

TEXT OF SPEECH BY THE PRIME MINISTER OF SINGAPORE,
MR. LEE KUAN YEW, AT THE SPECIAL CONFERENCE OF THE
SOCIALIST INTERNATIONAL CONGRESS, UPPSALA, ON
WEDNESDAY APRIL 27, 1966, AT GOTEBOG'S NATION,
UPPSALA UNIVERSITY.

Comrade Chairman, Comrades,

I am sure I am expressing the sentiments of all delegates in thanking the Swedish Social Democratic Party for playing host to this conference.

Sweden is one of the few nations in Europe without a colonial past, yet in spite of that and without having exceptional wealth in natural resources in a rigorous climate, they have been able to establish very high standards of life.

We meet here as Democratic Socialists from many parts of the world, Asia, Africa, Latin America, Europe, to compare our various experiences and to find an answer to fit our own particular circumstances.

One of the problems the new countries face has been because there were too many facile assumptions -- that political freedom would bring an end to poverty and economic exploitation of the subject peoples, that they will no longer be merely the producer of raw materials and the market for the manufacturers of the industries of their metropolitan powers, that naturally and easily they could all become as wealthy and as prosperous as the colonial powers that governed them. This fallacy prevails not only in the minds of many of the poor people who sought quick and instantaneous relief from poverty, but was encouraged in the minds of the some of the leaders of former subject peoples. These leaders erroneously believed that because the transfer of political power from a European metropolitan power to local indigenous leaders was accompanied by a fast and rapid change of standards of life for the leaders and the elite of the subject peoples, therefore it followed that rise in standards of life for the population at large would be similarly easy. It has come as a painful disillusionment that this is not so, that there are certain limitations unconnected with European domination or colonial exploitation which determine and inhibit the rate of growth towards a prosperous society.

In a recent meeting of ECAFE there was a report by a team of experts, by and large, Asian experts, that if the rate of economic growth which was taking place in Malaysia last year, when Singapore was a part of it, were to continue at

its present speed, then it would take Malaysia 50 years to reach the standard Japan now enjoys and 120 years to reach the standard that New Zealand now enjoys. In other words, in 50 years when the Japanese with their rate of growth have broken through to another stage of prosperity, Malaysia would just arrive at their present position. This not unnaturally has led to some basic rethinking, a re-examination of the fundamentals of the problems that have beset men in social groups from the beginning of time.

The basic factors for wealth and growth have remained unaltered through the centuries. If I may briefly list them the three factors are:

First: natural resources; second: human resources, and third: the technological skills and capital equipment which are available to the human resources to exploit the natural resources.

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In other words, the creation of goods and of services which today is popularly known as gross national product of a particular country is determined by these three factors. The first, the natural resources, is fixed and limited by one's national boundaries. It is true from time to time people try to alter the national boundaries by extending territorial waters from 3 to 12, or 15 miles.

From time to time these boundaries are changed by wars and conquests as neighbours covet the resources which they do not have in their own territory.

The capacity to exploit natural resources varies with the state of science and technology, for science and technology determine how effectively land can be exploited for agriculture, mining, hydro electric power or other purposes.

The second factor, human resources, again is fixed for any particular given time. There are believed to be two influences on the efficacy of human resources. First biological, and second the cultural factors. Anthropologists all emphasize the cultural influence as the factor which causes variations in capacity between men, tribes and nations but they do not discount altogether the possibility of biological differences between man and man because of differences in their ductless glands. I would have certain reservations about attributing all differences to completely cultural factors for I remember the Australian aborigine, who, in spite of considerable exposure to a new society they were suddenly confronted with, have yet been unable to adjust and to emerge as an equal in his new environment. As against that, we have the negroes in Africa transported into slavery in America who have emerged as scientists, doctors, lawyers, boxers, high jumpers, runners and so on.

The third factor, the technological skills and the capital equipment, takes time to build up. You have mentioned, Mr. Chairman, the importance of education. But I must stress to you, the slowness with which you get results from this. You start off with your raw material at the age of 5. The quality of the raw material in turn depends upon the family environment in which the child has been brought up, whether he comes to school fully equipped, ready to acquire the knowledge and training required to make him into a full citizen. He spends 12 years in a school before he goes on to a university. He spends 3 years to 4 in a university and it is at least one, maybe two or even three generations before the potentials of a people are made to flower after systematic education at all levels.

