a very large Civil Service that can be going out to share its experiences with other people. We run a rather tight ship. So, we've got to find ways where we can be able to, in a meaningful way, help you and there are certain areas where once we give a commitment that we'll help, we'll be able to help. We'll somehow find the resources within our rather tight ship in Singapore to go out to and help a country like Libya. So, thank you for inviting me and I'm very pleased we've been able to take our relationship a few steps upwards."

Q: "First of all, thank you to have you around here together with the local media and foreign media in Libya and we are interested to learn from about your impression of this visit and how much the exchange of experience between the two countries could develop the relations between the two countries and how much, with your experience, we can learn from you to hear about our process of development, to begin with?"

Mr Goh: "Well, the first impression I have of Libya is it's a country where wealth is fairly shared amongst the people. The oil wealth has become widespread just from the Government, it has to be distributed to the people. So, I could see wealth in the ownership of cars and in the homes, in the education and health of the people. So, that's something which is positive. The other thing which may not be so positive for the future of Libya is the method of distributing the wealth that is coming through very heavy subsidies of essential food items, of housing, of health. Education, of course, is important and also your petrol, I was shocked to discover that the petrol price per litre in Libya is about 1/15 that of Singapore. In other words, the cost of petrol in Singapore is 15 times that of Libya. Yours is ten cents per litre, US cents per litre, ours is around US\$1.50 per litre. So, how could you carry on? You may have so much oil wealth, but it's not possible, I think, for the country to be just spending so much on a particular item. In my mind, the key takeaway I have is the challenge which is now facing Libya -- how do you move from an economy which is consuming on the basis of heavy subsidies to one which is more productive where subsidies will be minimum, where people will earn

market wage, instead of a low wage and very low-cost items which are heavily subsidized. To transform the economy that way is not going to be easy. So, that is one challenge which I see Libya is faced with."

Q: "We'll still stick to the same questions of how much Singapore has developed its human resources to develop the country and this is a good lecture to be given to our country today to make use of. I will give the chance to my other colleagues maybe to join other questions."

Q: "I'm from Reuters. Away from oil and gas fields, in what areas you think and you specifically would like to cooperate with Libya? This is the first question. And my second question -- after years of sanction on Libya, how do you evaluate the Libyan economy and the infrastructure projects which are going on in the country?"

Mr Goh: "Well, one of the sectors where we think Libya can help is in the tourism sector where you have beautiful ruins in Leptis Magna and I heard about the Green Mountain and the other areas where we believe tourists will be very interested in. The sites are actually a potential draw for tourists, but you've got to think of the infrastructure, the transportation, the logistics, the hotels, and very importantly, Libya must have the people who can work in the hospitality sector. This is a footprint where human resources comes in, this is where Singapore has got the experience of building up the tourism sector. So that is one area in which we can help. The second question?"

Q: "Second question -- after years of sanctions imposed in Libya, how do you evaluate the Libyan economy and the infrastructure projects which are going on?"

Mr Goh: "Frankly speaking, I'm amazed at what I've seen in Tripoli. I expected in Tripoli the sanctions would have affected the country very badly when, in fact, I don't see it. I think in Tripoli itself, we've seen that ... (indistinct)... the sanctions, but I know of course, if you look below the surface, the sanctions had an impact on the country. One, of course, is the infrastructure. You could have done very much more than what you have. What you have may be adequate, but I believe without sanctions, Libya could have done very much more and in terms of education, you don't see. Because of sanctions, Libyans were not so free to travel overseas for the best education. Now, without sanctions, I think many Libyans would have gone to America where you can get very good tertiary education. So, these are the effects of sanctions which I do not see, but for other services in Tripoli, I was surprised that the impact was not as bad as I imagined it to be."

Q: "Okay, there's another question. Any other questions from for the joint secretary of committee from the Singapore brothers?"

Q: "I'm from the Straits Times in Singapore. If I could just ask this question, Your Excellency, how would you, say, if you were the Prime Minister of Singapore, how would you explain to the people of Singapore why Singapore leaders are here in Libya."

And vice versa, if you are the leader of Libya, how are you going to explain to the people of Libya this intensification of ties with Singapore?"

Q: "Can we have the mike please?"

Libyan official: "Well, we are cooperating with all countries in the world, not only Singapore, you know, but to be honest with you, we cooperate with faith with the countries that will see what affect our needs, current needs and future needs. We believe that the global economy is a knowledge economy. Singapore is one of the few countries that did an exceptional job in creating a knowledge-based economy in a very short period of time, they have invested heavily in human resources. We believe here that in this ...(indistinct)... the transfer of the quality of human resources is an advantage as very important in building intellectual capital in Libya. We want to create an alternative economy. We want to diversify the resources of our national income. Our real challenge is to transform our economy into an alternative economy that's based on services, based on knowledge that we can ...(indistinct)... for Libya instead of relying forever on oil resources ...(remarks in Arabic)..."

Q: "(Remarks in Arabic)".

Interpreter: "... (indistinct)... the first question, I will stick to ... (indistinct)... and Minister, would you brief us about your experience in the field of development of the country, especially in a social and industrial economy, development and how much Libya could learn from your experience from the field, especially in the industrialization of the economy within the small Libya, industrialization and other development of the economy. It's very interesting to know about your experience."

Mr Goh: "This is a subject which will require a long time for me to relate. The best way I can tell you what the experience is like is for me to recommend the book written by former Prime Minister Lee Kuan Yew, now known as Minister Mentor. He's written a book called "From Third World To First" where he recounts his experience how he was able to transform Singapore from a poor Third World country to a fairly prosperous First World country. Basically, if I may sum up, it's a good leadership with a vision of the future, the ability of the leadership to implement policies because if you have a vision, you cannot implement, the vision remains a dream. So, vision, clear direction of where you want to go, ability to implement. And the ability to gain support of the people, that's very important. You can't force policies down the throat of the people. You've got to persuade them, which means you must have the ability to communicate, to explain, to eventually persuade people to come along with you on a varied path may be in short-term ...(indistinct)... policies.

"So, in essence, those are the key factors and, of course, human resources is very important, something which you mentioned -- heavy investment of human resources, seeing the right skills for the current economy and the future economy. Just investing in people in basic education without the skills for the knowledge-based economy will not

be sufficient. You've got to have skills which are relevant to today's and tomorrow's economy.

"So, those, in short, are quick answers to your question. Now the long answer will be in the book written by Minister Mentor Lee Kuan Yew which is translated into Arabic. I had a good discussion with leader, His Excellency, Colonel Gaddafi, this morning and some of the subjects which you mentioned were discussed between him and me. So, it was a very, I would say, illuminating discussion that I had with the leader. So, thank you very much."

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