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PRESS RELEASE

Speech by Senior Minister Lee Kuan Yew to the
Singapore Press Club on Friday, 7 June 1996 at Raffles Hotel

Picking up the gauntlet: Will Singapore survive Lee Kuan Yew?

This title was proposed by the Press Club. I agreed to it because it is topical, arising out of my recent speech in Parliament.

2 In 1965 Singapore suddenly became independent - a vulnerable island with an improbable chance of survival. The geopolitical, economic, and demographic forces were against it. Singapore is not a natural country. It is man-made, artificial, the result of British commercial activities across the oceans which made it a nodal point in a world-wide British maritime empire. We inherited one nodal point, but without a hinterland, like a heart without a body. We faced a bleak future.

3 I had one simple guiding principle for survival from the very start, that Singapore had to be better organised than the countries of the region.

4 My colleagues and I worked out two strategies to overcome our difficulties:

- (1) We leap-frogged the region. Our neighbours were out to reduce their economic links with us. So we linked up with the developed world. MNCs became a driving force in manufacturing and we exported our products to them.

No other country in the region did this. Now this strategy has proved so successful that all our neighbours, and the whole of Asia, are doing likewise.

(2) We created first world conditions in what was then a third world region. We succeeded in establishing first world standards in public and personal security, health, education, telecommunications, transportation, both sea and air, and in social services. We became a base camp from which entrepreneurs forayed into the less developed areas around us. We trained our people and geared them to provide first world standards of service.

5 But now our neighbours are doing the same to catch up. They are putting in the infrastructure and are setting out to match us in the services they render to the world, whether airports, seaports, telecoms, financial centres, whatever. Formerly we had the advantage in the use of the English language. Now the Malaysians have decided to go back to using English. And more and more Indonesians and Thais have mastered English.

6 What will our future be under these changed conditions? We have to move upwards to new niches, find a new path to succeed. If we succeed others will later follow our path. But first we must work out that path and be successful. We should not brag about our strategies, especially before they have worked. If and when we succeed, the economists and feature writers can write about them. Meanwhile we must quietly sort our options to test out and implement them. Some will fail, but the key ones must succeed if we are to stay ahead and be a beacon for progress.

WILL SINGAPORE SURVIVE AFTER LEE KUAN YEW?

7 An island city state in this part of the world cannot be ordinary if it is to survive. At the end of empire, European military and trading outposts have been re-absorbed by their hinterlands - Pondicherry (French) and Goa (Portuguese) into India; Hong Kong (British) and Macao (Portuguese) into China; Gibraltar (British) eventually into Spain.

8 Singapore must have two preconditions to survive: First, leaders of quality - tough minded, dedicated, determined, able and honest. Second, the people must be aware of its fundamental vulnerabilities, and willing to pull together to face challenges. We have to remain more tightly knit, better organised and more competitive, or we will eventually be reabsorbed. Remember Singapore together with South Johore was part of the Riau sultanate.

9 In 1965 when we became independent, Singapore's leaders were from a generation that had been through fire - World War II and Japanese occupation, a bitter fight against the communists and unremitting clashes against Malay ultra's and Chinese chauvinists. They were men who had been in battle. They were drawn into politics by the revolutionary forces of history - the end of European empires and the contest for supremacy between international communism and nationalism. We won against the Communists and simply had to see our responsibilities through. What we were paid was irrelevant. We had the full support of a people who had gone through severe trials and tribulations with us, knew the dangers they faced, and were united and determined to work hard and pull together to survive and succeed.

10 If we had left things to evolve naturally, we would never have had a successor leadership in place able to carry on our work. Left to natural political interaction, we would have had young activists join the

Party branches but none able to take over from us and run the government the way we did. Our economy had become more sophisticated, and society more complex. We needed men with integrity, strength of character, and ability, close to that of the original team. By trial and error we evolved a system of talent spotting and head-hunting. It was a difficult process. A man may have all the qualities to be successful in his chosen field. But when tossed into the electoral sea, many did not take to the salt water - the frequent demands of ordinary people for attention and their problems that they had to help solve. But most important of all several did not have the knack of persuading ordinary people to support their policies.

