

# global-is-asian

2020 - 2021



**GOVERNANCE  
FOR THE FUTURE:  
CONTEMPORARY  
CHALLENGES**



Lee Kuan Yew  
School of Public Policy



**NUS**  
National University  
of Singapore



# About Global-*is*-Asian

Global-*is*-Asian is the flagship digital platform of the Lee Kuan Yew School of Public Policy (LKYSPP). With content backed by research and grounded in practitioners' experiences, we shape global thinking and steer meaningful conversations on policy issues and international affairs affecting Asia and the world.

global-*is*-asian

## 04

### Global-*is*-Asian

- 04** Singapore earns high praise for COVID-19 response
- 08** Asia Power Index 2020: The impact of COVID-19 on power
- 14** Public health or privacy concern? The debate over contact tracing apps
- 18** Does COVID-19 mark the death of financial globalisation?
- 22** 'Climate refugees': The expected climate change migration
- 28** What is the Progressive Wage Model and is it better than a minimum wage?
- 32** From Research to Governance: Insights from Singapore's policy landscape

#### THE EDITORIAL TEAM

---

##### Stanley Lim

Stanley is the editor for Global-*is*-Asian and a specialist in digital and content marketing. As Associate Director for Thought Leadership and Strategic Communications, he currently leads the marketing team in the Lee Kuan Yew School of Public Policy and is responsible for content opportunities to help drive thought leadership for the school and deepen engagement with its intended audience.

Prior to joining LKYSPP, Stanley was with Youth.SG and the Singapore Economic Development Board.

##### Christine Pang

Christine is an Assistant Manager at the LKYSPP's Thought Leadership and Strategic Communications team, where she manages content for the Global-*is*-Asian online platform as well as oversees its growing social media presence.

She has previously driven marketing and communication objectives through content creation in the private healthcare and higher education sectors.



# 38

## Asia Thinker Series

- 38** COVID-19: Lessons, consequences on global climate, biodiversity crises and health
- 40** COVID-19: How will increased tension on US-China relations implicate the region?
- 41** After the Pandemic: The rebirth of big government? State capacity, trust and privacy in the post-COVID-19 era
- 42** After the Pandemic: Reimagining Education



# 43

## Forseeable Podcast

- 43** How has COVID-19 changed the way we work? A conversation with Assistant Professor Taha Hameduddin
- 45** Explaining the Asian economic miracle
- 47** The worrying case of Hong Kong



# 50

## Research Spotlight Series

- 50** India's shadow pandemic and trends of violence against women
- 52** Which chronic diseases lead to the most out-of-pocket spending?
- 53** Buying friends, and influencing countries



# 54

## GIA Box

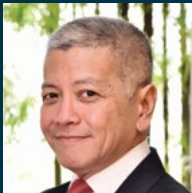
- 54** What it feels like being in a non-essential profession? (featuring Divian Nair)

# SINGAPORE EARNS HIGH PRAISE FOR COVID-19 RESPONSE

## Featured Faculty:

**Danny Quah**

*Dean and Li Ka Shing Professor in Economics, Lee Kuan Yew School of Public Policy*



While countries across the world, from the United States and Europe to the Middle East, are battling to control the rising spread of the COVID-19 outbreak, Singapore has been held up by global health experts as “the model to emulate” in effectively containing the global pandemic.

The city-state was one of the first few countries to be hit by the coronavirus contagion outside China in January 2020. But the government’s swift action to impose border controls, perform contact tracing of known carriers and aggressive testing methods, enabled Singapore to slow the rates of infection and keep the fatalities to just three so far\*, without overwhelming the nation’s healthcare system.

This is in sharp contrast to the alarming spike in numbers in the worst-hit nations such as Italy, Iran and the US — where tens of thousands are infected and the mortality rate is rapidly rising. The early decisive move has also allowed Singapore to avoid sweeping school closures and business shutdowns currently imposed in most countries worldwide to blunt the accelerating pace of the virus, while earning high praise.

“Singapore is leaving no stone unturned, testing every case of influenza-like illness and pneumonia,” said the World Health Organisation (WHO) Director-General Tedros Adhanom Ghebreyesus, adding he was impressed with the government’s approach “to find every case, follow up with contacts, and stop transmission.”

In an interview with CNN’s Fareed Zakaria — talking about Singapore’s response to COVID-19, Prime Minister Lee Hsien Loong said the government took the outbreak very seriously from the beginning. “We watched what was happening in Wuhan, in China. We prepared our people. In fact, we have been preparing for this since SARS, which was 17 years ago.”

Indeed, the SARS outbreak in 2003 — which killed 33 people, gave the government valuable experience in

“ I think evaluating the consequence of saving the nation vis-a-vis freedom of its citizens is a fairly easy choice - most would answer with an affirmative ‘Yes’. However, if that and all other costs of the mitigating efforts are taken - economic, social and psychological in the medium to long terms - it gets more difficult and the question becomes: Is the remedy (cure) worse than the disease? ”

*The above excerpt is from a user comment on BIGWIG.*

*BIGWIG is a Lee Kuan Yew School of Public Policy discussion platform where folks discuss policy topics that matter to them. Whether it's news, journal articles or political personalities, join the conversation on BIGWIG now!*

Join BIGWIG at <https://lkyspp.sg/2kgxPB2>

\*This article was published on 1 April 2020. Since 28 November 2020, Singapore’s fatality rate has remained at 29.

combating infectious diseases, and a perspective on the goal of saving lives.

### Sound policy prescriptions — beyond washing hands

Policy observers further attribute the coming together of three critical factors — economic policy, assured political leadership and evidence-based knowledge — for Singapore’s, thus far, successful response to the pandemic.

“My own view is that well-designed economic incentive schemes, working in tandem with established domestic laws and the population’s confidence in scientific knowledge and political leadership, have been critical in reaching good outcomes in Singapore,” noted Professor Danny Quah, Dean and Li Ka Shing Professor in Economics at the Lee Kuan Yew School of Public Policy.

To address the economic challenges wrought by COVID-19,

the government took the extraordinary step to push through a supplementary budget worth S\$48 billion in late March — drawing on national reserves for the second time since the 2008 global financial crisis — to stabilise an economy heading for a recession. The move is the most aggressive response yet by policymakers and comes just weeks after Singapore’s annual budget — which allocated an additional S\$6.4 billion to help support businesses and households hurt by the outbreak.

Describing the pandemic as an “unprecedented crisis of a highly complex nature”, Deputy Prime Minister and Finance Minister Heng

Swee Keat, while announcing details of the landmark package in parliament added: “In economic terms alone, this will likely be the worst economic contraction since independence.”

The stimulus measures “were targeted and clearly laid out” and provide much needed relief to the most vulnerable and affected sectors of the economy, underlined Professor Quah. “Both demand and supply side considerations are taken into account: businesses receive investment relief at the same time as consumers see an immediate boost to their cash holdings, thus raising economy-wide spending power.”

## “IN ECONOMIC TERMS ALONE, THIS WILL LIKELY BE THE WORST ECONOMIC CONTRACTION SINCE INDEPENDENCE.”

Singapore’s Deputy Prime Minister and Finance Minister Heng Swee Keat



# “MY OWN VIEW IS THAT WELL-DESIGNED ECONOMIC INCENTIVE SCHEMES, WORKING IN TANDEM WITH ESTABLISHED DOMESTIC LAWS AND THE POPULATION’S CONFIDENCE IN SCIENTIFIC KNOWLEDGE AND POLITICAL LEADERSHIP, HAVE BEEN CRITICAL IN REACHING GOOD OUTCOMES IN SINGAPORE.”

**Professor Danny Quah**



observed Professor Quah. “I think that is the policy with which the government has tried to take forward in its communication with the public.”

Contrast this, he added, with the way then-US President Donald Trump spoke to the American people about COVID-19, where he downplayed the severity of the outbreak. “One week the president is calling the coronavirus a hoax. The next week he says he has known all along it would be a serious pandemic. How he is behaving and how he communicates violates every rule that we know about crisis management,” added Professor Quah.

