

WORLD AFFAIRS COUNCILS OF AMERICA LEADERSHIP TOUR
SINGAPORE, OCTOBER 10-15, 1999

BACKGROUND

Initial preparations for WACA's Leadership Tour to Singapore began in the spring of 1998. Maria Zammit, past president of the World Affairs Council of Greater Hampton Roads, suggested Singapore as a study tour destination to Jerry Leach, and pursued the idea with high level Singaporean government officials. These initial contacts resulted in a meeting with Singapore's ambassador to the United States, Chan Heng Chee, and Jerry Leach and Maria Zammit. Given the economic crisis in Southeast Asia, prospects were uncertain, but both Ambassador Chan and Ambassador Kishore Mahbubani, Singapore's ambassador to the United Nations, supported the tour. Approval came in late summer of 1998, and plans for the itinerary and programs were made with the Singapore embassy, Jerry Leach, and Barbara Chisholm, President of the national Board.

Our initial hopes were to include another ASEAN country, thinking that Singapore, being a small country, would carry too high a burden in hosting our group for more than a few days. Given the economic crisis, Indonesia was ruled out by the Singaporeans, and both Malaysia and Thailand said no (due in part to irritants in our bilateral relationships, as well as fiscal constraints). As it turned out, Singapore had a great deal to offer and a full week of programs (see below) almost seemed too short.

Our official host for the delegation was the Singapore International Foundation, who together with the Ministry for Foreign Affairs, arranged our itinerary. The complete schedule of meetings is attached and included briefings by the Foreign Ministry, the Home Ministry, the Supreme Court, the Ministry of Education, the Monetary Authority, the press, the U.S. embassy and visits to Singapore's port, an industrial park, a school, and a community organization.

In Singapore, one cannot easily separate the private sector from the public sector. The government is involved in all aspects of Singaporean life, including the funding of our host organization, which is dedicated to encourage Singaporeans to think globally and to promote Singapore's image overseas. The government also works in close concert with the economic sector, community organizations and academia. A fuller description of this relationship is discussed in the substantive sections below.

KEY ISSUES

Government Singapore is a republic, with a parliamentary system of government. The President is the head of state and is elected by the people. He appoints a prime minister, who leads the cabinet in the country's administration. The legislature comprises the president and parliament, which is unicameral. There is really only one major party, the

People's Action Party, which has ruled Singapore since 1959, even before its independence in 1965. There are a few token opposition members in Parliament, but their influence is limited. In fact, one is repeatedly jailed for his opposition to government policies.

Having said this, however, there are positive aspects to PAP's rule. Singapore has been described by some as "Confucian Democracy" and, in fact, former Prime Minister and now senior minister Lee Kuan Yew rails against imposing Western democratic ideals on Asian values. He himself has promoted the concept of different forms of democracies, rather than a "one size fits all," coining the term "Asian democracy." Another way to consider Singapore's government would be "paternal authoritarianism." There is a genuine effort at accountability by the government, and MPs meet with their constituents at "Meet the People" sessions for 2-2 1/2 hours on a weekly basis. One MP told us that the first section of the newspaper he reads is neither the news page nor sports, but Letters to the Editor. The government wants to know if and why people are dissatisfied, and then it seems to make every effort to redress the issue. But PAP jealously guards its right to set policy, and disagreements of a fundamental nature are regarded as challenges to its authority. As one analyst described at a briefing: "We are here to preserve democracy, not to practice it."

A combination of factors can help to explain the success of Singapore's authoritarian rule. Primarily Chinese in ethnicity, values placing the importance of society and community over the individual were already part of the national mindset. Also, Singapore's small size and lack of any natural resources (including water) highlighted the need for strong leadership to guide it through its rocky early years of independence, particularly in the face of communist threats and ethnic tensions. The government placed a great deal of emphasis on economic and educational development, as well as racial harmony, as key to creating a successful, prosperous and independent country and set all other policies -- including ethnically mixed subsidized housing -- in accordance with these goals.

