

Will Singapore's new leadership play it too safe?

Continuity has benefits. But there should be no holding back where change is needed.



Terence Ho

It was a historic moment for Singapore on May 15 when Mr Lawrence Wong was sworn in as the nation's fourth prime minister.

All eyes, domestic and international, are on him. What does this transfer of power – described by PM Wong as a passing of the baton across generations – mean for Singapore and Singaporeans?

The external and internal contexts are changing and will require policies to be updated in nearly every domain.

But will the Republic stick to its tried and tested approaches when it comes to more fundamental principles of governance and public policy in areas such as housing, healthcare and economic development? Or will it dismantle existing systems and mental models to pursue a different, potentially better path for the country?

Continuity and stability certainly have their benefits.

This has been helped by how infrequent the transfer of power has been in Singapore – something noted by local and international media reports.

The electoral dominance of the People's Action Party (PAP) since 1965 and the smooth, “unexciting” transfer of office from one PM to the next has given Singapore uncommon

political stability.

Stability is critical to investment, as businesses crave predictability in laws and regulations. It also facilitates long-term planning, whether for major infrastructure projects, pension reforms or changes to the education system.

The Singapore way is markedly different from “revolving door” politics observed in many other countries, where new leaders' first order of business is often to dismantle the signature policies of their predecessors.

Frequent changes in leaders and policies encourage short-termist thinking and devalue commitments made by political leaders to their citizens or foreign counterparts.

By contrast, political continuity in Singapore is underscored by the appointment of former prime ministers and deputy prime ministers as senior ministers who remain in Cabinet to lend counsel to the new leadership.

CHANGE IS NECESSARY

While continuity in planning and policy is undoubtedly important, change is also needed for Singapore to adapt to new circumstances and strive for a better future.

One of the pitfalls of success is a tendency to avoid rocking the boat. When running a successful organisation or country, it is all too easy to stick to what has worked in the past rather than to innovate and push boundaries.

Some have therefore asked: Will Singapore's new leadership play it too safe?

PM Wong assured Singaporeans in his speech at the Istana swearing-in that he will “never settle for the status quo” but “always seek better ways to make tomorrow better than today”.

Whether change or continuity is needed depends, in fact, on the

context and specific issue at hand.

There should be no holding back in areas where the potential gains clearly outweigh the downsides. For instance, Singapore should vigorously pursue capability development in emerging technologies to stay competitive while seeking to manage or mitigate associated risks.

In other policy areas, a rebalancing of approach may be needed. An example is the move towards greater inclusivity and assurance, which has been clearly articulated in the Forward Singapore agenda.

This shift is already under way and must continue so that as a society, we make significant headway in this direction even without sudden or drastic policy moves. Policies, norms and mindsets must evolve concurrently for progress to be sustainable.

Then there are highly complex policy areas that serve key objectives while running up against certain policy tensions or limitations. For instance, HDB flats are positioned as an appreciating asset that allows citizens to share in the nation's prosperity. Yet public housing must continue to be affordable for first-time buyers and flat values may decline towards the end of their leases.

In such cases, major policy changes cannot be made without upending the system because of complex, interlocking policy features such as the nexus between public housing and Central Provident Fund (CPF) savings. Furthermore, different stakeholders may face significant gains or losses from a change in policy.

Such issues, therefore, should be carefully studied and reviewed from time to time to determine whether policy tweaks can plug

the gaps, or whether a fundamental change of direction is necessary.

NEW TRENDS AND CHALLENGES

Change may also be impelled by external and internal trends and developments.

For instance, manpower policies must keep up with the changing nature of work. This is why protection for platform workers has been enhanced, new guidelines for flexible work arrangements have been introduced, and an anti-discrimination law will soon be unveiled.

One of Senior Minister Lee Hsien Loong's first moves as prime minister in 2004 was to implement a five-day work week in the public sector. While we should not hold our breath for a four-day work week, we can expect further changes to employment laws and regulations in the years ahead.

In the area of sustainability, a major global priority, Singapore has stepped up to the challenge decisively.

The carbon tax, introduced in 2019, will be increased significantly from now to 2030. Green building standards have been raised and electric vehicle sales have taken off with the rollout of charging infrastructure.

There is still much more that can be done to spur recycling and reduce waste, while mitigating the impact of cost increases on businesses and households.

As Singapore's population ages, the Government must step up investment in infrastructure and relook caregiving models to ensure sustainability and affordability.

Bold policy moves to shore up assurance and invest in our people will also be needed as technology advances and economic volatility grows.

Amid geopolitical tensions, our city-state can reprise its role as a key node and connector within a fractured world, leveraging trust to serve as a lubricant for international trade, investment and people-to-people exchanges.

TURNING VULNERABILITIES INTO OPPORTUNITIES

The road ahead will certainly be more challenging for Singapore as a small open economy in a troubled world marked by geopolitical tensions and big-power rivalry.

As it has done over the past decades, the Republic must find ways to reinvent itself, embracing change and turning vulnerabilities into opportunities.

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Likewise, domestically, as we become a superaged society, Singapore has the opportunity to show the way in vibrant and active ageing – a “blue zone” where seniors can lead long and fulfilling lives with ample opportunities to remain engaged in society, while being assured of their retirement needs.

With an increasingly heterogeneous population, there will invariably be tensions and misunderstanding among various groups from time to time; events taking place abroad can also tug segments of our population in different directions.

Despite all this, Singapore should aspire to be a beacon of unity amid diversity.

The question is whether we can nurture strong communities and institutions that foster trust and bridge divides, so that there is strength in diversity, and Singapore remains one united people.

The country is well-placed to meet its challenges given the physical, financial and intangible resources built up over the years: excellent infrastructure; considerable government reserves; strong institutions, systems, firms and people; and, above all, trust among stakeholders.

Stewarding these resources well and renewing them will ensure a strong foundation to build Singapore's future.

It will take a judicious blend of policy change and continuity to keep the Republic thriving in the next term of government and beyond.

All stakeholders must pitch in with their ideas and efforts towards this endeavour, so that in PM Wong's words, we can “build a Singapore where everyone succeeds in being the best possible versions of themselves”.

• Terence Ho is an associate professor in practice at the Lee Kuan Yew School of Public Policy, National University of Singapore.