## **Lessons for others**

Even as Singapore’s measures to contain the first wave of infections proved largely effective, the highly invasive methods used by the city-state to fight the deadly pathogen has raised questions. This includes the use of surveillance cameras and police officers to help the government track down the close contacts of confirmed cases. Singapore has also used a tough new online falsehoods law to correct misinformation in posts about the coronavirus, which critics have argued appear draconian.

Beyond the robust economic policy response, a clear and transparent communication strategy adopted by Singapore’s political leaders further helped to strengthen public trust and confidence in the government’s handling of the crisis.

For instance, when the government raised the national alert level from “yellow” to “orange” — the second-highest on 7 February — it sparked panic buying of essentials such as rice and toilet paper across the nation. This prompted an urgent televised address from PM Lee to calm the public. “Fear can do more harm than the virus itself,” he said, reassuring Singaporeans that the city-state has sufficient supplies to tide through the pandemic.

In fact, trust and transparency are critical in times of crisis, added PM

Lee during the CNN interview. “We put a lot of effort into explaining to (the public) what is happening, speaking to them and I have done it a few times directly on television, so people know that we are level and we tell it straight.”

“We are transparent — if there is bad news, we tell you. If there are things which need to be done, we also tell you. I think that you have to maintain that trust because if people do not trust you, even if you have the right measures, it is going to be very hard to get it implemented.”

“In Singapore the messaging has remained clear, consistent, and well-informed. Credibility is high. This has continued to reassure the population appropriately and maintain trust in the system,”

Professor Quah pointed out that such criticisms have been levelled against other Asian countries as well — such as South Korea and China, which have also resorted to stringent measures to combat the virus.

“The charge that the system being draconian, the charge that some people accept surveillance more readily than others is an easy and convenient trope. And sometimes I think observers use that in a way to try and say, well, it was easy for them but it’s harder for us. This trope doesn’t do any of us any good.”

Nonetheless, Singapore’s example could contain lessons for other countries that are currently caught in the vicious grip of the pandemic, he added.



## “I HESITATE TO TALK ABOUT SUCCESS BECAUSE WE ARE RIGHT IN THE MIDST OF A BATTLE, WHICH IS INTENSIFYING.”

### Singapore’s Prime Minister Lee Hsien Loong

“In different parts of the world we’re seeing very different behaviours emerging. I think Singapore has done remarkably well at this point in keeping things under control. I hope that the lessons from here will be helpful for all other nations having to manage the very difficult circumstance they’re finding themselves.”

Despite Singapore’s ability to contain the virus, the government is acutely aware the fight is far from over. “I hesitate to talk about success because we are right in the midst of a battle, which is intensifying,” noted PM Lee in the CNN interview, who anticipates the pandemic to spread to other parts of the world such as India, Africa, Southeast Asia and Latin America.

“By the time it goes around the world, and then finally runs its course, I think that is several years, unless something happens to abort that process.”

Read the full article [Singapore’s Policy Response to COVID-19](#) by Professor Danny Quah (originally published on VoxEU as a chapter in a VoxEU eBook).■



# ASIA POWER INDEX 2020: THE IMPACT OF COVID-19 ON POWER

## Featured Faculty:

**Khong Yuen Foong**

*Vice Dean (Research and Development) and Li Ka Shing Professor in Political Science, Lee Kuan Yew School of Public Policy*



“ Sanctions against China will hurt the Americans more. American corporations have outsourced many of its manufacturing activities to the Chinese. Americans can only simmer in impotent rage. An economic Frankenstein called China is their creation. ”

*The above excerpt is from a user comment on BIGWIG.*



Clockwise from top left: Hervé Lemahieu, Senator the Hon. Penny Wong, Professor Khong Yuen Foong and Professor Joseph S. Nye during the launch of the Asia Power Index 2020 on 21 October 2020.

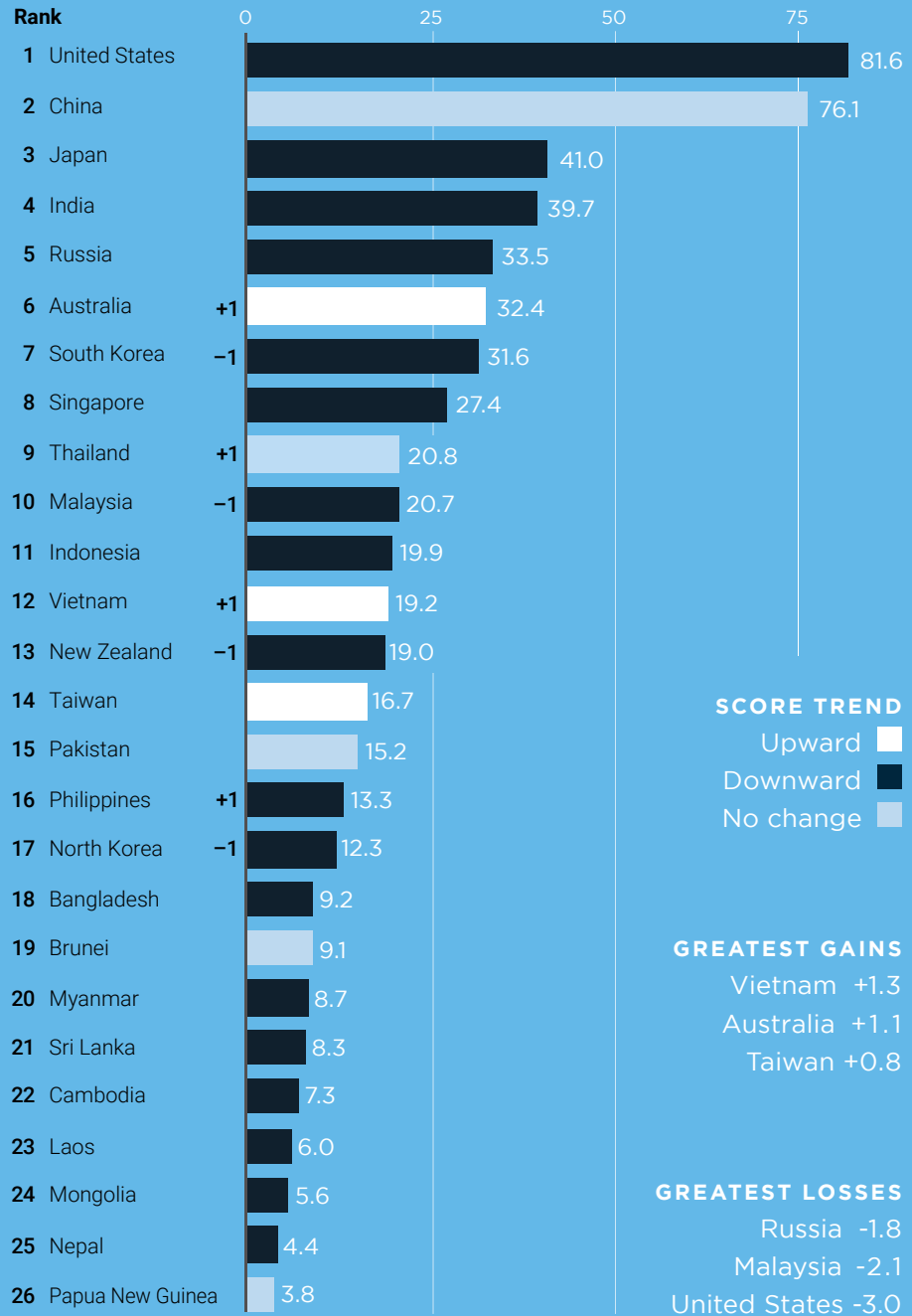
Independent Australian think tank The Lowy Institute recently released the 2020 edition of its annual *Asia Power Index*. Measuring resources and influence to rank the relative power of states in Asia, this interactive digital tool was launched with a live discussion on 21 October 2020, featuring panellists Professor Joseph S. Nye, Harvard University Distinguished Service Professor, Emeritus and former Dean of the Harvard Kennedy School of Government; Senator the Hon. Penny Wong, Shadow Minister for Foreign Affairs, Australia and Leader of the Opposition in the Senate; Professor Khong Yuen Foong, Vice Dean (Research and Development) and Li Ka Shing Professor in Political Science at the Lee Kuan Yew School of Public Policy, and Hervé Lemahieu, Director of the Lowy Institute’s Asian Power and Diplomacy Program.