Geographic and Population Characteristics Singapore is a small country, consisting of one main island and 60 small ones, which government officials regularly described as "a little red dot in this part of the world" (a joking reference to an earlier slur by Indonesia). Only 650 square km in size, with a population of 2 million, Singapore is one of the most densely populated countries in the world. It is located on the southern tip of the Malay peninsula and, although small and lacking any natural resources, it straddles major shipping channels. Its ethnic composition is 77% Chinese, 14% Malay, 7.6% Indian, and 1.4% miscellaneous.

One interesting example of the pragmatic way Singapore deals with its small size and high population density is the manner in which the government handles automobile ownership. In order to avoid turning the country into a parking lot, the government has devised a method of carefully controlling the number of cars on Singapore's roads at any one time. The current rate of growth of the "car population" is set at 3% per annum. One cannot even buy a car without first purchasing a certificate of entitlement at the cost of

US\$120,000. Only then may one buy a car. These certificates are allocated by monthly lottery based on the number of cars already on the road. The current car ratio is one car per nine persons.

Economic Development Even a casual visitor to Singapore cannot help but notice its advanced stage of economic development: gleaming skyscrapers, modern retail complexes, computer and fax modems, clean urban spaces on a par with any in the industrialized west, and an extensive and efficient public transportation system. Perhaps Singapore's most outstanding characteristic is its remarkable pace of economic development since independence. Basically starting from ground zero with high unemployment, animosity with its neighbors (Malaysia and Indonesia), and ethnic tensions among its Chinese, Malay and Indian citizens, Singapore's per capita GDP rose from \$900 in 1965 to \$25,000 in 1996. Its prosperity is based on free-trade, and Singapore boasts the world's busiest port since 1982. 98% of imports is tariff-free, and there are no non-tariff trade barriers. In addition, there are no foreign exchange controls and no limits on foreign investment. Its current major economic problem is a severe labor shortage, and some of its manufacturing is outsourced to neighboring countries such as Indonesia and Viet Nam, where labor costs are cheaper. The delegation visited one of these industrial parks on Batam Island, Indonesia -- a joint-venture between Singapore and Indonesia and 45 minutes away by boat from downtown Singapore.

Singapore is also a regional banking center. Of 250 banks located here, only 6 are local. The government is targeting the service sector for future growth, and a major component is Information and Communications Technology (ICT). According to the Ministry of Communication and Information Technology, the current goal is to turn Singapore into an information and communications hub, an "information society." This theme would emerge repeatedly throughout our briefings.

Singapore is also highly regarded for the lack of corruption in its business practices, particularly compared to other economies in Asia and throughout the world, and takes justifiable pride in its transparent rules. Since 1980, its workers have been rated as the most productive in the world by Business Environment Risk Intelligence (BERI), and it is the world's second most profitable country after Switzerland.

Southeast Asian Economic Crisis No discussion on Singapore's economy would be complete without a word on how it survived the regional economic down-turn of the late 1990s. According to various representatives from the Trade Development Board, the American Embassy, the Monetary Authority and various business organizations, Singapore weathered the crisis better than most in the area. This was due partially to its commercial ties to the U.S., which is Singapore's largest export market (although exports to Japan have recently outpaced those to the U.S). It is also structurally sound, without the questionable lending practices and cronyism that landed its neighbors into such trouble. Singapore's currency did depreciate by about 15%, when, in another example of consensus, government, business and labor leaders came together to decide the amount of depreciation to implement.

Officials of Singapore's Monetary Authority outlined the external factors upon which they hinge their country's long-term recovery prospects: the potential for a U.S. economic slowdown, the sustainability of Japan's economic recovery, and any devaluation of China's currency.

