With tech, S'pore can transcend size: Peter Ho

Estonia, Denmark and Luxembourg are countries that have re-invented themselves in the digital age

Singapore

SINGAPORE may be small but with new technology, it can shape a future that transcends its physical size and enlarges its identity, former head of the Civil Service, Peter Ho, said on Thursday.

Citing three countries that have re-invented themselves in the digital age, he urged Singaporeans to balance their prevailing attitude that Singapore is a price-taker with a more hopeful view.

He made the call in his last lecture at the Institute of Policy Studies' SR Nathan Fellow for the Study of Singapore, a series of lectures that explores Singapore's future.

For instance, Estonia, with 1.3 million people, introduced e-residency.

It now has 18,000 such residents who are not citizens of Estonia. But they can set up companies based in the Baltic nation.

This scheme helps Estonia generate business for its companies, from independent contractors to small companies with clients worldwide.

Denmark, with 5.7 million people, is mulling over the creation of a "Silicon Valley Ambassador" to better engage digital companies such as Apple, Google and Facebook.

"This is almost as if technology was its own country, unlike the present," said Mr Ho. "For Singapore, such an approach would build on our earlier efforts to partner other cities and sub-national regions to plug them into international production networks."

The third country is Luxembourg, with fewer than 600,000 people.

It is, however, creating a market by letting companies own resources obtained from space. These are ideas Singapore can consider, Mr Ho told officials and students at the National University of Singapore.

The country does not have to be at the mercy of forces which it thinks are beyond its control. "Because we

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>
> **Peter Ho, former head of the Civil Service**

are a small country, we often speak as if the future were a car speeding towards us – we can swerve, or we can run backwards. We can scarcely control the car." But "even small city-states can influence, shape, and even create, not just markets, but also their operating environment", he added.

Mr Ho gave two reasons for his optimism.

First, Singapore can experiment with policies and roll them out more easily because it is small.

It can also correct its course quickly if a policy was wrong or misguided.

Second, Singapore has experience in responding to complexity and uncertainty and can draw on it.

As a newly-independent nation, it eschewed import substitution, courted multi-national corporations and chose multi-cultural meritocracy when its neighbours were going for the opposite.

But Singapore has to have the courage to seize this hope and re-invent itself, added Mr Ho, who is now a senior adviser at a think-tank, the Centre for Strategic Futures. "Just as Sir Stamford Raffles made Singapore a free port in 1819, welcoming traders from any country, Singapore in 2017 could welcome data from any country – a free data port," he said.

It could allow data centres in Singapore to hold data governed by the laws of another country, as if they were stored in the source country.

This would anchor the data here, allowing local-based companies to harness insights from data, he added.

It makes sense in a world where data and digital technology frequently and easily cross international borders.

Estonia's e-residency "hints at how nations could redefine their identities, and what it means to be a nation, in a digital era", said Mr Ho.

Such re-invention can ensure a country's way of life survives beyond its physical borders, he added.

Quoting an Estonian official, he said: "Land is so yesterday. It doesn't matter where you physically live or operate. That is how the game will change." But becoming a "virtual nation" carries risks.

To withstand cyberattacks, Estonia is experimenting with "digital embassies", where data is stored on servers in its embassies abroad.

It is also developing ways to migrate data to commercial servers, such as those hosted by Microsoft, as back-up in the event that cyberattacks take place.

Re-invention in the digital age is a matter of long-term survival for global hubs such as Singapore, said Mr Ho.

This is because changes in technology, trade routes and geopolitics can gradually diminish a country's position as a global hub. THE STRAITS TIMES