The index covers three years of data, 26 countries, and examines 128 indicators across eight measures: military capability and defence networks, economic capability and relationships, diplomatic and cultural influence, as well as resilience and future resources.

## 2020 RANKINGS

### COMPREHENSIVE POWER



## A bipolar region affected by the pandemic

The COVID-19 pandemic has created what Lemahieu calls “a bottom-heavy constellation of power in Asia”. 18 states in the Indo-Pacific region have seen downturns in their relative power in 2020 as a result of the COVID-19 pandemic.

Overall, the United States, though still ranked number one in relative power, experienced a downward shift of three points, making it the greatest loss out of all 26 countries measured.

Professor Nye established that the pandemic had simply reinforced and accentuated existing trends. There had already been a downward trend in soft power and prestige for the US prior to COVID-19. Part of this could be attributed to the “America First” attitude that devalued multilateralism and alliances with other powers.

**“IT IS USEFUL TO THINK OF THE PANDEMIC AS AN AUGMENTER AND AN ACCELERANT OF THE DISRUPTIONS THAT WE ARE OBSERVING.”**

**Senator the Hon. Penny Wong**

China, the other dominant power in the region, took second place and actually emerged relatively unchanged in its comprehensive national power. According to Professor Khong, China’s stagnant score could be attributed to its handling of the pandemic.

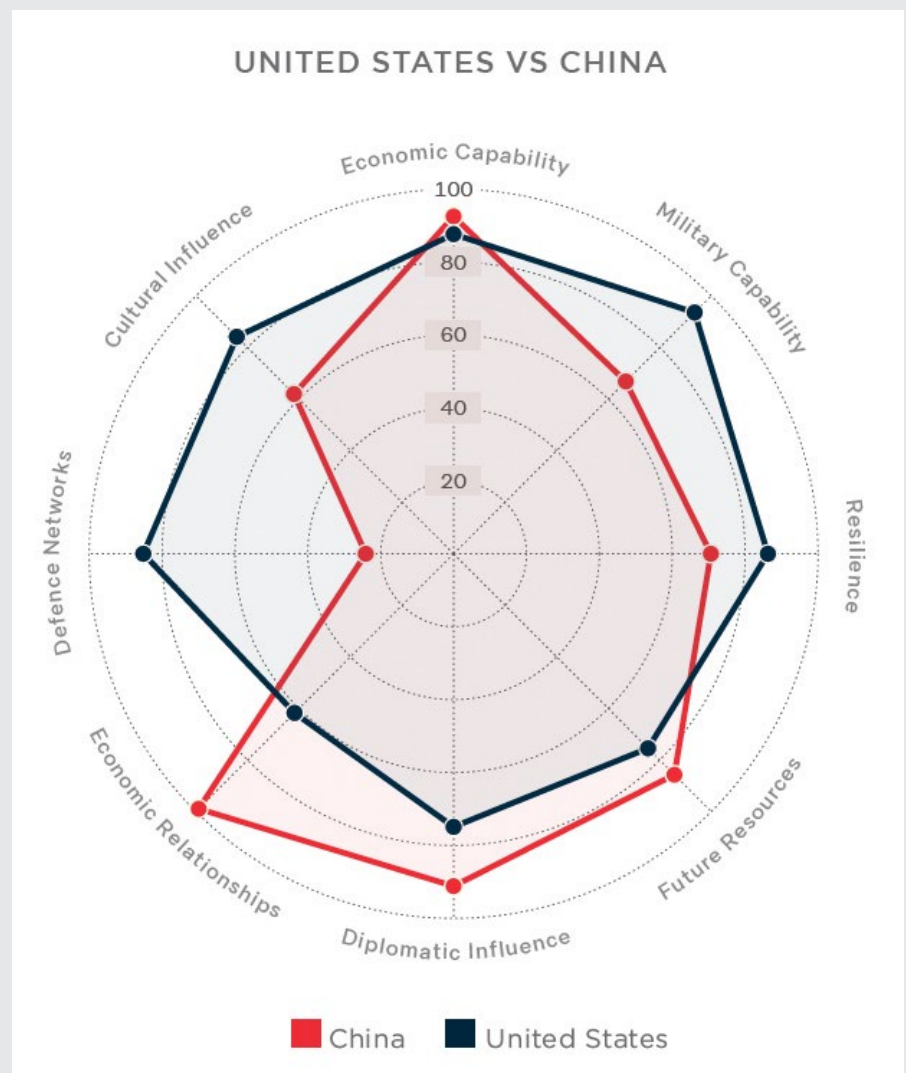
On one hand, China saw undeniable success in containing the virus and facilitating economic recovery. On the other, China’s delay in warning the world about the virus, its transactional approach to mask diplomacy and its wolf-warrior diplomacy balanced out its successes in the eyes of the rest of the world.

Indeed, the consensus across the panel was that the pandemic

exacerbated and accentuated existing trends from prior to the pandemic. “It is useful to think of the pandemic as an augments and an accelerant of the disruptions that we are observing,” said Senator Wong.

## The evolution of the US-China relationship

Even as the US continues to stay ahead of China in terms of comprehensive power, China is closing in. The report revealed that the United States’ 10 point lead over China two years ago has been narrowed by half in 2020. Furthermore, the US also lost ground in economic relationships and trade patterns in the region — areas where China was already ahead.



United States VS China across eight measures: The Lowy Institute Asia Power Index 2020



## “THE UNITED STATES STILL HAS A NUMBER OF POWER ADVANTAGES THAT GO BEYOND COVID-19.”

**Professor Joseph Nye**

Whether or not this trend truly poses a threat to the US remains to be seen, but for Professor Nye, a reversal between the positions of US and China due to the pandemic is unlikely.

“The United States still has a number of power advantages that go beyond COVID-19,” he explained. Geographically speaking, China’s strained relationships and territorial disputes with some of its biggest neighbouring countries give the US an advantage over them in that regard. Furthermore, China’s dependency on oil imports still puts them behind the mostly energy-independent US, among several other examples.

According to Professor Khong, China’s position as a rising power

explains its assertiveness across the decade. When the rising power reaches 80% or more of the established power’s strength, “the rising power will start to demand more things to reflect its growing clout.”

What is the endgame of this assertiveness? Citing the words of the late Lee Kuan Yew, Professor Khong suggests that China seeks a coequal relationship with the US.

But despite China’s wishes, coequality is also out of the question, as China’s failure to transform into a liberal democracy likely dissuades the US from granting it. As a result, it is likely that the stage is set for an “intense bipolar strategic rivalry”.





**“[SOUTHEAST ASIA] WILL CHOOSE DEPENDING... ON THEIR DOMESTIC POLITICS, THE ACTIONS OF THE TWO GIANTS, THEIR PERCEPTION OF ECONOMIC OPPORTUNITIES, AND THEIR PERCEPTIONS OF AMERICAN STAYING POWER.”**

**Professor Khong Yuen Foong**

Despite the advantages that the US holds over China, the latter presents to the world an alternative model of development that also delivers results. In the eyes of many in Asia, where “performance legitimacy trumps political complexion in measuring prestige”, China may appear to be the superior power

due to its successful handling of the pandemic and its aftershocks.

**A cooperative rivalry**

Ultimately, Professor Nye foresees a cooperative rivalry between the US and China. As the agenda of global politics trends towards ecological

globalisation, which include efforts to combat the pandemic as well as climate change, it appears increasingly necessary for the US to work with China. To cite an example, it is impossible to combat climate change without working together with China, which is the greatest emitter of greenhouse gases.

Whether this cooperative rivalry can come to fruition depends on US foreign policies and attitudes, and this further hinges upon the results of the upcoming US presidential elections.

Regardless of the results, there will still be friction between the US and China. Speaking of America’s political situation, Professor Nye warns “There are people from both parties that believe that China tilted the playing ground in its favour with its aggressive nationalistic approach”.