Even more difficult is the problem of capital accumulation. As I motored from the airport to Uppsala, I wondered at the absence of large numbers of workers in the fields or on the roads -- an indication of high labour costs, which must mean an effective use of every individual human unit. I looked at the beautifully metalled roads and the furrowed fields waiting for your spring, before sowing begins. The poorer one is, the more difficult it is to accumulate capital because the less there is to put away. So it is a vicious cycle which we must break through if we are to stop using the hoe and go on the pneumatic drill and the combine harvester. But unlike the first and second factors, natural resources and human resources, the third, technological skills and capital equipment can

either be loaned or be given, and if the donee is not inhibited by charges of being thereby made effective as a result of being loaned the technological talents which he has not yet produced, or the capital equipment which he has not yet accumulated, then he will be able to make more rapid and effective use of his natural and human resources.

It is with these as the basic digits that I discuss the differences between the different modes of human organisation to exploit the natural and human resources. Feudalism, capitalism, socialism, communism. What difference does it make whether we choose one or the other of these paths? I would suggest that the difference lies in the manner in which these different systems mobilise human resources, mobilise the talent, energy and creative capacity of human beings in large groups for collective effort in order to create a better life for all. For the manner of the mobilisation of the human resources determines the speed with which we can acquire the different technical skills and can also determine the rate of capital accumulation.

I believe in socialism because I believe it is one of the most effective ways of mobilising human resources. Give equal opportunities to all regardless of rank, race, religion, sex in a given nation and you are likely to draw from each of your nationals, the best in him. Given him the best opportunity to educate himself in

order to use his talents, and if you throw your net wide enough to cover your whole population, the chances are you will have ever so much more talent that will emerge to the top. And in a society based on equal opportunity, if rewards are correlated to the effort and output of the man and not to his possession of wealth or status, then it is likely that you will give your people the incentive to strive for himself and for his community.

But it does not mean that if you have a socialist society it must inevitably lead you to become like the other socialist countries in the world. Or if you choose Communism, it does not mean that you will all become like Soviet Russia and indeed Communist China has shown how different she is.

And in the course of time, North Vietnam in turn will show how different she is from Communist China. Further let us never forget that two big industrial powers travelled the road to the industrial society in very different ways. Russia and Japan. Japan emerged as an industrial power with a society whose social pattern was still reeking with feudalism. Their leaders were determined that their people should acquire all the technological skills, and they used the capitalist method to sweat their workers in order to accumulate their capital. And in the Meiji era of less than 100 years, they emerged as one of the major powers of the world at the outbreak of the Second World War.

On the other hand Russia whilst it was not altogether a feudal backward society, was able by their techniques of social mobilisation and human organisation to emerge from what was largely an agricultural nation in 1917 into a major industrial power by 1966.

I would suggest that the difference in natural resources and perhaps the cultural and ethnic factors in their population and not just ideological difference predetermined their different rates of growth.

Finally, may I draw your attention to a phenomenon which has emerged in the two decades since the end of the Second World War. It is becoming increasingly obvious that when human beings are in large numbers with vast land areas together with highly developed communication system then a super power emerges as in the United States of America and in Russia and most likely in China. And so it is that European countries fragmented by years of feuding and the futility of historic differences are searching for ways and means to pool their resources together in order that together as one bloc that could become another of the super powers. Against this sombre background South Asia and Africa are being fragmented into small and often non-viable nation states, to seek parity and

equality of status and form, but perhaps never equality in substance in an age of super powers.

