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SPEECH BY THE MINISTER OF STATE FOR DEFENCE AND
MP FOR RADIN MAS, MR BERNARD CHEN, AT THE NATIONAL
DAY DINNER AT THE RADIN MAS COMMUNITY CENTRE ON
SATURDAY, AUGUST 25, 1979, AT 7.30 P.M.

This evening's National Day dinner marks the 14th anniversary of our nation. Few of us would dare to think on that fateful day August 9, 1965, that we would be able to celebrate the 14th anniversary of our country in such a joyous and happy mood. Casting our minds back, we would be amazed at how we had managed to overcome the numerous problems and crises that confronted us, ranging from economic recession, unemployment to social dissatisfaction. With sound and judicious planning and above all, an intense sense of determination and willingness to achieve, we have managed to transform Singapore into a thriving economy, offering a reasonable standard of living to the people and a country which all Singaporeans can be proud of.

However, past memories are only useful insofar as we can draw valuable lessons from the mistakes we have made and to make sure that should similar situations arise, we would not be caught once again making the same mistakes. However, it is unlikely that we will face in the future the same problems occurring under similar circumstances which will enable us to apply the same solutions we have done in the past. New problems will emerge under new guises that will baffle us as we cannot fall back on past experiences to resolve them. For us in Singapore, the future will be complicated by two major developments.

Firstly, it is fairly certain that the world will be entering into more economic difficulties, caused primarily by the substantial oil price increases. Just this year alone, the price of oil has gone up by 40 per cent and on a high base, unlike the four-fold increase in 1973-74 when the price of oil was very low. Modern development, whether it is industrial and manufacturing, or services such as trade and business, and improvement in living standards in the homes, depends critically on adequate supplies of oil at reasonable prices. In the foreseeable future, both the supply and price of oil are more uncertain than before. Countries, both developed and developing, will find themselves in recession rapidly if they do not manage their economies properly.

Secondly, political ...2/-

Secondly, political developments in the region as well as in those countries which supply the primary materials will also give us cause for concern. Political stability is an essential ingredient of sustained economic development. With the world becoming more interdependent, we cannot hope to escape the effects of political instability in the region and in countries who are our trading partners.

In the midst of these uncertainties, we in Singapore have taken the bold but necessary steps to restructure our economy in order to remain competitive in the international market. This restructuring involves not only upgrading of industries and services through improved productivity and more capital intensive investment but also the phasing out of industries and services which are no longer competitive and in the longer run efficient enough to justify their uneconomic use of labour at the expense of the more productive industries. It is perhaps unfortunate that such restructuring has to take place at a time when the world is beset with various economic and political difficulties. On the other hand, it offers us additional challenges and sharpens our resolve to succeed in what we have set out to do.

Looking ahead three to five years, in formulating our economic and social policies, our attention will have to focus on three critical areas. First and foremost and an obvious one, is economic restructuring. Our emphasis on capital intensive industries coupled with our high wage policy will result in having more efficient industries using less but highly skilled labour to reduce unit cost and therefore more competitive. We have already in the pipeline sufficient numbers of such industries. It remains for us to get the necessary skilled workers to man these industries. With the limits on labour supply imposed by the size of our labour force, we will have to produce more higher skilled workers and channel them to the more efficient industries. At the same time we have to make more optimal use of those who are now in less efficient industries through redeploying them to the more efficient ones after suitable retraining. This transformation can only succeed if both management and workers put their hearts and souls in making sure that they do their respective parts in this upgrading process. It calls for a total change of emphasis and attitude to work as well as a widening of their perspective to see the larger objectives beyond their own interests. Only in this way can we hope to achieve the economic transformation we have set for ourselves.

The second area is education. For the past 14 years, we have succeeded in bringing up the standard of living of our people and provide them with good housing, health and other social amenities. We have also made their lives more meaningful and rewarding by providing them with jobs. Above all, we have extended our education system to cover all the children of school going age. However, because of the sheer magnitude of the school children population and the more urgent demand in other priority areas, we have not been able to improve the quality of education much beyond providing them with the necessary skills to man the multitude of jobs when they leave school. We have not prepared them adequately in terms of inculcating in them the correct work attitude and moral values to enable them to become useful citizens who are committed to serve their families, their fellow countrymen and their nation.

Now that we have provided the qualitative solution, we must go on to the more important and difficult task of educating a new breed of Singaporeans who are prepared to work hard for a better life for them and their families. They must cast away their selfishness in looking after their own interests and instead work for the common good of the community and the country. They must also constantly improve themselves beyond their current capabilities. In other words, they should strive to achieve under all circumstances. This is a quality which has enabled Singapore to reach where it is today and the same achievement oriented quality is essential in getting us to greater heights in the future.

Finally, all the fruits of economic development and the greater quality of life we have achieved will come to naught if we cannot defend ourselves against those who may want to take them away from us. Our defence capability built on a national service system over the last 12 years, has contributed substantially in giving confidence to investors to make their investments in Singapore. National service has also brought about a greater sense of loyalty and commitment to the country. However, as in the case of education, we have yet to cultivate in our national servicemen a greater sense of patriotism which will motivate them to perform their national service not because the law requires them to but because, as citizens, they have the obligation and are honoured to serve the country and to defend it when called upon. Ultimately, they must realise that they are defending themselves, their families and their friends. With the

unsettling political situation in the region as well as in the world, there is now a greater sense of urgency in improving our defence capability and most important, to ensure that our national servicemen, whether in active or reserve service, are properly trained to perform their roles and above all acquire the loyalty and commitment to the country which they may be called upon to defend one day.

There is a common element in all these three areas of economic development, education and defence. This is the bringing up of a new generation of Singaporeans who are achievement oriented, hard-working, selfless, loyal and dedicated to their country. In this new generation, the vestiges of a country of migrants would have been completely stripped. We will have amongst us people who are proud to be Singaporeans, prepared to work hard for everything they have and to defend themselves against those who want to take away what they have strived so hard to achieve. There are still people who think that this is an impossible task given that Singaporeans are a selfish lot interested in only looking after themselves. Fourteen years ago, the same cynics have forecast that Singapore was doomed. They have been proved wrong as Singapore today thrives as a successful and independent country. We will work hard to prove the cynics wrong once again. This takes great effort and resolve on our part which we do not lack. It remains for us to marshal our will to achieve the targets we set for ourselves, a prosperous, united Singapore in the 1980s which we can all be proud of.
