

## **Singapore not immune to divisive forces: DPM Heng** **He says anxiety caused by income inequality has led to distrust but adds Singaporeans can be "bridge builders"**

**Sharon See**

***The Business Times***, 21 January 2020

SINGAPORE has already seen some semblances of nativist tendencies, the Republic's deputy prime minister said, as he warned that the country cannot assume it is immune to divisive forces that have swept across the world.

In a speech at the Institute of Policy Studies' annual Singapore Perspectives 2020 conference on Monday, Deputy Prime Minister Heng Swee Keat warned about "insurgent political parties" that have exploited people's fears and frustrations, which were brought on by globalisation and disruption, in other parts of the world.

He said the anxiety caused by income inequality has created pessimism and led many people to view their governments with distrust, ushering in an era of "anti-politics".

While Singapore has "fared better than most", Mr Heng said the country is not immune to such divisive forces, adding that there are already some notions of nativist tendencies here, such as some of the public discourse around foreigners.

He elaborated during the question-and-answer session, warning that casting doubt on new citizens' loyalties and exploiting this issue could make it a divisive force.

"I must say that I'm very troubled that so many people are seeking to exploit these differences instead of making an effort to integrate them," Mr Heng said, adding that many of them became Singapore citizens by conviction.

"Every new citizen is very much part of our effort to take care of Singaporeans," he said, describing their role in boosting the workforce and adding to Singapore's strength.

Mr Heng added that making sure Singaporeans grow up in a multiracial, multireligious and multilingual society gives them a "very high degree of cultural sensitivity". This gives Singaporeans a special edge in a world where "people are turning inwards" and are "less ready to cooperate", he said, noting that Singaporeans can be "bridge builders" in a fragmented world.

Asked if the upcoming Budget would be an "election Budget", Mr Heng said: "I think what is crucial here is that it is important to think about the Budget not as a goodie bag that people look forward to."

Instead, it is a financial plan that supports a more strategic path for Singapore's future, he said, adding that it is about putting the country's resources to the best use for the long term as "short-term giveaways" would not help Singapore build capabilities to grow and prosper.

On a question about whether there is a need to raise the Goods and Services Tax (GST), which is set to go up from 7 to 9 per cent some time between 2021 and 2025, Mr Heng, who is also finance minister, said he had considered all options before coming to this decision.

He also said it is important to consider Singapore's tax system as a whole and not pick one part and say it is regressive, adding that the GST is paid by everyone in Singapore and not

just Singaporeans. At the same time, a "global tax competition" means that the Republic does not have the room to raise corporate or individual taxes.

During his earlier half-hour address centred on the themes "differences", "we" and "together", he outlined the importance of unity and trust between the government and the people in Singapore's early years in helping the country succeed.

"My 4G colleagues and I are committed to go beyond just working for you, to working with you, to build our future Singapore," Mr Heng said, as he described the consultative approach the government wants to take, through the Singapore Together movement launched in June last year.