11 Having found suitable men, our next problem was to keep them and nurture them until they were ready. To do that I had to give them work of significance to do, and not treat them as apprentices. As I allotted them important tasks, some of the old guard became apprehensive for their own positions. They saw no reason why these bright, young, energetic men who had not contributed to the struggle, should come in and displace them before they were ready to go. Yes, the old guard agreed that we needed to prepare successors, but quite a few did not agree that they were getting old and getting on that fast. One of them told me, "Stop talking about our getting old, we are good for many more years, and better than many of our age." I was alarmed. I could see them visibly ageing when we met for our weekly Cabinet meetings.

12 It was touch and go whether the PAP could have survived a rebellion from part of the old guard. They did their head counts of the MPs and decided that the majority would go with me. I had strong support from Dr Goh Keng Swee and S Rajaratnam. So I pressed on.

13 One difficult decision was to step down myself at the end of 1990. I asked myself: Which was more difficult? To step down then

when I could still help the new Prime Minister get his team into shape and learn to handle the job, or to step down after another five-year term when I would be older and less swift in my reactions. I decided it was better to step down while I was still in shape.

14 After much time and effort we have put in government a team of men of high competence and high integrity. They have a growing capability to solve the ever recurring problems of an independent island city state. Their job is difficult because often the worries and threats to Singapore cannot be articulated, brought out into the open and shared with people, in case confidence is unduly shaken.

15 All the old guards except me have gone. So when you ask me will Singapore survive after Lee Kuan Yew, my answer is yes, but provided Goh Chok Tong keeps his team together, and keeps on strengthening it by constant self-renewal, and keeps adjusting policies to meet changing circumstances. One crucial change is in the mood of the people, that all is now well, our crises are behind us. Hence their expectation that growth and progress will continue whoever is the government. Very few of the able and talented are willing to stand for elections and take office. It had never been easy to get good men to go into politics even in the difficult and challenging days of the 1960's and 70's. Now the PM has almost to conscript them. Few want to sacrifice their privacy and chosen careers for a life where the spotlights are constantly on them and failure cannot be concealed. Worse they sacrifice their hopes and well founded expectations of high future incomes.

16 I have watched the degradation of standards of probity in both the non-communist democracies like India and the Philippines, the authoritarian regimes like Korea and Taiwan (now been renamed by the American media as democracies) and the communist or socialist one-

party states. Corruption and nepotism is now part of their political culture. The heroic sacrifices of the founding fathers – the Pandit Nehru's, Mao Zedong's, Ho 'Chi Minh's, have been followed by the shabby betrayal of their high ideals by some of their less worthy successors.

17 In short, we had to pick up the gauntlet thrown down by history, the history of those nationalists who successfully led the anti-colonial fight for freedom but failed to have honest and capable successors. This was long before academics like Professor Samuel Huntington predicted that Singapore's system would follow me to my grave. When we saw the venality and corruption that followed the revolutionary and self-sacrificing nationalist leaders, we set out to find and test in office a successor generation, of the same calibre as ourselves, and supported by a culture for honesty in society and a constitutional system that can uphold that culture.

18 One necessary change I had for some years urged the Prime Minister to undertake: it was to completely change the salaries of Ministers and public officers and link them to those of the private sector. The media editors tell me that the public accepts the principle of pegging to private sector incomes, but to many people the figures look unduly big. Well I have asked for and studied the Income Tax figures for 1994 on which 1996 Ministerial salaries are calculated. These are real incomes reported by real Singaporeans. On another occasion I will speak on them in greater depth. We have to be realistic that we need our best men and women in government to work at the Singapore miracle Mark II, and such men and women will in the private sector get top rewards.

19 But equally important, the people have to understand that the Prime Minister and his cabinet needs and deserves their support for

sound policies, which must be tough to bring long term benefits. Sound policies are usually tough, otherwise all populist governments would be successful. Soft options are a luxury an artificial man-made country like Singapore cannot afford. We cannot be a relaxed, easy going welfare society. We are either competitive and can run with the best and win, or there is no reason why this island city state should be separate and independent, and have a standard of living and a quality of life better than its neighbours.

20 Singapore needs a strong government with heavyweight leaders to make up for its lack of weight as a country. The Prime Minister and his ministers must form a closely knit team, able to deal decisively with difficulties, to design and carry out imaginative policies, to mould and mobilise public opinion to support what needs to be done. Singapore cannot have a minimalist government, like Switzerland or Italy, or one so fettered by checks and balances that it cannot do what it knows to be necessary, like the US.

