

SINGAPORE GOVERNMENT PRESS STATEMENT

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TEXT OF SPEECH BY THE MINISTER FOR FINANCE, DR. GOH KENG SWEE, AT A LUNCHEON GIVEN BY THE PRESIDENT AND MEMBERS OF THE COUNCIL OF THE MALAYAN ASSOCIATION OF CERTIFIED PUBLIC ACCOUNTANTS ON SATURDAY, APRIL 4, 1964, AT THE CATHAY HOTEL

Your profession is one whose fortunes are mostly closely linked with the level of business prosperity. So long as economic expansion continues to take place, you may look forward to ever-increasing opportunities for the exercise of your skills. Today I wish to take a look into the long-term future and try to assess the chances of continuous economic growth in our country over the next two or three decades.

In attempting such a long-term forecast, the determinants we have to take into account are different from those used in short-range appraisals. In looking at economic growth over the next twenty or thirty years, it is my view that one factor overrides and over-shadows all others. And this is whether during the whole of this period, the political structure of Malaysia will be such as to make continuous economic growth possible. This is a question which few have dared to ask. Yet it is important that we should ask it if for one reason alone. And this is the experience of so many of our Asian neighbours who emerged into independence, attempted the experiment in constitutional democracy and collapsed within a decade. The collapse of the system of representative government brought in its train rapid and apparently irresistible economic decline. Will the fate that has overtaken so many Asian states also overtake Malaysia in the next ten, twenty or thirty years?

Only the ignorant or the foolish will believe that parliamentary democracy is so firmly established here that its indefinite continuation can be taken for granted. But while most will acknowledge that the system of representative Government needs to be nurtured, not many know just how this is to be done.

I suggest that we may get some guidance if we examine the working of the democratic system of Western countries and see how this differs from ours. In Western Europe, North America, Australia and New Zealand, the democratic system is firmly established and no person in his senses in these countries would want a different system of Government. To be sure, they may and do change their governments by voting in this party and voting out that party. But the democratic system itself continues to operate regardless of how the electorate decide.

Here we see a basic and fundamental difference between the established democracies of the West and the democratic experiments which emerging nations in Asia are carrying out. In Asia it does matter which party is returned to power by the electorate. And it holds true for Malaysia and for Singapore. For instance, no one will deny that if Barisan Sosialis had won the September election last year, Singapore would be in dire trouble. I am not referring here to possible misgovernment by a Barisan government leading to economic recession. That is a triviality. A Barisan government committed to an anti-Malaysia stand will be in open and direct conflict with the Central Government and this conflict can and will be resolved by a resort to sterner measures than argument, constitutional pressure on democratic debates in Parliament. Undoubtedly the Constitution would have been suspended and direct rule from

Kuala Lumpur established. That is to say the experiment in democracy in Singapore would have come to a stop. I don't think you can say that I am in anyway exaggerating the dangers that would have arisen here if Barisan had, in fact, won the election. And there was a time in 1961 and 1962 when most people had written off the P.A.P. and Barisan appeared an invincible force.

In the present elections in the Federation if parties on the lunatic fringe on the left or a fanatical religious party wins the elections who would doubt that there will also be an early and ignominious collapse of constitutional government? Fortunately the chances of this happening are remote. But no one can guarantee that this fortunate state of affairs will continue for another 20 or 30 years.

Why is it that the survival of democracy in the West does not depend on which party the electorate returns to power while in Asia it does? This is a complex problem and I must necessarily over-simplify in my explanation. I believe the reason is that all the parties contending for power in the established democracies are agreed on basic ends. Their disagreement is on how to achieve these ends. That is their disagreement is over means and not over ends. For instance, this November there will be Presidential elections in the U.S. and there is likely to be a general election in Britain this year. No American or Englishman believes that whether a democratic or republican President is elected or whether Labour or Conservative wins, there will be an upheaval in their respective countries. True, policies, domestic and foreign, will be affected, but only to a marginal degree. Life goes on as usual; income-tax may be a bit higher or lower, the country may be a little less or a little more unfriendly to the Soviet Union but nobody expects fundamental shifts in the national or international scene.

