

Singapore has to respond to key global transitions, says Chan

It must develop the capacity to produce what the world needs in times of crisis, attract frontier firms

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Singapore must entrench itself in the global value chain by developing the capacity to produce what the world needs in times of crisis, as well as being able to attract frontier companies, ranging from vaccine developers to firms in precision engineering.

This will ensure that Singapore cannot get easily displaced, said Education Minister Chan Chun Sing at the 9th Singapore Economic Review Conference yesterday.

The three-day conference kicked off at Hilton Singapore in Orchard Road yesterday, bringing together academics and business leaders to discuss the opportunities and challenges of accelerating economic growth in a post-Covid-19 world. It is organised by the Singapore Economic Review journal, whose editor is Nanyang Technological University's Albert Winsemius chair professor of economics Euston Quah.

In his opening address, Mr Chan spoke about six key global transitions that will serve as the economic backdrop for the next 50 years, and the six moves that Singapore needs to make to respond.

For one thing, Singapore must pioneer new forms of connectivity and reinforce existing ones, he said, including growing its hub port status and global logistics network while resuming the plans for Changi Airport.

But this is not enough, especially as data and finance – the new enablers of growth – are not constrained by geography.

“We need to seize the opportunities that come from the connectivity of data, finance, talent, technology and regulations,” he added.

“Connectivity of technology standards and regulations to promote interoperability in a fragmenting world will be another source of man-made competitive advantage for Singapore.”

Building new talent networks is also vital, Mr Chan said.

“We need to break the artificial talent divide between locals and foreigners. The question going forward is not how many locals and foreigners we have in Singapore. The question is how many people – both local and foreign – we can have in the Singapore global talent network,” he said.

He added that a yardstick of success should also not be how many jobs are created here for Singaporeans, but how many global companies Singapore can create and how much global talent it has access to.

Singapore must also remain principled amid the shifting geopolitical tides, which means understanding and connecting with countries beyond major powers like the United States and China, he said.



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ENABLERS OF GROWTH

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**EDUCATION MINISTER
CHAN CHUN SING**

“We do not take sides. We take positions based on our national interests and principles that best support our long-term survival and success,” said the minister.

Singapore must be a preferred platform for collaboration in a world that is fragmenting, where different countries can connect in a trusted and rules-based environment, he said.

This means laws must evolve, especially those pertaining to intellectual property, data management and financial services.

Meanwhile, Singapore must also take a pragmatic approach in the carbon transition to balance economic growth with stewardship of the environment, Mr Chan noted.

“Beyond looking for new ‘green industries’ to the extent possible.”

“Developing alternative carbon-lite energy sources will be a key priority for our energy mix,” he said.

Finally, Singapore needs to refresh its social compact so that everyone progresses together. This goes beyond just paying taxes to people taking action, such as each medium or large company making it a point to hire someone from a disadvantaged background.

Prof Quah said in his opening address: “We are in the closing chapter of the pandemic, but the world and its global economy are facing new challenges.

“Other issues emerge or persist such as disrupted supply chains, inflation and rising inequality, uncovering vulnerabilities of our interconnected world.”

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