Central Provident Fund Throughout our briefings, we would never cease to be impressed with the degree of consultation and cooperation between the public and private sectors. The Central Provident Fund (CPF) is another case in point. Basically an enforced savings policy, CPF was established in 1955 to provide financial security during retirement. Since then it has expanded into other areas such as health insurance, down payments on housing, and education. Both employees and employers contribute to the fund, at a rate of 20% each. However, after the recent regional economic crisis, the employer's share has been temporarily reduced to 10%. During the crisis, the government also decided, along with employer groups and labor unions who together form the tripartite National Wages Council (NWC), that wages would have to be reduced between 5-8% from 1997 levels in view of deteriorating growth forecasts. NWC also urged employers to moderate the affects of the cut on lower-income employees by implementing deeper cuts on higher-income executives.

Education "Thinking schools, Learning Nation" is Singapore's motto, and outside of the economy, this sector of Singapore society was no doubt the most impressive. 4% of government spending goes to education, second only to defense. During a visit to a primary school (Temasek), located in a lower-income neighborhood, the delegation was briefed by the Deputy Director of the Ministry of Education. Not only are goals set at the national level, but the detailed bench-marking and data-gathering at the local level in an effort to track achievement are outstanding. Extensive educational reform has taken place over the last 2 years, with a greater emphasis on thinking skills and the increased use of information technology. In keeping with the government's goals to make Singapore an information society, each student works on his/her own computer on a daily basis in the computer lab. The government's master plan calls for 30% of student curriculum time spent on accessing electronic resources and working on computers. What was impressive is that these and other resources were available as much at the lower-income neighborhood school as they are in the more affluent school districts. Government spending appears to be equitable across-the-board.

Often criticized for training well educated bureaucrats but not necessarily innovative ones, the government has actually issued a directive to "Be creative!" Ironic as that may sound, Singapore is trying to foster greater innovation in schools by increasing autonomy, allowing some experimental schools to employ their own teachers, and also permitting these experimental schools to add to their government funding with private, supplemental income. To attract quality teachers, the government is also trying to increase salary levels in order to compete better with the private sector.

Singapore's literacy rate in 1998 was 93.1%, which is quite remarkable considering that education is not yet compulsory. At the time of the leadership tour, newspaper stories indicated ongoing government debate about changing that policy.

Finally, in what is also reflective of Singaporean society as a whole, is Temasek's emphasis on student responsibility, both to the school and to the community, rather than on individual rights. Echoed throughout our visit was the concept of nation before community and society before self.

Singapore 21 Throughout the Leadership Tour, references were made to a new government initiative called "Singapore 21," which the Minister of State for Defense and Information and the Arts described as the vision of what the government wants Singapore to be in the 21st century. Concerned that Singapore's earlier, and successful, focus on economic development would have its citizens think of it merely as "Singapore, Inc.," Prime Minister Goh felt the need to move beyond creating the hardware and software of Singapore to start building "strong heartware." The priority now is to create a balance between competitiveness and cohesion; to move beyond Adam Smith's axiom of everyone looking out for himself to have a society in which everyone looks out for others. In this context, the government is seeking to change the mentality of the populace from "subjecthood" to "citizenship" and to think of Singapore as more of a home than merely a hotel.

To bring the vision of Singapore 21 to reality, the government has outlined an extensive process of consultations including committees, public forums, and discussions among all its citizens. In keeping with the spirit of Singapore 21, there are even public service announcements on radio stations. One delegation member riding in a taxi listened to a commercial urging Singapore's more successful citizens not to forget or snub those of lesser means since all citizens -- however humble -- have a meaningful contribution to make to society.

Security and Foreign Relations "Small and vulnerable" is the mental attitude that has shaped Singapore's self-image as well as its approach to foreign relations since independence. Describing Singapore as a small fish in a big pond, foreign ministry officials seek an active U.S. presence in the region to serve as a counterweight to China, Japan, and, in the past, Russia. Foreign Minister S. Jayakumar described the triangular relationship among China, the United States, and ASEAN (Association of South East Asian Nations) as key to Asia/Pacific stability. Singapore prefers to see an engaged China rather than an isolated one, who might be prone to expansionist policies and military growth. Also, given the importance of shipping to Singapore's economy, the presence of a superpower to ensure open shipping lanes is fundamental to economic stability. The importance Singapore attaches to a U.S. regional presence is illustrated by the expansion of its naval facilities and a recent Memorandum of Understanding with the U.S. allowing the use of these facilities by the U.S. Navy. As one analyst explained, in Singapore's view "the bigger the friend, the better."