I would like by way of illustration to recall what has happened in some of the countries in South and South Asia. There have been democratic socialist governments in some of them. In Burma, in Ceylon, in Indonesia, and also in a muted way, India for 17 years under Pandit Nehru's leadership was a socialist government. But only in India, was there any appreciable progress towards the industrial society, with the erection of steel mills, hydro-electric dams as the infrastructure of the modern industrial state. But unfortunately even in spite of central planning and outside aid both technological and by way of capital equipment, the increase in economic wealth has been more than obliterated by the increase in population. In the other countries, what little advances that have been made have often resulted in literally a set back by growth of population made possible by new standards of public health. In many instances serious setbacks have taken place in economic development through sheer lack of appreciation of the working of their own economies and the factors required for economic prosperity. In Burma, for instance, a strong nationalist and socialist government, now under a military council also avowed to follow the socialist path, economic advance has not been what it could have been because of the dismantling of the skills for collection and distribution in the economic network which were run largely by

Indian merchants. Nationalist sentiments demanded that they should take over the collection and distribution system but unfortunately it was done before there had emerged a group of Burmese sufficiently responsive to economic and profit incentives. The net result has been a set back in the rate of economic growth.

In Ceylon this same problem was bedevilled by a plural society of indigenous Singhalese with migrant Indians from South India, some of whom may have been there for nearly a thousand years.

In Indonesia, the first Prime Minister a socialist recently died in Geneva and had his body taken back for state funeral in his own capital, very little consolation for 20 years of wasted economic opportunities, in one of the greatest island empires in the world with vast mineral and agricultural resources.

Curiously enough, we find some very unsocialist governments in South Asia -- Thailand, Malaysia, Laos, the Philippines, Pakistan, where there has been more economic growth than in some of the countries which have had socialist governments. There are diverse reasons for it. In Thailand for instance, injections of American aid and massive aid expenditure. Then there is an intermediate country like Cambodia, a kingdom with a Government led by a king, turned into a popularly elected leader, based on socialism working in close

harmony with the Communist countries, but determinedly non-Communist in his own internal policies, and making progress.

So, Mr. Chairman, you struck a valuable note when you said in your address that having ascertained the various factors that make for growth and prosperity and a better life for all, we must adapt it to our own particular circumstances.

We should not take history for granted. It was inevitable the emancipation of man from slavery. It was inevitable the emancipation of nations from colonialism. But it is not inevitable that we shall all progress towards a more prosperous, a more equal and a more just society. We cannot take that for granted. For in several parts of the world, societies have moved backwards, not forward to freedom, equality and justice, but backward to tyranny, greater injustice between human beings in one community, and to greater poverty for all.

I would like to believe that as democratic socialists, and by the co-ordination of our thinking and cooperation in economic and social fields, both on a regional and on a world basis, we can help the realisation of a satisfying life for all.

For the new countries, I would like to end on an optimistic note.

Feudalism, I think, is untenable, for it means standstill in an era where even without formal education the mass of the populations are already aroused. They may not be aware of what it is they want or what they have to do to get what they want. But their expectations have been aroused, expectations of a better and a more just society. So it is impossible for feudalism to continue, for it means standstill in an era where the populations want change.

Capitalism appears too slow and too wasteful a process from the agricultural backward society to the modern industrial society. Our problem as democratic socialists is the challenge which Communism poses in all these new countries, for they plan, they mobilise human resources, although in a somewhat stern and ruthless way. They are producing examples of how relatively underdeveloped backward societies have been able, not just in big nations like China, but in smaller ones like North Korea and North Vietnam, with tight organisation for the maximum utilization of human and natural resources, can at a price, eliminate backwardness. As democratic socialists we lack the ruthlessness in the pursuit of the interests of the State which represents all the citizens. Often we are unable to use methods which compel a higher rate of capital accumulation. India using democratic forms considers herself luck if she can save anywhere between 8 to 12 per cent of her GNP (Gross National Produce) as

capital. China is estimated to be putting back anywhere between 20 to 30 per cent of her GNP per annum.

I am not suggesting that the Indians lack the capacity to withstand the same hardship. But the nature of the political organisation makes it impossible for any democratically elected Indian Government to employ methods which demand an accumulation of capital and savings at the rate the Chinese do.

But there is already a developed and prosperous non-Communist world. So the changes of democratic socialism succeeding in these underdeveloped countries should not be that slender.

It is possible through trade and borrowing of technological capital resources for democratic socialism with less ruthless methods of human organisation match and even outpace the rate of economic change which

Communist systems can bring about in underdeveloped countries.

I hope that in the course of our deliberations we will all speak frankly as I have attempted to do, in order, as the Chairman has said, that this shall be a stimulating and meaningful start.

Thank you, Mr. Chairman.