However, a Biden Administration win in the 2020 election would lead to a change in tone from America’s current China containment policy.

Biden, unlike Trump, would be more capable of handling a balancing act of both condemning China on certain issues and collaborating with them on others.

### The role of the middle powers

According to the findings, three middle powers of the region – Vietnam, Australia and Taiwan – experienced increases in their standings.

This is indicative of how the future is likely to be defined by what Lemahieu calls “asymmetric multipolarity” – the region is caught in a situation where neither US or China can establish primacy, in which case the actions, choices and interests of the middle powers become more consequential.

Furthermore, in the event of a cooperative rivalry between the US and China, middle powers play an important role in keeping a sense of proportion and balance.

For Australia, their priority lies with finding areas of shared interests with like-minded middle powers in the region, and to not approach new groupings and engagements from

a defensive mindset. “We need to think less about the binary of US-China competition, and more about what sort of region we want,” said Senator Wong. “We want to achieve balance in the region we want, on the terms we want.”

### The view from Southeast Asia (SEA)

The rest of Southeast Asia continues to be pressured to choose between the two giants, but many of the SEA policymakers and leaders are reluctant to move from their current positions.

This does not mean that they are in a position of neutrality. According to Professor Khong, countries like Cambodia and Laos are more aligned with China than with the US, and in the last decade, several countries such as Malaysia and Brunei have inched away from the US and in China’s direction. Vietnam and Singapore, however, feel more strategic comfort with the US.

“The point to make about these movements is that they are not cast in stone,” said Professor Khong. “They remain fluid.”

But SEA nations will have to make a choice within the next decade, and will choose depending on their domestic policies, the actions of the two giants, their perception of economic opportunities, and their perceptions of American staying power.

To make a decision, SEA countries need to look at who has been “putting things on the menu”. China seems to be putting a lot of things on the platter, from the Belt-and-Road Initiative (BRI) to the Regional Comprehensive Economic Partnership (RCEP). On the other end, US has the Trans-Pacific Partnership (TPP) that was aborted by the Trump Administration, and has the upcoming Free and Open Indo-Pacific strategy.

“My fear is that one may just choose piecemeal,” said Professor Khong. “A series of piecemeal choices over time will put you in one camp or the other without you really intending it to be that way.” ■



# PUBLIC HEALTH OR PRIVACY CONCERN? THE DEBATE OVER CONTACT TRACING APPS

## Featured Faculty:

**James Crabtree**

*Visiting Senior Research Fellow,  
Lee Kuan Yew School of Public  
Policy*



Contact tracing apps are the next line-of-defence in the fight against COVID-19, but is the public convinced?





### Will Singaporeans use a contact tracing token?

Singapore was a leader in deploying a contact tracing app to help manage the COVID-19 epidemic. So far, the takeup rate has been around 25%\*, a number which government officials have conceded is too low.

“25% is good, but it is not good enough, and we need to raise that number significantly,” Minister-in-Charge of the Smart Nation Initiative Dr. Vivian Balakrishnan said at a media conference on 5 June.

The difficulty has been twofold — getting people to download it, and getting people to use it. Not everyone has a smartphone, and complaints that the app is a battery drain have persisted. And some Singaporeans are concerned about potential privacy issues too.

Now, the Singapore government is introducing a wearable version. The TraceTogether token operates the same way as the app, by logging close contacts using Bluetooth. But it doesn't require a smartphone, and can be worn on a lanyard.

So will Singaporeans be more willing to use a token if it means the app's tech problems are no longer an

**“MANDATING THE USE OF THIS TECHNOLOGY, IF IT CAN BE DONE WITH WIDESPREAD PUBLIC ACCEPTANCE, WOULD UNDENIABLY MAKE THEM MORE EFFECTIVE TOO.”**

**James Crabtree**

issue? And if so, can an app help to contain the pandemic?

#### Why contact tracing apps matter

Many who use the app perceive it as a layer of protection, allowing them to know if they have been in contact with someone who has had COVID-19 so that they can get tested. But at a public health level, TraceTogether is really all about speed.

Without the app, the government says it takes two to three days of laborious work for a contact tracer to reconstruct the activity map of a COVID-19 patient. And if the patient is particularly unwell, they might have a hard time fully

communicating their past activities.

For example, if a contact came through a delivery worker or shop assistant, the app makes it easy for contact tracers to find the worker directly, instead of having to go through the company to track them down and figure out when they might have come into contact with a suspected case.

TraceTogether presents a shortcut, which has enabled contact tracers to issue Stay-Home Notices (SHN) to potential COVID-19 contacts within a day.

And speed certainly matters. A study of Singapore cases found that 6.4% of cases were transmitted

\*This article was published on 17 June 2020. On 21 December 2020, the Smart Nation and Digital Government Office (SNDGO) reported that the takeup rate for TraceTogether had crossed 70%. SNDGO has also since commenced nation-wide distribution of TraceTogether tokens.

before a patient even showed any symptoms, although the extent of asymptomatic transmission is still the subject of some debate. And patients are most infectious just as they start to feel unwell.

But if 75% of people aren't using the app, then by definition it's missing many points of contact. A widely cited pre-publication paper from Oxford suggests that at least 60% of people need to use the app to effectively control the disease (although tracing apps can still have a positive impact with a lower uptake).

### **Can contact tracing apps deliver on their promise?**

Currently, most experts think contact tracing technology alone is unlikely to be enough to solve the problem. Jason Bay, a Senior Director at Singapore's Government Technology Agency and the product lead for TraceTogether, made it clear the app is no substitute for traditional contact tracing.

"If you ask me whether any Bluetooth contact tracing system deployed or under development, anywhere in the world, is ready to replace manual contact tracing, I will say without qualification that the answer is, No," he wrote in a blog post.

He points out that tracing can't take into account many factors, such as ventilation in a room where a contact may have taken place, or whether someone was engaged in an activity that might help to spread the virus, like singing or shouting.

Limited evidence from overseas suggests that it's certainly not a panacea. Even in the country where uptake of contact tracing apps is highest — Iceland, at 38% — COVID-19 contact tracers said it was not a "game changer".

In Australia, an app similar to Singapore's TraceTogether has

# **“IF YOU ASK ME WHETHER ANY BLUETOOTH CONTACT TRACING SYSTEM DEPLOYED OR UNDER DEVELOPMENT, ANYWHERE IN THE WORLD, IS READY TO REPLACE MANUAL CONTACT TRACING, I WILL SAY WITHOUT QUALIFICATION THAT THE ANSWER IS, NO.”**

**Jason Bay, Senior Director (Government Digital Services) Government Technology Agency**

yet to identify a single additional case even though more than 6.2 million Australians have downloaded the app. While that may sound disappointing, it's partly good news as it reflects low case numbers in the population.

Using Bluetooth has unearthed other technical problems. Research from Ireland using TraceTogether found that the bluetooth signal can vary significantly depending on where the phone is, which means it might not be ideal for measuring distance between contacts. This is one reason the app has been delayed in the UK.

"Despite the excitement, so far contact tracing apps have delivered much less than their enthusiasts hoped. From Australia to Singapore, it has been hard to get enough people to download them, while many apps have been dogged by technical issues," said James Crabtree, Visiting Senior Research Fellow at the Lee Kuan Yew School of Public Policy (LKYSPP)

### **Why are only 25% of Singaporeans using the app?**

Polls indicate that majority of Singaporeans see the value of a contact tracing app. A survey by the LKYSPP Institute of Policy Studies found that 59% of respondents agree that the app should be compulsory for anyone entering "public places, like shopping centres and wet markets", as long as the technical bugs were ironed out. The same survey found that 49% of respondents would be fine with the authorities using mobile data without user consent.

But if a strong majority of Singaporeans would be willing to make an app mandatory, why have so few taken it up?

One of the biggest complaints is the inconvenience of the app's functions. The app needs to be kept open in the foreground, and substantially drains battery life. This is particularly true for Apple phones, as the operating system suspends



Bluetooth scanning if the app is running in the background.

