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SPEECH BY MR. S RAJARATNAM, SENIOR MINISTER
(PRIME MINISTER'S OFFICE), AT THE SINGAPORE LECTURE
HELD AT THE SINGAPORE CONFERENCE HALL
ON THURSDAY, 5 DECEMBER 1985 AT 8.15 PM

Before I introduce tonight's distinguished speaker, Mr. Peter Peterson, it may be useful for those of you attending a Singapore Lecture for the first time to know something about how and why this lecture series was started.

The purpose of these lectures is to expose thinking Singaporeans - and those of you present here tonight can modestly consider yourself as belonging to what some people claim is possibly an endangered species of homosapiens - to expose thinking and somewhat introverted Singaporeans to currents of thought outside our little island. Towards this end the Institute of Southeast Asian Studies invites eminent individuals who have made a mark in politics, economics, philosophy, literature or any other aspect of human endeavour to tell us where accelerating and often confusing events are leading mankind. Those invited to attend these lectures are by and large young executives and decision makers who will have to live with the consequences of the decisions they help make during the next few years.

The first Singapore Lecture was delivered in 1980 by Dr. Milton Friedman. I would describe 1980, as compared with 1985, as a year of enlightened pessimism. Our appreciation of the international economic situation then was very much like that of the man who fell off the Empire State building and who as he went past each floor kept his spirits up by murmuring: "Well so far, so good."

However in 1985 there are less grounds for so composed a view about our economic prospects. Today we are beset with chilling anxieties about our economic future. So what we need today is a healthy dose of controlled panic to stimulate clear thinking. I personally believe that though the economic situation is desperate it is not hopeless - though there are others who think it is the other way round.

Our speaker tonight, Mr. Peter Peterson could not therefore have come at a more opportune moment. During the past few months we in Singapore after years of economic euphoria have for the first time felt the tremors beneath our feet and heard the menacing rumbles of distant thunder.

Therefore Mr. Peterson will find not only an unusually attentive audience but also one which is already convinced that the fun and game economics of the post-war boom years is definitely over. He has all the necessary qualifications to help in clear and realistic thinking. He is currently chairman of the Blackstone Group, a major American investment firm. I can within the time allotted to me pick out only a few highlights from his distinguished economic career both in the public and private sectors. He has been involved less with the theoretical and more with the practical side of economics. He has at various times participated in the running of manufacturing and mining companies as well as in property development and banking.

He has won many prestigious awards and honours. In 1962, at the age of 36, Life Magazine named him as among the 100 most important Americans under 40. There is an astonishing list of awards, the last of which was in June 1983 when he was awarded the University of Chicago Alumni Medal (its highest honour) for, and I quote, "extraordinary distinction in one's field of specialisation and extraordinary service to society."

He also served as Ambassador and Personal Representative of President Nixon. In 1972 he became Secretary of Commerce under the Nixon Administration while concurrently assuming the chairmanship of the National Commission on Productivity.

He also served on the Brandt Commission which dealt with relationships between the industrialised and less developed countries of the world. He is also a founding member of the Bipartisan Budget Appeal Committee which is composed of former Secretaries of the Treasury and some 500 eminent academics, lawyers, heads of accounting, banking and investment firms as well as former public officials.

As a layman I have found it increasingly difficult to follow the many economic theories that are on display in the market place. I know that all but one of them must be false. But I have yet to find this particular needle in the growing haystack.

I am hopeful that Mr. Peterson with his practical experience will tell us where to look.

His topic is: "Deficits, debts and demographics: three fundamentals affecting our long-term economic future."

I now have great pleasure in inviting Mr. Peterson to deliver the Sixth Singapore Lecture.

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