

# Governance in Singapore: Why convictions have mattered

The Republic is often singled out for its pragmatism. But it was the moral purpose behind multiculturalism, building a social compact and governing for the long haul that has helped it succeed.

**Tharman Shanmugaratnam**

Singapore's journey of nation-building and economic development attracts attention in many parts of the world because few had expected it to succeed, and because it has not followed a prescribed model.

Both facts owe themselves to the hand Singapore was dealt when independence was thrust upon it 60 years ago. A country devoid of natural resources, with a domestic market too small to pursue the growth strategies conventional at the time, a largely immigrant population of diverse origins, and surrounded by much larger countries in a restive region.

These same constraints explain a relentless focus on governance, and in particular the belief of our founding prime minister Lee Kuan Yew and his team that Singapore could stand on its own feet, unite its people and make its mark in the world only with an exceptional system of governance. It was this belief, put into practice, that led to Singapore's climb "from Third World to First". Leaders and public servants who succeeded the founding generation have held to this belief, kept improving the system, and adapted it to changing times.

With few other advantages, a steadfast emphasis on integrity in government has enabled it to build trust at home and distinguish Singapore internationally. Yet the ideas behind most of Singapore's policies themselves were mainly not unique – major exceptions being in housing and urban social planning, and electronic road pricing. Singapore's approach has instead involved a constant search for ideas, lessons and the best advice from around the world, and learning from successes and mistakes along our journey.

The Singapore approach has hence been fairly described as pragmatic, in that the Government has done what it takes to achieve its goals without adhering to the conventions of either the left or right. In important regards, it has in fact borrowed from both.

But pragmatism is about the means, not the ends. Governance in Singapore was never merely about what was practical. From the time of self-governance to today, there has been an overarching moral purpose and conviction: our wanting to make a better society, one where every individual and community is equally worthy of respect, and where we truly succeed only when we succeed together.

**A PROACTIVE RATHER THAN LAISSEZ-FAIRE APPROACH TO MULTICULTURALISM**

The central conviction has been that a cohesive, multiracial and multireligious society is possible. A whole system of governance has been built up to progressively achieve this in Singapore. Electoral rules ensure that



A sea of red and white as Singaporeans gathered at the Marina Bay floating platform to enjoy the National Day Parade in 2022. Singapore's prudent approach to fiscal governance, protection of reserves, and preservation of a triple-A credit rating may have appeared conservative to many observers as recently as two decades ago. It is now a lifeline to a future profoundly uncertain for all, says President Tharman Shanmugaratnam. ST FILE PHOTO

majoritarian politics does not take hold in a country with a large ethnic majority. Laws deter expression of racial or religious hostility.

But more fundamentally, Singapore has taken a proactive approach to nurturing multiculturalism, quite distinct from the laissez-faire models common elsewhere. It goes beyond recognising and even celebrating diversity to finding ways – especially through education and housing policies and concerted action between government and civic society – to encourage meaningful, everyday interactions and build a shared identity among citizens of diverse races and religions.

One may hope that society will in time gain confidence in its own, self-reinforcing norms that preserve and grow multi-ethnic respect and solidarity. That must be the aspiration that we work towards. But continuing realities around the world – which show how ethnic anxieties and discord are easily aroused, even in mature democracies which have seen decades of stable accommodation

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and a measure of integration between communities – give cause for reflection. They illustrate why proactive governance will be needed for Singapore's multicultural harmony to last, strengthen with time, and remain a source of national pride.

**A BOLDER SOCIAL THAN ECONOMIC HAND OF GOVERNMENT**

A second major conviction: we can and must build a more inclusive and socially just society, where everyone has a full chance to do well and contribute, and where you start in life does not determine where you get to. Singapore has sought to achieve this through both social and economic strategies, with the success of each strategy relying on the other.

A vibrant economy has always been key to social well-being. Yet Singapore's growth strategies, even in its early years, have relied little on the state-coordinated industrial policies often associated with East Asia. Government has had an agile role, but has focused on developing an ecosystem for growth rather than in directing growth, let alone grooming national champions. Its focus has been to make Singapore attractive to investors, by investing in the skills, R&D and other capabilities needed, keeping regulations predictable, practising free trade, and using economic diplomacy to help open up markets abroad. Importantly too, a system of tripartite consultation has helped ensure workers are fairly treated and benefit from growth.