Domestically, Singapore has a national army, which uses the Israeli model of universal conscription. Every male must serve between 2-21/2 years and, for 13 years afterwards, is subject to approximately 42 days of retraining per year. No women are currently conscripted, but they have the option to volunteer.

Jayakumar described Singapore's role in foreign affairs as that of generating and facilitating new ideas and promoting ASEAN as a regional forum for conflict resolution. His examples of Singaporean leadership within ASEAN include outreach programs such as the recent formation of the Asia-Europe Forum and the beginning of regional dialog with Latin America.

Crime and Criminal Justice A stark point of departure between Singapore and the U.S. is the relative safety of Singapore's streets, at all hours of the day or night. What may seem harsh by American standards is the no-nonsense way of dealing with infractions of Singapore's laws. Stiff fines are exacted for relatively minor offenses such as littering, spitting, and gum chewing. However, as a result, Singapore's streets are among the cleanest in the world, and there appears to be a respect for civil decorum by the general population.

Similar to countries throughout the world, Singapore is experiencing an increase in youth-related crimes and gang behavior. However, unlike the United States, there are strict gun-control laws so homicide is not an issue. (Even licensed gun-club members and recreational shooting enthusiasts must keep their guns under lock and key at the gun club.)

Drug laws and penalties are among the harshest in the world, but they have also allowed Singapore to make significant headway in decreasing the numbers of drug abusers. There is an automatic 30-year incarceration for drug traffickers, and the death sentence is imposed for drug trafficking over a certain stated amount (e.g., 15 grams of heroin).

Ethnic Relations Singapore's violent history of racial tensions among its Chinese, Malay and Indian populations make racial harmony a top priority in its domestic agenda. For example, ethnic caps have been placed on housing developments in an attempt to create a mix of ethnic groups within each area. Since 86% of Singaporeans live in government-subsidized housing as of 1998 (compared to 9% in 1960), this step goes far in promoting ethnic integration. In a visit to a town center and community housing complex, our group observed very active and racially mixed social clubs, evening programs, adult classes, senior citizen programs, children's recreational activities and day care. This level of outreach and group activities is apparently typical of housing projects throughout Singapore. Also, media representatives told our delegation that references to racial characteristics or ethnic origin in crime reports are subject to censorship in order to avoid negative ethnic stereotyping.

SUMMARY

Singapore itself is a unique amalgam of Asian values, western pragmatism, and envious economic achievements. While the term "Confucian Democracy" was used to describe Singapore's political system by an official at the U.S. embassy, a Singaporean

analyst with the Institute of Policy Studies rejected it. In his view, Singapore was “too young, too small, too weak, and too non-replicable” --and neither Confucian nor democratic. Instead, he offered another theory for consideration: capitalism without democracy and suggested not only Singapore but also South Korea and Taiwan as examples.

But whatever the political and theoretical framework under which Singapore operates, it clearly seems to be working. Harmonious, clean, efficient, consensual, and poised on the cutting edge of the new information age, with equitable income distribution for its citizens, Singapore is more than most countries could ever hope for. Although uttered in jest, perhaps the most apt description of Singapore that we heard on our tour was: “Disneyland with a death penalty.”

In summary, this Leadership Tour was considered an outstanding success by all participants, both WACA and Singaporean. The briefings provided detailed background information on all aspects of Singaporean life and government, as well as the opportunity for round-table discussions to delve further and more candidly into issues raised during the formal presentations. The hosts went out of their way to be as accommodating as possible and to modify the schedule according to our interests. Perhaps the most concrete example of the Leadership Tour’s success is having the Singapore International Foundation become WACA’s newest international affiliate.

In addition, the delegation brought back a wealth of information to disseminate among their respective councils throughout the country, and long-term contacts were established with our hosts. These should have a positive ripple effect throughout the council system for the foreseeable future.