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SPEECH BY MR S RAJARATNAM, SECOND DEPUTY PRIME MINISTER (FOREIGN AFFAIRS)  
AT THE OPENING OF THE MEETING OF INVESTORS FOR THE SOUTH-EAST ASIA-  
MIDDLE EAST-WESTERN EUROPE SUBMARINE CABLE PROJECT AT CONCENTRE,  
32ND STOREY, ON WEDNESDAY, 12 JANUARY 1983 AT 10.00 AM.

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May I first of all extend a warm welcome to all distinguished delegates to this first working Meeting of Investors of the South East Asia-Middle East-Western Europe Submarine Cable Project. It is a significant contribution to world telecommunication and is yet another indication that the 21st century will be the century of a communications revolution just as the preceding two centuries belonged to the first Industrial Revolution based on coal and steel.

On the face of it, the project you will be considering during the next few days might appear to be no more than a mere elaboration and extension of an existing international submarine cable system.

This is not so. It is part of the communications revolution which has only just begun. The project estimated to cost between US\$500 to US\$600 million will, when completed, be the second longest submarine cable system in the world, stretching some 14,000 km and outclassed only by the 15,000 km trans-Pacific Australia-New Zealand-Canada Cable System.

However, unlike the latter, the proposed submarine cable system you are asked to participate in joins nine city ports spread over three of the world's most densely populated and resource rich continents - Asia, Africa and Western Europe. The city ports which are linked together by the proposed submarine cable - Singapore, Medan, Colombo, Djibouti, Jeddah, Suez, Alexandria, Palermo and Marseilles - are not only major key points in the network of world shipping lanes but also give access to vast and growing markets as well as to major centres of economic growth.

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What I will call the Singapore-Marseilles Submarine Cable System will, when completed, itself interconnect with submarine cable networks already existing in the Far East and in the Mediterranean and eventually with new networks under planning - such as the proposed Singapore-Taiwan-Hong Kong cable and the Singapore-Jakarta-Perth cable system. When completed the Singapore-Marseilles cable system will mesh in with the global communications network.

It is said that trade follows shipping lanes. But it is also true that trade follows telecommunication lines as well. Every city and town connected to the global communication system is drawn automatically into the mainstream of world economy. World trade, as we all know, is today well nigh impossible without either telecommunication or satellite links. Buyers and sellers must first negotiate terms and conditions before goods can be physically moved across land, water or air.

That is why I am of the view that the Singapore-Marseilles Submarine Cable System will substantially increase commerce in and around the countries fringing the Indian Ocean and the Mediterranean Sea.

There is a school of thought which believes that satellite communication will gradually replace cable communication but this is based on a misunderstanding of the nature of technological transformation. Certain products undoubtedly become obsolete but very rarely their underlying technology. Generally, basic technology can change and adapt for a long and even an indefinite period to meet new demands without becoming obsolete. To take as example: technological changes in different branches of communication have not made ships obsolete. Only certain types of ships have been replaced by new kinds of vessels - the galley boat has given way successively to sailing ships, steamships, oil-powered ships and super tankers. The four-wheeled horse carriage has been succeeded by different models of petrol, gas and electrically driven motor cars.

So in the field of telecommunication I do not see any prospects of the cable system being replaced by satellite communication. There are certain requirements that the cable

system will continue to meet more efficiently, conveniently and cheaply than can satellite communication.

At the moment, cable communication is certainly cheaper and more reliable under all kinds of weather. So, provided cable communication technology continues to be innovative, I see both systems working in competitive co-operation for the foreseeable future.

One attraction of the submarine cable system for Third World countries is that it reduces somewhat our present total dependence on satellites, controlled by a few technologically advanced nations, for rapid world telecommunication.

One other question that may bother some of you is whether now is the time to embark on a US\$500 million venture. Politicians and economic sooth sayers daily proclaim that the Big Crash is not far away and that we should therefore hold on to whatever surplus wealth we have. Now it may well be that for the next few years the world will pass through serious economic storms but the same prophets of doom also tell us that money itself is today one of the most unreliable and perishable of commodities even without a Great Crash.

If this is so, then my advice would be that the otherwise perishable US\$500 or US\$600 million invested in the Singapore-Marseilles Submarine Cable System would not only be converted into something more enduring but would also have multiplied itself many times over in value by the time the economic storm subsides and sunny weather returns.

I am an enlightened pessimist about the state of world economy. I am not an economist but I am enough of a street philosopher to know that nothing is forever - neither good times nor bad times. I believe that one of the reasons why economists have been proved wrong in their economic fortune telling is they incorrectly believed that things last forever. In the fifties and sixties, the economic pundits (admittedly not all of them) predicted that the world had entered an age of permanent affluence just as now they proclaim the advent of an age of irreversible and permanent bankruptcy. They were wrong about yesterday. They will be wrong about tomorrow.

If I were asked to prescribe an economic philosophy of life I would suggest the following: in times of prosperity nations should spend their money as though bad times were not far round the corner and in lean times to use their savings as though goods times will return.

In investing your savings (or that of your creditors) in this project you will be showing sound economic judgement as well as sense of future history. As I remarked earlier the world has entered the early phases of a communications revolution whose impact we can only vaguely discern but which will radically alter our economic, political and cultural ideas and institutions. The communications revolution embraces much more than telecommunication and satellite communication. It covers radio and television communication. It includes computers and the establishment of a world information network. During the next decade or so the isolation of nations through the fragile devices of national frontiers, passports and censorship will be shattered beyond repair. Before this century is over many of us will be in instantaneous contact with events and peoples in any part of the world by merely switching on a knob. We will see people and events in any part of the world in sound, colour and eventually in three-dimension. The knowledge in the libraries of the world stored in data banks can be made available on command in one's drawing room. In a manner of speaking our drawing room or office becomes a space ship taking us to any part of the planet at the speed of light.

The burgeoning communications revolution gives reality to the rhetoric about one world. The division between kith and kin and strangers, between far and near, between them and us will disappear. The answer to the old question: "Who is my neighbour?" might well be: "The man on the other side of the world linked to us through the miracle of modern communication". The stranger may be more of a neighbour than a kinsman a few miles away whom the communications revolution has passed by.

If traditional economic, political and cultural ideas and institutions had not been always successful in establishing peaceful co-existence with the first Industrial Revolution, we will find it even more difficult to establish fruitful co-existence with the new communications revolution.

However, I think it can be done provided we remember one basic fact about any technology - that it is men who create technology, and what they create they can control if they have the courage, vision and will. Technology goes beserk only when its creators lose control over their creation.

We cannot reverse the communications revolution. Nor can we opt out of it because that would be to opt out of history and the modern world.

We have to become participants in the communications revolution but with a rationality and confidence to ensure that the revolution works for us and not we for it.

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