These market-driven economic strategies have worked well in Singapore's context, enabling sustained growth in standards of living and median income levels exceeding those of most comparable economies. The challenge of competing with other global hubs will nevertheless get sharper, particularly as Singapore gets

closer to the frontiers of skills and innovation.

But if social and economic strategies have gone hand in hand, the bolder hand has been in the social sphere. Singapore has shown how publicly run systems can succeed, even on relatively slim budgets by international standards. A public education system, and national healthcare system anchored in the public sector, have produced outcomes for citizens that many other nations, including in the developed world, aspire to achieve. Mass ownership within integrated public housing neighbourhoods that cater to four-fifths of the local population has prevented both the ethnic and socio-economic segregation that comes naturally in most cities.

**THE NEW COMPACT OF COLLECTIVE AND PERSONAL RESPONSIBILITY**

Yet there has also been a distinct shift in the ethos governing social policies, especially in the last two decades. The culture of individual self-reliance, which worked well in earlier decades when a fast-rising economic tide lifted all boats, could not on its own ensure a resilient society as growth slowed, inequalities widened, and the population began ageing.

Government now intervenes purposefully to strengthen assurance for all – with an extra lift for those with less – and co-funds similar civic initiatives. The shift extends through every stage of life: from boosting chances for disadvantaged children, especially in their earliest years when so much of their potential is shaped, to investing in life-long learning for every citizen including a significant mid-career lift in skills, to tempering inequalities through the working years and in retirement, to sharing the costs of life's uncertainties such as major hospitalisation episodes –

through affordable national insurance schemes.

A new culture of responsibility across society, a compact of collective and personal responsibility, is hence taking shape. It strengthens what we aspire to be together, while encouraging every individual and family to take advantage of the opportunities offered, put in their best, bounce back from inevitable setbacks, and find their own success.

**A LIFELINE TO THE FUTURE**

Equally important has been the conviction that an elected government must act as custodian of the nation's well-being not only today but well into the future. The thinking started early. Historians would view as remarkable how, even in the face of immediate threats to Singapore's economic survival in the first years of independence, the Government began setting aside savings, so the country could be prepared for the needs of the future.

Barely 25 years after

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Independence, the Constitution was amended to protect the nation's accumulated reserves from being used by the Government without the approval of the Elected President. The framework has been revised since, to enable the fair and sustainable use of the returns from the investment of the reserves. It now allows both current and future generations of Singaporeans to benefit from a steady and significant flow of income from the reserves each year into the government Budget. Critically too, Singapore was able to respond boldly during the Global Financial Crisis, and with much larger spending during the Covid-19 pandemic, because we were able to draw on past reserves.

But recurring crises must now be seen as a feature, not an accident, in a world of growing disorder. Economic and geopolitical disruptions are a clear danger. Covid-19 was a forerunner of future pandemics, possibly more lethal ones: global warming, deforestation and the loss of natural habitats have accelerated the spread of pathogens from animals into human populations, while the world remains ill-equipped to detect and choke off emerging epidemics swiftly. Above all, climate change is now in danger of crossing tipping points that will take us irreversibly into a world of harsher weather extremes, rising sea levels, and further loss of the freshwater resources and biodiversity on which all life depends.

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Thinking ahead and developing the capacity to thrive amid a disruptive future must remain instinctive to Singapore, a small nation to whom "no one owes a living". But how any country fares also depends, more than ever, on whether nations large and small act early and act together to avert and mitigate future crises. A world of growing long-term challenges, predictable and unpredictable, makes it all the more critical that governance horizons are lengthened everywhere.

Paradoxically, however, the same insecurities have led to a mood of short-termism in politics and society, and an aversion to cooperation. Reversing the zeitgeist, by creating new bases for optimism in the future, is now a central challenge among democracies globally. The long view must be built into domestic strategies, from assuring economic resilience to sustaining social equity, and into international collaboration to tackle the global problems that no country can withstand on its own.

Future generations of leaders and public servants must preserve the pillars of governance that have enabled Singapore to thrive despite its inherent constraints. They must also continue to solicit diverse views from the citizenry, create space for civic society engagement, and be willing to change policies that have outlived their usefulness. And keep refreshing the larger conviction at the heart of Singapore governance: a better society, one more cohesive, with dignity and opportunity for all, must always be possible.

\* This is a slightly abridged version of a foreword written by President Tharman Shanmugaratnam for the book, *How Singapore Beat The Odds: Insider Insights On Governance In The City-State* by Associate Professor Terence Ho.