For others, it might be an issue of privacy. Singapore-based polling group Blackbox Research found that 45% of respondents did not download TraceTogether, even though they were aware of the app, with the main consideration being they “did not want the government tracing their movements”.

While TraceTogether has received fairly strong endorsements from privacy advocates, it hasn't convinced everyone. Nearly 40,000 people have signed this petition, which is demonstrably incorrect in many places. Neither the token nor the app “would allow contact tracers to locate a person's whereabouts based on their proximity to other persons' phones, cell towers, or potentially their wearable devices themselves,” as the token does not have GPS or internet connectivity.

“It is not a tracking device. It is not an electronic tag, as some Internet commentaries have fretted about,” said Dr. Balakrishnan during the media conference.

It does, however, suggest that some people have strong feelings about the app. The profusion of apps globally has probably added to the confusion on how the app works, given that many overseas apps use GPS or a mix of Bluetooth and GPS. Israel and South Korea have been using high-tech methods of tracking people's whereabouts using GPS. And Iran's first app was kicked out of the Google Play store for harvesting more data than was permitted.

### A digitally inclusive society

Dr. Balakrishnan said the adoption rate for the app and the token together should ideally be above 75%. For those who are worried about the functional effects on their smartphone, the token should make life a little easier. But the biggest difference might be for those who don't own a smartphone at all.

Even though Singapore is one of the most plugged-in countries on earth, there are still people who do not have a smartphone, such as the elderly and some youths. And a 2015 survey found that only 53% of migrant workers had a smartphone,

and by one estimate about 20-25% of migrant workers were still on 2G phones shortly before the signal was switched off in 2016. The government plans to distribute the token to those without a smartphone first.

Nevertheless, the government has thus far been reluctant to make the tokens or the app mandatory, although the app is already compulsory for migrant workers living in “high risk” situations.

But they have yet to rule out mandating the tokens either. If conditions deteriorate in Singapore, it's possible the government could adopt a harder line. And some experts think that might not be such a bad thing.

“Mandating the use of this technology, if it can be done with widespread public acceptance, would undeniably make them more effective too,” Crabtree said.

Whatever position the government eventually adopts, it's clear that apps and tokens are likely to form a central part of the government's response to the COVID-19 pandemic for the foreseeable future. ■



# DOES COVID-19 MARK THE DEATH OF FINANCIAL GLOBALISATION?

## Written by:

**Ramkishan S Rajan**

*Yong Pung How Professor, Lee Kuan Yew School of Public Policy*



## Sasidaran Gopalan

*Assistant Professor of Economics, United Arab Emirates University*



AS COVID-19 continues to ravage economies across the world, it has now become a common refrain that economic globalisation is passé. Indeed, even before the onset of the pandemic, there were significant concerns that the world was moving towards an era of trade de-globalisation, fuelled by the US-China trade war.

The spread of the pandemic has only amplified such concerns, setting in motion a wave of supply chain-related trade disruptions. Protectionist policies have also risen globally, as some larger countries in Asia and elsewhere have turned inwards as a means of becoming more self-reliant.

It is unfortunate that countries are abandoning their commitment towards free trade, when there is a near unanimous consensus that trade globalisation is net positive for a country - that is, gains to the winners (exporting firms and consumers) far exceed the losses incurred by firms and workers in import-competing sectors.

Somewhat paradoxically, while trade barriers are rising, capital flow restrictions are being eased, despite several studies pointing out that the benefits from financial globalisation are ambiguous at best.

To be sure, in theory, financial globalisation can bring about potential benefits, such as greater risk-diversification opportunities, lowering cost of capital (which in turn promotes investment and growth) and enhanced financial-sector development.

However, in practice, such benefits are not clear-cut and are subject to a number of caveats. Uncertain benefits aside, embracing financial globalisation can also potentially be accompanied by some major risks.

For example, if a country does not have strong fundamentals, sound prudential regulations and good governance in general, full-fledged financial globalisation could increase the likelihood of outright financial crises, as many emerging economies have experienced.

Thus, while countries with sound fundamentals, regulatory and

“ I think the fear of non-payment, as El-Erian correctly pointed out, has not sunk into the minds of policymakers in the IMF, World Bank and ECB as well as market regulators across the world. This complacency may have something to do with the view that this COVID-19 crisis, unlike the 2008/09 debt crisis, so far has not hit the ‘heart’ of the financial system and probably will not. ”

*The above excerpt is from a user comment on BIGWIG.*



governance structures like Singapore have flourished by embracing financial globalisation, others have fallen into a financial globalisation trap of instability and anaemic growth.

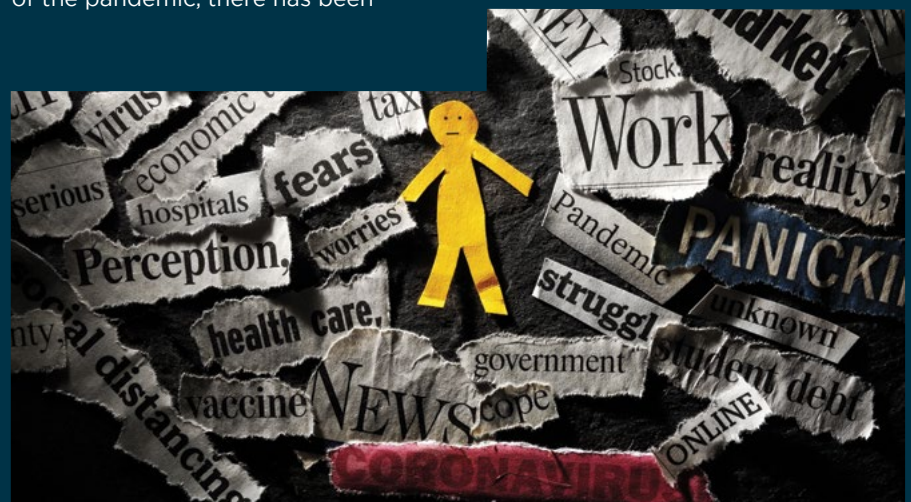
A useful metric to measure financial globalisation is to consider a country's stock of external assets and liabilities (as a share of gross domestic product). Data for ASEAN+3 reveals that international financial integration has risen notably over the last two decades in the region, emphasising the sustained and enthusiastic embracement of financial globalisation by the regional economies. International financial integration in the region hit an all-time high in 2019, just before the onset of the COVID-19 pandemic.

While the region on the whole has experienced an increase in de facto international financial integration,

Singapore is a clear outlier, where the levels of integration were almost 18 times GDP on average between 2007 and 2019 (compared to the regional average of just over three times), owing to its high degree of openness as a global financial centre.

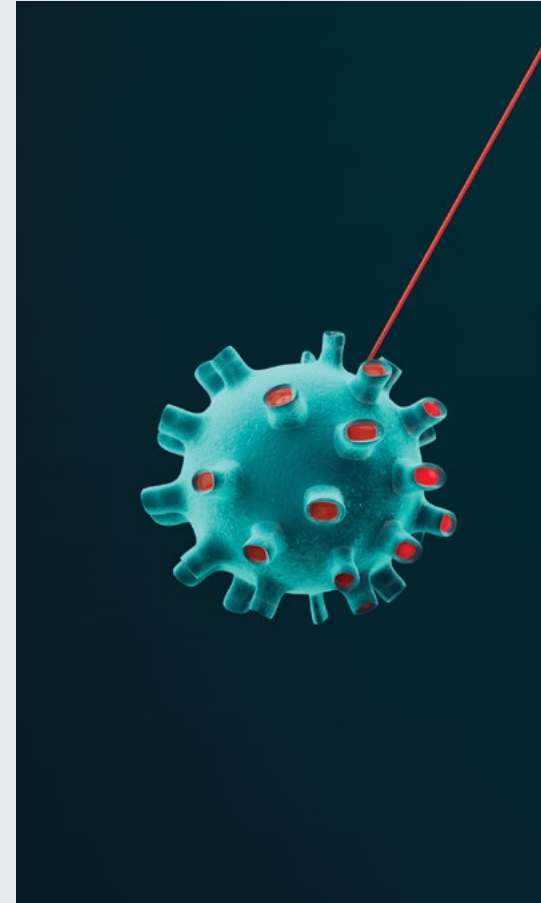
Despite the initial sudden stop in capital flows in the early stages of the pandemic, there has been

a subsequent recovery and resurgence in capital flows across many emerging markets in Asia and elsewhere. With burgeoning fiscal deficits in response to the COVID-19 induced recession, the external financing needs in many countries will only increase over time, in turn driving them to open up even more to certain types of capital flows.