21 The team around the Prime Minister must have several star players, strikers who can help score the goals. He needs a few heavy weights, men with sufficient girth and the experience to have developed that sensitive political touch. And he must have an inner group, comprising Ministers whom he trusts because he has found their judgement sound. They must work closely together, giving mutual support to one another and scoring goals as a team. Goh Chok Tong's inner group includes myself, Tony Tan, Lee Hsien Loong, Jayakumar, Wong Kan Seng, plus Teo Chee Hean, Lim Hng Kiang and George Yeo from the next batch. He lost three valuable Ministers - Tony Tan, Dhanabalan, and Yeo Ning Hong but fortunately recovered one, Tony Tan. He cannot lose more potential scorers without weakening the team and missing scoring chances in crucial matches.

22 I cannot envisage an alternative government emerging through political dissidents and oppositionists coming together to produce an alternative programme. There just is no viable alternative programme for an island city state other than what we have empirically worked out in the last 30 years. This is why the able and talented have not come forward to form a credible alternative team and challenge the PAP. They know the PAP is doing the right thing, and there is no alternative way. They are content to thrive and prosper with the present men in charge. Those who have come forward to be an alternative to the PAP are mostly light-weights or worse flawed characters.

23 Throughout the difficult early years the old guard leaders had the unstinting support of the bulk of the people, especially the Chinese speaking who are imbued with traditional attitudes and values to government and society. They are down to earth and practical in their expectations of government. Without this core group as electoral ballast we could not have succeeded.

24 Chinese educated PAP MPs like Chng Jit Koon, Goh Choon Kang, or Choo Wee Kiang embody and reflect these attitudes and values. Recently Choo Wee Kiang spoke up in Parliament against Walter Woon's criticisms of proposed legislation (the Miscellaneous Offences (Public Order and Nuisance) Act) to make it easier to convict people who allow their telephones to be used for nuisance calls, and people who expose themselves nude in public view, even if they are not in a public place. The Straits Times published articles attacking him for not giving weight to safeguarding individual rights. But Choo Wee Kiang's attitude, that the laws must enable the government to do what is necessary, and the safeguard lies in voting in a government we can trust, not in laws which tie the government down, is the attitude of the vast majority of Chinese speaking Singaporeans, shared by the Malay-

speaking and Tamil-speaking in the HDB new towns, those least influenced by Western liberal ideas.

25 30 years of continuous growth and increasing stability and prosperity have produced a different generation in an English educated middle class. They are very different from their parents. The present generation below 35 has grown up used to high economic growth year after year, and take their security and success for granted. And because they believe all is well, they are less willing to make sacrifices for the benefit of the others in society. They are more concerned about their individual and family's welfare and success, not their community or society's well being.

26 But this is very dangerous, because things can go terribly wrong very quickly. These people are not aware of Singapore's vulnerabilities. All they read and see is No. 1 or No. 2 competitive country, No. 1 seaport, No. 1 airport, No. 1 airline and so on. Sometimes they complain that we are driving people too hard and making life too stressful, so why not settle for No. 2 or 3, or 4! But it does matter, for if we are not near the top in competitiveness, there is no reason why we should have a seaport, or an airport, or an airline - or indeed why there should be a separate independent Singapore. It is as simple as that.

27 The revolution is over in Singapore, and in China and Vietnam. Heroic revolutionary leaders had been followed by bureaucrats and technocrats who have to contend with the disillusionment of their peoples after their revolutions had failed to bring the golden age they were expecting. The big difference is that they have to deal with the problems of economic failings while we have to cope with the new problems that come with success.

28 My colleagues and I had anticipated these problems. So we had set up a system that would ensure mutual vigilance to maintain high standards of integrity and competence.

29 But I believe that more important than the institutions is the culture of honest government in an honest society that we have established. The people have come to expect high standards of honesty and ethical behaviour from their political leaders, their administrators, their bosses and themselves. Those in charge of key institutions have been imbued with a sense of mission to uphold that culture of honesty. So when something appeared to be amiss, the Prime Minister and his senior colleagues decided to investigate me as Senior Minister and the Deputy Prime Minister. This was an important test for the culture of honesty and for the system the old guard set up.

