Has 'global city' vision reached its end date?

By Donald Low For The Straits Times



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THE Prime Minister's National Day Rally address on Aug 18 and Deputy Prime Minister Tharman Shanmugaratnam's speech at the Academy of Medicine last week point to a government that might be ambling towards a new social compact. While the changes announced so far do not represent a radical departure from current approaches, there was enough of a change in the tone of their messages to suggest that further, more substantive, reforms are due.

In a more diverse, politically contested Singapore, there should not be a presumption that a consensus on the new social compact can be easily forged. The process of building the new compact will, inevitably, be a contested and negotiated one.

Nonetheless, it is useful to consider what principles might inform this process. In this regard, a number of findings in recent decades in the hard and social sciences - economics, psychology, neuroscience, biology and even physics - have profound implications for our understanding of what makes for thriving and resilient societies.

The limits of being a global city

SINCE our first foreign minister S. Rajaratnam gave articulation to it, the idea of Singapore as a global city has animated the People's Action Party's (PAP) vision for the country. The "global city" idea has clearly been a success. In a span of under 50 years, the PAP government has come close to achieving a vision articulated by its founders which at the time of conception seemed unimaginable. But the vision now faces inherent limits and internal contradictions.

The limits of the global city idea became particularly salient in recent years as the population surged on the back of very liberal immigration and foreign worker policies; inequality rose from levels that were already higher than in other developed



countries; and overcrowding began to undermine trust in government.

Citizens began expressing greater unease about competition from foreigners and the wage stagnation caused by cheap foreign labour.

The reaction of many Singaporeans to the Population White Paper - which in many ways represents a continuation of the global city vision - should give the government reason to reflect on the real possibility that the global city idea has reached the limits of its attractiveness.



To be sure, Singapore as a small, open economy can never

turn its back on the world. But the appeal of the global city vision as a narrative to induce pride and a sense of belonging no longer resonates with Singaporeans, and should probably be retired as a vision for the country.

A just city, not (just) a global city

SO WHAT should we look to as an alternative narrative to the global city idea? The "just city" perspective suggested by Harvard University's Professor Susan Fainstein provides a useful starting point; she defines a just city as having three essential attributes: equity, diversity and democracy.

Rather than viewing the city only or primarily through the lens of economic competitiveness, Prof Fainstein's framework encourages us to analyse it through the lens of urban and social justice.

Global cities such as New York and London do well on the diversity and democracy dimensions, but they are also much less equal than other rich cities. Others such as Copenhagen and Amsterdam do well on equity and democracy, but struggle to absorb and integrate their immigrants.

How does Singapore fare as a just city?

The state's activism in urban redevelopment and in providing good public housing has helped to foster a sense of community. In the first 40 years of nationhood, we also forged an egalitarian ethos that frowned on conspicuous displays of wealth. But recent changes and policies have made the city a lot more unequal, and visibly so, in the last decade.

The city has become more cosmopolitan, but this diversity has been of quite a superficial kind - with wellheeled foreigners ensconced in private estates and foreign workers hidden away on their worksites and in dormitories.

On democracy, it would be a stretch to say that the residents of Singapore feel they have significantly more voice and enjoy more democratic rights today than they did a decade ago.

Embracing the idea of a just city would suggest far-reaching reforms in a wide range of public policies and institutions. For instance, taking seriously the diversity and equity objectives would entail an overhaul of current policies on the large contingent of migrant workers. For a start, it would mean paying them the same wages as Singaporean workers doing the same job.

To ensure that the measures to ensure fairer treatment of our guest workers are widely accepted, they have to be complemented by at least two other sets of policy reforms. The first is to tighten immigration and foreign worker policies. This would sharpen incentives for employers to increase productivity and raise wages.

The second is to develop a stronger social security system that gives less-educated, less- skilled Singaporeans not just adequate social protection (especially in education, health care and retirement

funding), but also strong incentives to work.

A just-city perspective would require the state to prioritise citizen and social well-being. Despite the fact that the Pledge places "happiness" before "prosperity", the government has tended to prioritise economic growth over other measures of well-being.

In an earlier context when the citizen population was young, when wages across-the-board were rising, and when economic growth benefited virtually all segments of society, this emphasis on economic growth was sensible.

But in an era of an ageing population, a maturing economy, stagnant wages for less-skilled segments of the workforce, and growth which no longer lifts all boats, a stubborn insistence on the primacy of growth is neither desirable nor sustainable.

Prioritising well-being requires the state to develop new metrics to measure society's health.

Growth of income per capita is a highly imperfect proxy of individual and social well-being at best. The higher a country's per capita income, the more perverse the consequences of an unthinking fetish for growth.

Prioritise well-being, not growth

A JUST-CITY perspective also helps us see that the economy no longer delivers the inclusion and cohesion it did in the past, even if it continues to achieve high growth rates. Inequality also tends to beget inequality, especially if rapid technological change concentrates wealth in the hands of those with capital and skills.

One of the most significant challenges to the idea of Singapore as a land of opportunity and an inclusive society is the relative fall in wages of those at the lower reaches of the labour market, especially when contrasted with the opportunities available to those at the top. It is becoming clear that economic growth no longer creates the inclusive and just society that Singaporeans seek.

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