**INDEED, SOME ASIAN ECONOMIES HAVE ALREADY RAISED ADDITIONAL FUNDING BY SELLING US DOLLAR-DENOMINATED PANDEMIC-TYPE BONDS. INDONESIA WAS ONE OF THE EARLY MOVERS, HAVING RAISED US\$4.3 BILLION IN APRIL 2020. THE PHILIPPINES ISSUED US\$2.35 BILLION WORTH OF PANDEMIC BONDS IN TWO TRANCHES IN MAY 2020.**



### Rising fiscal needs

Indeed, some Asian economies have already raised additional funding by selling US dollar-denominated pandemic-type bonds. Indonesia was one of the early movers, having raised US\$4.3 billion in April 2020. The Philippines issued US\$2.35 billion worth of pandemic bonds in two tranches in May 2020.

As the fiscal needs of regional governments rise, one can expect more of such sovereign issuances - implying more, rather than less, financial globalisation.

In terms of actual regulatory policies, China has removed restrictions on the investment quota of foreign institutional investors; India has similarly raised its limits for investments in corporate bonds by foreign portfolio investors.

Several countries in the region have also been encouraging foreign direct investment to boost domestic investment, growth and employment, though some, like India, have simultaneously taken steps to restrict cross-border mergers and acquisitions (M&As) in sensitive areas.

In addition to cross-border capital flows, one of the other important dimensions of financial globalisation pertains to the internationalisation of the financial sector, defined here in a narrow sense to involve foreign bank presence. Until the global financial crisis, European and American banks were dominant in Asia.

However, the region witnessed a significant retreat by European banks following the Eurozone crisis, which was partly compensated by

the rise of Asian banks from Japan, China, Korea and Singapore.

The role of Singapore as a financial hub to the rest of emerging Asia has evolved over the years. Singapore-based financial institutions have become critical nodes in helping mobilise financial resources from advanced economies and recycling them to emerging economies in Asia.

The republic's role in the rise of intra-Asian banking, which McKinsey in 2019 called the "world's largest regional-banking market", has been an important driver in promoting regional integration and development, and will likely remain so, as corporates look to re-organise their global and Asian operations. ■

This article was first published in *The Business Times* on 17 September 2020.

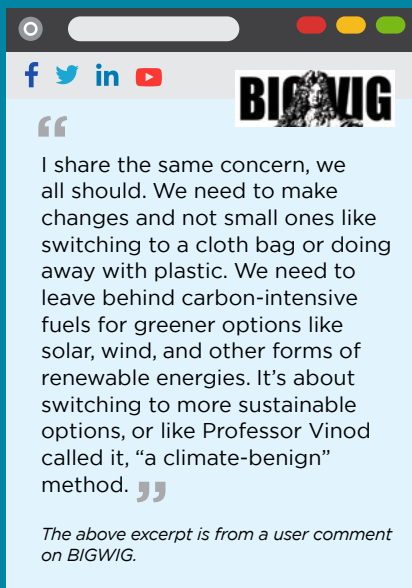


# ‘CLIMATE REFUGEES’: THE EXPECTED CLIMATE CHANGE MIGRATION

## Featured Faculty:

**Vinod Thomas**

Visiting Professor, Lee Kuan Yew  
School of Public Policy



The earth’s temperature is increasing at a rate faster than scientists previously predicted. Global warming has reached one degree Celsius above pre-industrial levels for the first time, while the 10 warmest years on record have all occurred since 1998, nine of which were after 2005.

Southeast Asia is one of the regions most heavily affected by the planet’s rising temperature, and the impacts are being felt in the form of rising sea levels, increasingly frequent and extreme weather patterns, and intensifying heavy rainfall.

The rising temperatures have impacts on everyone, but some communities — especially those in developing countries — are more adversely affected by climate change. In Southeast Asia, there are already families and communities who have been forced to leave their homes in search of livelihoods elsewhere because of the direct effects seen from the heating of the planet.

This includes resource scarcity such as that of drinking water, destroyed crops that contribute to a loss of livelihoods, and increased frequency of extreme weather patterns that make areas become too dangerous, hot or wet to be inhabitable.

## Emergence of climate refugees

People being forced from their homes due to climate change are commonly referred to as “climate refugees”, although this is not a term that exists in international law. According to the 1952 Convention relating to the Status of Refugees, a refugee is defined as a person who has crossed an international border “owing to well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion”. United Nations High Commissioner for Refugees (UNHCR) does not endorse the term, and instead refers to them as “persons displaced in the context of disasters and climate change”.

According to Visiting Professor Vinod Thomas at the Lee Kuan Yew School of Public Policy, climate refugees are those who are forced to move from their homes and places of livelihood because of climate change impacts of water scarcity, crop failure, sea-level rise and storm surges.



“The number of people being displaced by disasters worldwide are already staggering: this figure stands at over 25 million a year since 2008. Most of these disasters were estimated to be climate-related, with two-thirds of the displacement in East Asia and the Pacific. The World Bank estimated in 2018 that the worsening impacts of climate change in South Asia, Africa and Latin America would also lead to over 140 million people moving within their countries’ borders by 2050,” he says.

Scientific projections suggest that if global temperatures are allowed to exceed 1.5 degrees Celsius over historic levels, many more areas will become uninhabitable. As agricultural terrain becomes climate non-resistant, migration will continue to grow to unacceptable levels as the climate crisis comes to a boil.



### Climate change in Southeast Asia

In Southeast Asia, average temperatures have increased every decade since 1960. Data from the Meteorological Services Singapore revealed that the nation’s annual mean temperature has risen from approximately 26.7 degrees Celsius in 1960, to 28.4 degrees Celsius in 2019.

According to the Global Climate Risk Index, compiled by the environmental group Germanwatch, Myanmar, the Philippines, Vietnam and Thailand are among the 10 countries in the world which were most affected by climate change in the past 20 years. In 2018, the Philippines was the second most affected country in the world by climate change, behind Japan.





South Asia is also highly exposed to both floods and heatwaves, while China has seen some of the worst flooding in its history lately. Many other countries in Southeast Asia, including Singapore, are especially vulnerable to a rise in sea-levels and flooding.

“A sea-level rise of two metres could displace 187 million people. The Pacific islands are at a high risk: for instance, Fiji, Papua New Guinea and Vanuatu have already started relocating vulnerable populations,” says Professor Thomas.

Despite everything, Southeast Asia, according to the IMF, “is witnessing the world’s biggest jump in greenhouse gas emissions.” This sobering verdict spells out how this region is among the most exposed and most vulnerable to the climate crisis and yet it is among the least prepared.

For example, in Myanmar, some communities living close to rivers have been forced to move due to rising sea levels or the erosion of river banks. Those living close to the Mekong River in Vietnam have reported increased floods that are devastating communities, destroying crops, and livelihoods.

The situation is only likely to get worse. According to a 2017 study by the Asian Development Bank and the Potsdam Institute for Climate Impact Research, the Asia Pacific region could witness a “new climate regime” by the end of this century, with the coldest summer months at the end of the 21st century projected to be warmer than the hottest summer months between 1951 and 1980.

The study found that in Indonesia, the Philippines, Thailand and Vietnam, rice yields could decline by up to 50% by 2100 when compared to 1990 levels, and that climate change will pose a “serious threat

## “A SEA-LEVEL RISE OF TWO METRES COULD DISPLACE 187 MILLION PEOPLE. THE PACIFIC ISLANDS ARE AT A HIGH RISK: FOR INSTANCE, FIJI, PAPUA NEW GUINEA AND VANUATU HAVE ALREADY STARTED RELOCATING VULNERABLE POPULATIONS.”