30 But in a system of one-man one-vote, if the people do not realise, or do not accept that they need to vote for strong, able, honest and determined leaders, and to back their policies, then Singapore will flounder. We are not an ordinary country. If we switch from a competent government to an incompetent opposition, in less than two elections we will squander all our resources and assets and will never recover. See the price the Japanese have paid after the LDP split and the LDP government fell. Political instability in a very stable society has nevertheless cost Japan dearly.

31 One crucial factor beyond Singapore's control is the international order. Singapore needs an international environment which allows a small island city state to live its life peacefully. The present international environment is in a state of flux. A new Cold War between China and the US will be bad. It could be worse if the US were to withdraw and the Japanese re-arm. The best scenario is where the

triangular relationship between the US, Japan and China is stable because this will give all countries enough elbow room for themselves.

THE SINGAPORE DREAM

32 I was puzzled and sad to read the young lady of 19 in the Life Section of the Straits Times, who wrote of her Singapore dream of a car and a house getting out of her reach. She talked of emigration. I am not sure emigration is a sound option – quite a few who have gone to Australia have returned to Singapore for jobs, or sent their children after university in Australia to work in Singapore. The chronic unemployment in the West, because they cannot get rid of costly welfare subsidies that weigh down their economies. So European, American and Australian professionals, young and old, are coming in ever larger numbers to work in Asia, where phenomenal growth will continue in the next 10 to 20 years, and Singapore is one of their choice locations for jobs. But this young lady talks of going West, when their unemployed graduates are coming out East.

33 East Asia is entering a golden age, an economic and cultural renaissance. Instead of being filled with anxieties over prices of private properties and cars, the young should seize their opportunities, opportunities their fathers never had. The World Bank and the IMF forecast that the countries of East Asia will grow at three times the rate of the western industrial countries. Our ASEAN neighbours are growing at 6-8% and China at 7-9%. The whole region is booming. Because of this regional buoyancy, Singapore's growth rate is still high - around 8% per annum.

34 Our young should prepare to seek their fortunes in this golden age. It is silly to moan that properties and cars are going out of their reach. They will never be out of reach of those who seize their opportunities. Of course those on profit sharing schemes and stock

options will do better than those on salaries. But even those on salaries will have their salaries double in the next 10 years of high growth. The big winners will be those who find a vein of gold and dig it out. But you have to work to find it and dig it out. Those who bemuse and befuddle themselves into believing the great opportunities are already behind them will regret it when they see their more discerning and perceptive contemporaries prosper. And then it may be really too late.

35 The present generation of Singaporeans are better educated and better equipped to do higher end jobs. Singapore has extensive state of the art infrastructure in place. Singapore has the capital to go abroad. Singapore has a reputation and a standing in the region that gives the Singaporean an edge in any competition for jobs or business. A Singapore passport will get them through many doors to important people in the region. Those with vision, drive and resourcefulness will get more than a classy car and a choice private property. Do not be so obsessed with property and car prices and believe that life's main chances have already passed you by.

36 However, material success is not everything in life. Man does not live by bread alone. When I set out, my Singapore dream was of a democratic society, keen and vibrant, a united people, who regardless of race, language and religion, and based on justice and equality, achieve happiness, prosperity and progress for the nation. That was how 30 years ago in 1966 my colleagues and I settled the words of our pledge. We did not focus our minds on our navels or we would have missed the rainbow in the sky. We pursued that rainbow and that was how together we built today's Singapore.

37 The sky has turned brighter. There is a glorious rainbow that beckons those with the spirit of adventure. And there are rich findings at the end of that rainbow. To the young and the not too old, I say, look at

the horizon, find that rainbow, go ride it. Not all will be rich; quite a few will find a vein of gold; but all who pursue that rainbow will have a joyous and exhilarating ride and some profit.

38 East Asia is where the action is for the next 20-30 years. Poor, backward, peasant communities in China, Vietnam, and the rest of ASEAN, are going to become middle class industrial societies like Korea, Taiwan, Hong Kong and Singapore. What Singapore has experienced in the last 30 years, tens of cities along the coasts and rivers of China, Vietnam and Southeast Asia are going to. Singapore's experience, Singaporeans' knowledge of the stages of economic growth and our ability to anticipate these stages, are valuable assets that Singaporeans can use to help these countries to develop, and to mutual advantage. During this transformation the opportunities to enterprising and resourceful Singaporeans are boundless. Our present is better than our past. But, believe me, the best is yet to be.

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