

SPEECH BY THE PRIME MINISTER, MR. LEE KUAN YEW,
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It is not easy to define the role of trade unions in developing countries. Nearly all developing countries are mainly agricultural, with their cities bulging with people drifting in from the countryside. Most cities have more people than they can provide for in jobs, food, clean water and sanitation, homes, schools and other necessities of modern life.

However, whether it is in the industrial countries of Western Europe and America, or the Soviet Union and Eastern Europe, or in developing countries like China or India, trade unions are part of the social outgrowth of industrialisation.

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In the earlier stages of industrialisation, trade unionism modelled on Europeans or American practices, I believe, tend to hinder rather than help the process of industrialisation. But despite this, if workers are not unionised and industrialisation succeeds, then management-labour relations may have become so poor that combative and confrontation type unions, often led by communists,

would be the result. So most developing countries have trade unions even though they have to work under severe constraints.

In most cities of developing countries, the biggest group that can be mobilised or “unionised” is the unemployed. Indeed, this was the situation in Singapore in the 1950’s and early 1960’s. Fortunately, both the political and trade union leaderships recognised this. Both agreed that their common objective must be the creation of conditions which would encourage the expansion of industries to create jobs for the unemployed. And because our industries had to be export-oriented, we built up a broad framework for cooperation between unions, management and government. For only in this way could our products compete with the products of very hardworking and hard-driving people in the developing countries of East Asia, where manufacturers are not fettered by problems of Western-style unionised labour.

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Perhaps this was the reason for our salvation: the realisation that there were limits beyond which if we had gone we would have priced our goods out of the export markets, inhibited the expansion of existing industries, and discouraged new investments, and so ending up with more unemployed. The end result would have been disastrous.

You may well ask: What do our trade unions do? Workers need to have an organisation so that they can protect their legitimate interests against any arrogant or high-handed methods of management, capricious hiring and firing -- in short, workers have a right to their dignity as workers, as citizens, as human beings.

Unions in developing countries must concentrate their activities not only on bargaining for better terms and conditions or service and fringe benefits, but also enlarge their activities to cover a wide range of social, educational and economic fields. They must supplement what their government should be doing for their citizens and perhaps bring specific benefits and improved services to their workers and union members. Schemes for adult education or workers' colleges, housing and consumer cooperatives, cooperative insurance for life, medical and dental treatment, and later, as the economy progresses, even holiday, recreational and educational tours. These are functions which unions can undertake and so improve the services and facilities available to their members over and above what their government can do for the ordinary population.

Because in a developing country situation, it may take a long time to provide the level of such services which can compare with those of industrial countries. In the process, they will educate some of their members in the running of these cooperative enterprises and services. Such collective self-help educates a whole

generation of the more active and intelligent unionists into the facts of contemporary society and the economies of the system upon which the lives of their workers and their families depend.

May I now turn to another subject. I understand amongst your midst are representatives of unions from industrial countries. May I take this opportunity to point out that each time unions in industrial countries demand protection from imports, either by tariffs or quotas, they keep out goods from developing countries. They are in fact transferring relatively minor hardships their members are undergoing, with the buffer of ample unemployment benefits, nearly making up for what they were getting when in employment to workers in developing countries. These hardships, when transferred, are multiplied many times over because workers in developing countries do not have governments which have economies which can afford to give them adequate unemployment relief, adequate to keep their families fed, housed and educated until economic recovery makes jobs available again.

It has been my sad experience to discover that I have suffered from such problems more from socialist government in industrial countries than from liberal or conservative governments. The reason simply is that socialist governments are more closely allied to and dependent upon their trade union support.

Therefore, it is most important for trade unionists in developing countries to impress upon their counterparts in the industrial countries that they owe them this modicum of humanity.

As a corollary to this, since the economic slowdown after the oil crisis, European and America trade unions have been vociferous against the transfer of capital, technology and jobs by their multi-national corporation (MNCs) setting up factories in developing countries where wage costs are lower. Here again, sound economic principles of division of labour, and high principles of the brotherhood of workers of the world, both are breached, if not abandoned, whenever there is the slightest hint that the observance of these principles will adversely affect the jobs of union members of industrial countries. So the industrial countries, whose level of wages has become too high to support the production of high labour-content goods, continue to have factories for textiles and garments and shoes, and other labour-intensive manufacture.

Again I have faced this paradox, that socialist governments in the industrial countries, ideologically sympathetic and committed to the cause of an egalitarian world have been less inhibited in putting obstacles in the way of MNC exporting factories and jobs, and so transferring technology and capital to the less developed countries. Again, trade unionists from the developing countries

must make plain to their brothers in the industrial countries that we are not likely to ever achieve any camaraderie if this is how we treat each other in practice.

We, developing and industrialised, must together face up to these problems. Trade unionists from the industrial countries have their obligations to their own workers. Those of you from the developing countries must and can convince them that their long-term interests lie in a more peaceful and cooperative world. For the alternative is a world split into blocs, the wealthy, the intermediate and the poor, at odds and in confrontation with each other.

Unionists and workers in industrial countries must understand that to transfer unemployment to the less developed to protect labour-intensive industries means more hardship for more workers in developing countries and their families. Over the longer term, it is in everyone's interests to forego short-term selfish interests by not shutting out imports. By all means let us seek temporary adjustments by

voluntary restraint of levels of exports. But a gradual phasing out of factories producing goods with a high labour-content in countries where wages are high makes economic sense in a world of cheap and reliable transportation. The world is more likely to survive without strife and wars if we recognise and honour our obligations to each other in this one interdependent world. Modern science and technology have made this a more integrated and more interrelated world than ever before. Our interests in freer trade, more countries becoming

developed, exchanging more goods and services are to the benefit of all. And there is no way of turning the clock back, without causing unnecessary hardship and bitterness.

On the other side of the coin, the unions and the governments of the developing countries must set out to put their own countries in order -- not least the horrendous problems of rapid population growth. The president of the World Bank, Mr. Robert McNamara, has been reported as predicting the present world population of 4 billion will stabilise itself at 11 billion by the year 2000 (according to UPI report). The bulk of the population explosion will take place in South Asia and in Africa south of the Sahara. I was shocked to read this projection of 11 billion, for I had mentally accustomed myself to a doubling to 8 billion.

The world cannot solve the population problem by plagues and famines, through drought and floods or pestilence. The isolated societies of the sailing ship, each living their own separate and unrelated lives, is over. WHO and FAO come to the rescue, to salve the world's conscience. Leaders are discussing and conferencing all the time, as we are tonight. Passions and frustrations of such huge masses of hungry and deprived people can only lead to tragedy, for

themselves, and for the world, if ever the poor get their hands on atomic weapons.

The moral rights are not all on the side of the developing and the downtrodden. Nor are the wealthy and technologically advanced blameless. I suggest the way forward is for the developing countries, their governments, unions and management, to mobilise their people, to demonstrate that they intend to and can help themselves. They must have the will and the discipline to put their countries in order. Then the industrial countries will find it worth their while to help them. And such help will be put to effective use. The more a developing country puts its house in order, the more it deserves support from the industrial countries. It is not only morally right. It is the best way to encourage similar responsible attitudes and responses in other developing countries. Then all will be nudged into more self-help and discipline, and effective use of aid and trade. Then the world may find salvation.

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