### Visiting Professor Vinod Thomas

to food security” in the sub-region. In addition, warmer weather is also pushing tropical diseases such as malaria and dengue further northward to countries like Lao PDR.

#### Dealing with climate refugees

Amid this catastrophic scenario then, what can be done? As mentioned above, the term “climate refugee” is not recognised in international law, complicating the legislative approach to the issue. Given the projected numbers of people who may be displaced now or in the future by climate change, this is concerning.

As the issue becomes increasingly important, particularly amid the COVID-19 pandemic that has burdened already vulnerable communities, there are discussions about how the legal status of “climate refugees” can be addressed.

An idea that has been suggested has been to take the hybrid law

approach, which can be engaged for their protection. A hybrid law approach would examine climate change from the perspectives of environmental law, human rights law and refugee law. An underlying cause can be found in environmental law, which brings about climate change, which, in turn, impacts human rights law, due to its impact on the target society. The rights violation then creates refugees who migrate in order to protect their human rights.

Such an approach, experts argue, would lead to principles and instruments being located in existing international law, rather than the need to create new legal obligations.

Since developing countries typically feel the adverse effects of climate change, increasing responsibility must be placed on developed countries to address their climate change obligations and also to house climate refugees.



**“WE CAN EXPECT MASSIVE HUMAN MIGRATION FROM RESOURCE SCARCITY, INCREASED FREQUENCY OF EXTREME WEATHER EVENTS, DROUGHTS, AND DISTRESS TO AGRICULTURE. BUT THE UNFORTUNATE TRUTH IS THAT THE WORLD IS ILL-PREPARED FOR THIS SCENARIO. THE DEVELOPED COUNTRIES NEED TO RECOGNISE THE SIZE OF THE PROBLEM AND BE WILLING TO INVEST IN STEMMING THE TIDE IN THE INTEREST OF THE WORLD AND NOT JUST THEIR OWN.”**

Visiting Professor Vinod Thomas



### The world is ill-prepared to respond

“We can expect massive human migration from resource scarcity, increased frequency of extreme weather events, droughts, and distress to agriculture. But the unfortunate truth is that the world is ill-prepared for this scenario. The developed countries need to recognise the size of the problem and be willing to invest in stemming the tide in the interest of the world and not just their own,” says Professor Thomas.

But curiously, the single most important response is climate mitigation — switching economies from a carbon-intensive to a low carbon growth path. Without doing so, no amount of adaptation and humanitarian help will be able to keep up with the growing problem. He continues, “It is as though one is trying to mop the floor continuously without turning off the tap that is causing the flooding.”

From his point of view, Southeast Asia should focus far more forcefully on building climate resilience.

One case in point is to invest in climate resilient varieties in agriculture, strengthening irrigation infrastructure, improving regional water cooperation, and fostering insurance and safety nets for people.

“This region is not doing nearly enough in these respects. While Singapore is investing in climate adaptation through building seawalls and better drainage, it must do far more to foster regional action. Singapore also needs to invest more in climate mitigation, by switching to renewable energy, cutting on air-conditioning, and stopping carbon intensive imports and trade,” he says.

Looking at the state of the current world leadership, it is also evident that they are not ready to handle the situation. The World Migration Report 2020 from International Organisation for Migration points out how ill-prepared the world is to respond.

“When one thinks of the responsibility for the climate catastrophe, the largest emitters are China, the United States, India, Russia, Japan, the European Union. The current US administration has pursued an anti-climate change mitigation policy. On the other hand, China has announced zero carbon plans for 2060, but the sense of urgency for action before 2030 is desperately needed. Apart from China, India and Southeast Asia should also look to renewable fuels like solar and wind instead of relying on coal, oil and natural gas,” says Professor Thomas.

As the climate crisis wears on, urgent and meaningful action is needed from every corporation, every government entity and every single human being — before it's too late.■



# WHAT IS THE PROGRESSIVE WAGE MODEL AND IS IT BETTER THAN A MINIMUM WAGE?

## Featured Faculty:

**Terence Ho**

*Associate Professor in Practice,  
Lee Kuan Yew School of Public  
Policy*



The issue of a minimum wage has been thrust into the spotlight recently in Singapore, as the country's first parliamentary opposition pushed for what it described as "a greater injection of compassion and thoughtfulness".

In the opening session of parliament, Workers' Party Member of Parliament Jamus Lim argued for a minimum wage, saying that it would be achievable because Singaporeans have indicated they might be willing to pay more for essential services and the impact on the workforce would likely be very limited.

The government disagrees, and plans to stick with the Progressive Wage Model (PWM) it has implemented over the past decade. Gan Siow Huang, the Minister of State for Manpower, argued that in

the current economic climate, an across-the-board minimum wage could cost jobs.

"I think many of our lower paid workers would lose their jobs. And from low wage they become no wage," she told parliament.

But the government and the opposition are not light years apart on this issue. Both agree on the need to increase wages for Singapore's lowest paid workers, even if they disagree on the methods for doing so.

### How does the PWM differ from minimum wage?

There are a few key differences between the government's PWM and a SGD\$1300 a month minimum wage, as laid out in the Workers' Party manifesto. Perhaps the most obvious is the scope. The PWM is implemented in a few sectors, while a minimum wage would apply to all businesses across the board.

The second is the differences in quantum. A minimum wage of SGD\$1300 in take-home pay appears higher than the PWM floor wages in Cleaning and Security, after factoring in employee Central Provident Fund contributions.

But the PWM is not the government's only policy to help Singapore's lowest-paid workers, according to Terence Ho, Associate Professor in Practice at the Lee Kuan Yew School of Public Policy.

"The progressive wage is not the only intervention the government has to tackle the issue of low wages," he said.

The Workfare Income Supplement (WIS) Scheme and Silver Support (SS) Scheme, for example, disburse

additional funds to low-wage workers, particularly seniors. Factoring in these additional benefits, a worker on PWM wages may receive an amount comparable with a take-home pay of SGD\$1,300.

But perhaps the most significant difference is the PWM's wage ladder. It is effectively a sectoral minimum wage, set through a tripartite negotiation process involving government, union and other industry representatives. In addition to setting a minimum wage, they also set wage rungs, giving workers a way to seek out a pay increase by improving their skills.

"In a sense, the PWM is really a sectoral minimum wage. But it could also be considered a minimum wage plus, because it specifies an income and skills ladder that goes beyond the flat minimum," said Professor Ho.

Another advantage to a Progressive Wage Model, added Professor Ho, is that it allows for customisation to the needs of a sector. For example,

there will be a higher wage for lift maintenance workers, who tend to be skilled workers.

The government initially intervened in sectors which had seen declining wages before the PWM took effect, notably the cleaning, security and landscaping sectors. Senior Minister Tharman Shanmugaratnam told parliament that this has had an impact.

"We've achieved significant progress in the last 10 years, and in the last five years, and we think we should go further," he said. Cleaning, security and landscaping workers have seen cumulative wage growth of around 30 percent in the last five years, compared to the median of 21 percent.

The government is now pushing industries to adopt the PWM voluntarily. A new PWM Mark will let consumers know that a business is part of a PWM agreement, allowing them to vote with their wallet for higher wages.





