

Speech by Mr. Ho Cheng Choon, Parliamentary Secretary
(National Development) and MP for Geylang East, at
Geylang Serai Constituency National Day Dinner
23rd August 1975 at 8.00 p.m.

As a young nation which is only a decade old, Singapore has achieved a fair amount of success in laying the foundations for a bright and prosperous future. Over the past decade, we have proved our viability to survive both politically and economically, when some pessimists have doubted our ability to thrive as a small city state, with no natural resources.

However, our ability to survive and grow, is very much tied up with the ups and downs in the international economy. Our economy has taken a lot of kicks from the current downturn in the world economy which is plagued with monetary crisis, inflation, unemployment and recession. For the first time, Singapore's Gross National Product has shown near "zero growth", a phrase dreaded by even well-established and strong economies like those in the western industrial hemisphere.

But fortunately, Singapore still enjoys political and social stability, unlike some of its Southeast Asian neighbours. The people in Singapore are comparatively a lot better off than those whose countries are in the midst of reconstruction and rehabilitation after years of war and personal agencies. We have decent housing and jobs, education and medical facilities, amenities for recreation and sports and opportunities for all who are keen to work hard to move up the social ladder.

It is against this backdrop of instability and hardship in other less fortunate neighbouring countries that we in Singapore should review our performance in the past decade. While the consensus is that we have

done well in the past, we must not be complacent. Historians of the future will also judge us by how well we overcome the current adversities resulting from the international recession and inflation. Can we go down in history as having the resilience to hold such problems in abeyance and progress into another decade with greater strength, or will we be recorded as another developing country which failed to develop?

Perhaps a review of the circumstances which we had in 1965 and those we have now in 1975, would be useful. In 1965, we have had problems of unemployment, high birth rate and a high dependency ratio, the loss of the promised common market with Malaysia, topped by the British withdrawal which had meant more unemployment and further loss in gross national product. These are essentially internal problems pertaining to the domestic economy. In contrast, the conditions in 1975 are such that problems are largely externally generated. We have imported inflation and recession which have their source in the more advanced western industrial nations. Our current unemployment and retrenchment problems are also due to the slack in demand for our industrial goods and other exports from our foreign buyers. The instability in monetary and foreign exchange markets have also affected our trade and related activities.

The problems of the 1965 era were however not insurmountable and guided by good fortune due to a buoyant international economy, and diligence and hard work by the people, we have overcome them. But now, a new set of external problems confront us, and which also are less easy to solve. The reason is that as the problems are externally generated, the degree of manoeuvrability and manipulation is smaller than when we were dealing with domestic problems. The dissipation of these problems will be dependent on how fast and how well the industrial countries from which

they originate, can solve them first. Thus as and when the United States, the Western European countries, and other industrial countries like Japan, climb out of the their economic troughs, Singapore's economy too will also pull out of the present slump.

We have always been able to surmount our problems in the past. Today, we are confronted with the twin problems of inflation and recession which are new and unfamiliar. But I am confident that we can still overcome them if all of us work hard together as a disciplined and diligent work force.

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