This leads me to the question - how is it that the established democracies have achieved such a wide agreement on basic matters that the field of disagreement is limited mainly to how and in what manner agreed objectives may be achieved? This is a crucial element. If we can find the answer we would have found the secret to the long-term political stability that we want. To over-simplify a complex matter, I would say there are two main causes. First the cultural homogeneity of Western societies. Second the influence of a powerful and articulate but small section of the population.

The first element does not call for much comment. It is the second element which is not very well understood to Asian students of constitutional government. There is such a thing as public opinion in democratic states but the nature of such public opinion, the manner in which it is formed, is little understood by Asians who call themselves democrats.

The general run of the public, either in Asia or in America or in Europe is not interested in political matters. Political issues are remote, abstract, complex and, as likely as not, unpleasant. The ordinary man in the street, that is, some 99 per cent of the population, does not waste time and effort trying to comprehend these matters. This is true both in Asia and the West. It may be a good or a bad thing that this is so but that it is so, no well-informed person can deny.

But while the 99 per cent are the same in East and West, the remaining one per cent of the population are not. In the Western democracies, the one per cent form an articulate and powerful group. It is sometimes referred to as the "Establishment", sometimes more sinisterly, as the "power-elite". Call it what you may, it is this

one per cent of the informed and articulate public that gives ballast, continuity and purpose to the democratic states of the West. This group transcends political affiliations and even class barriers. They are found in all walks of life - civil servants, the professions, business leaders, trade union leaders, writers, the church, the universities, and so on. When you talk of public opinion, it is really the opinion of this group that matters for they set the pace for the indifferent and inarticulate 99 per cent. Further, debate and discussion among the group goes on vigorously and continuously, in books, in newspapers, radio, T.V., etc. It is by this free and open debate that agreement on basic ends and purposes is achieved in substantial spheres of national affairs.

And no political party can hope to win elections if it outrages a significant part of the "Establishment" or power-elite. That is why Communists in the West, who are no less zealous than their comrades in the East, make no headway at all as a political force.

The trouble with democracy in Asia is that this one per cent is missing. The people who might have formed the "establishment" are too busy or too complacent or too ill-informed or just too lazy to make the necessary effort. The result is that leadership of opinion in national affairs is left almost entirely to political parties. Political parties, by their nature, are constituted to achieve certain purposes, the principal one being to win a general election. And, of course, when anyone can form political parties, you get an astonishing range of them. I will not so be unkind as to linger on this aspect, however tempting the prospect is to do so, especially in times such as at present.

The point I want to make is that what we have is a virtually uninhibited free for all in the propagation of views and opinions. There are no norms, no standards, no articulate non-party body of opinion by which all contenders must go by. In other words there is no visible umpire. These results cannot be other than unelevating, especially in times such as the present.

If the only price to pay for the preservation of democracy is the astonishment or tedium - depending on your temperament - of having to hear or read extraordinary statements by certain political parties once every five years, then it is, of course, a small matter. But there is more to it than that. I do not believe that democracy will endure here unless we see a sustained improvement in codes of conduct and standards of political activity over the years. The democratic system is easy to run when all is well. When the economy is expanding and there is room for everyone or nearly everyone, to improve his lot. But when we run into a crisis of some sort - suppose the price of rubber goes down to 40 cents a lb. - that will be the real test. I do not believe we will survive this test unless more people make more effort into sustaining the system. I do not believe that we can achieve long-term stability without an effective and intelligent non-party leadership of public opinion such as has been achieved in the established democracies.

My message to you therefore is this. As members of a respected profession, as men and women of education and training, you must now take steps to equip yourselves with the theoretical and practical knowledge of the mechanics of power in a democratic state if you want to ensure that we all can continue to live in a tolerant and fairly prosperous democratic society, that the democratic experiment which we have started will grow and develop in strength in the critical period of the next two or three decades.

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