**“THE TIMING IS AN ISSUE. WE’RE IN A SERIOUS DOWNTURN, AND SO HAVING A HIGH MINIMUM ACROSS THE ECONOMY MIGHT PARTICULARLY HURT OLDER WORKERS AND THOSE WITH LOWER SKILLS.”**

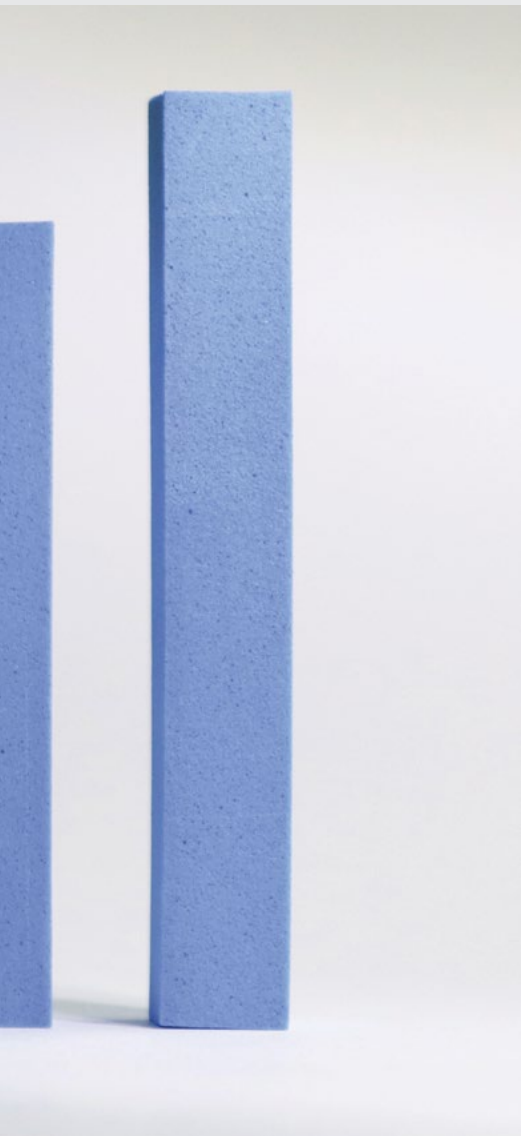
**Associate Professor in Practice Terence Ho**

**Will Singapore adopt a minimum wage?**

The Workers’ Party estimates that under the status quo 100,000 people in Singapore would make less than their nominated minimum wage of SGD\$1,300.

But for the moment, the government seems unlikely to support a minimum wage. Singapore’s unemployment rate is at its highest in a decade, and the government is worried that introducing a new minimum might hurt the very people it’s supposed to help. In his address to parliament, Dr. Lim also acknowledged that the time “may not be ideal” for a minimum wage.

“The timing is an issue. We’re in a serious downturn, and so having a



high minimum across the economy might particularly hurt older workers and those with lower skills,” echoed Professor Ho.

Economist Milton Friedman famously argued that “insofar as minimum-wage laws have any effect at all, their effect is clearly to increase poverty.” The logic is that if labour is too expensive, then businesses will find a way to employ fewer workers, either through automation or maybe just going without.

But businesses can also make cuts elsewhere to accommodate the higher wages or they can pass the cost onto their customers through higher prices. And in fact, many economists argue that the relationship between increased



unemployment and the minimum wage isn't nearly so clear cut, or that the improved welfare of those who get pay raises outweighs the possible additional job losses.

While most countries have some form of minimum wage, Singapore isn't the only developed country that doesn't. Denmark, Italy, Austria, Finland, Sweden and Iceland have no mandated minimum wage. Pay rates in those countries, which are high by global standards, are instead negotiated through unions.

Others, like Australia, have something of a hybrid system. There is a minimum wage, but often “award” rates above the minimum are set through industry agreements.

Professor Ho thinks that Singapore's unusual labour market, which includes a large number of foreign workers, makes it a unique case. For the moment, he expects the government to focus on expanding voluntary PWM agreements.

“I think the government tries to keep an open mind on all issues now. They're saying, “whether it's minimum wage or unemployment insurance, we never say never” but clearly the intent is to stick with the PWM model for now,” he said. ■

# FROM RESEARCH TO GOVERNANCE: INSIGHTS FROM SINGAPORE'S POLICY LANDSCAPE

## Featured Faculty:

### Tan Poh Lin

Assistant Professor, Lee Kuan Yew School of Public Policy



### Joelle Fong

Assistant Professor, Lee Kuan Yew School of Public Policy



### Reuben Ng

Assistant Professor, Lee Kuan Yew School of Public Policy



### Ng Kok Hoe

Senior Research Fellow, Head of Case Study Unit, Lee Kuan Yew School of Public Policy



2020 has been a year of disruptions. From the anti-vaccination movement, to the US-China rivalry, and most importantly the COVID-19 pandemic, countries around the world face countless challenges, and Singapore is no exception.

It is then up to governments to come up with and implement policies that can alleviate the pressures of these disruptions on society. But where do policy researchers stand in this process?

In the first of four webinars marking the 16th anniversary of the Lee Kuan Yew School of Public Policy (LKYSPP), four young faculty members, including session moderator Assistant Professor Tan Poh Lin, came together to discuss their findings from each of their research projects, and share their takeaways in the context of the public policy making process.

## Poverty and public policy

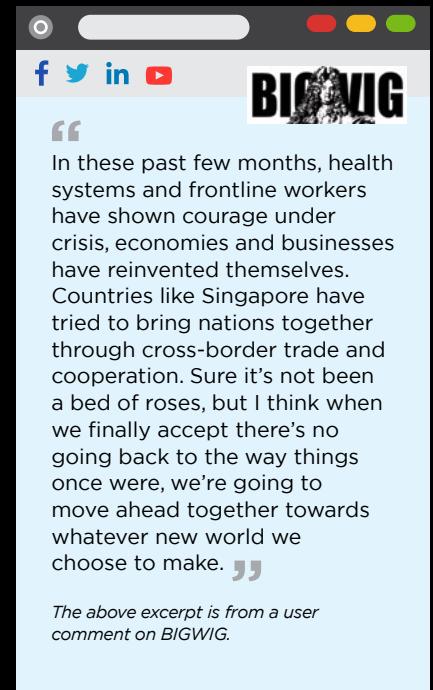
Dr. Ng Kok Hoe, Senior Research Fellow and Head of the Case Study Unit at LKYSPP, started off the

session with an overview of his two projects, both related to poverty in Singapore.

His first project, *What older people need in Singapore: A household budgets study*, sought to determine the minimum amount that elderly households in Singapore needed for a basic standard of living. Beyond that, however, the project was motivated by a lack of standards and benchmarks for assessing people's situations, Dr. Ng explained.

The aim of his second study, *Homeless in Singapore: Results from a Nationwide Street Count*, was to find out the size of the homeless population in Singapore, as well as the scale and nature of homelessness "before we can tackle it in terms of policy solutions".





The findings indicated that there are about 1,000 homeless people in Singapore. The homeless population is made of mainly older men, and are geographically quite widespread, though there are concentrations observed in poorer neighbourhoods. “We also learned that in Singapore, homelessness is a problem of poverty and of a lack of housing options,” he added.

Dr. Ng shared that both studies garnered great public interest when they were released to the public. Their influence even reached the government; the minimum income standards findings were discussed in parliament, and the homelessness study helped guide the government's service planning.

But where do we go from here? The study has laid down

the foundational research and established a basic layer of knowledge, but there are many more steps to go. According to homelessness research around the world, the two key components in tackling the issue are good quality housing options and comprehensive poverty interventions.

Even though the conversation in Singapore has yet to reach that point, Dr. Ng calls for patience.

“We must remember that change will be slow, and huge structural or systemic change will be even slower,” he said. “There are many more steps to go, but we have already started to move.”

#### **Annuitisations in Singapore**

Assistant Professor Joelle Fong's topic for the webinar focused on

longevity risk management in pension or retirement systems. Pension systems can be classified into either defined benefit (DB) or defined contribution (DC) systems, and Singapore's Central Provident Fund (CPF) falls into the latter category.

According to Professor Fong, DC pension systems expose members to longevity risk, or the risk of outliving one's life savings. However, in Singapore, policymakers have helped CPF members hedge against longevity risk by instituting a CPF LIFE (or Lifelong Income For the Elderly) scheme. This scheme mandates annuitisation for a portion of an individual's CPF savings, and thus constitutes mandatory annuitisation. She contrasted this with the voluntary annuity purchase schemes offered in the

DC retirement systems in other countries, such as the US and UK.

“In many other annuity markets in other countries, annuitants have to give up about 10-20% of their wealth to obtain longevity protection. That is based on available estimates of the money’s worth ratio for life annuities per prior research,” she said. “So the question of interest here is: what is the money’s worth of our CPF LIFE annuities?”

Professor Fong shared that based on her computations which took into account both high- and low-risk longevity risk scenarios, the money’s worth ratio of LIFE annuities in 2017 range from 1.047-1.062 for females and 1.076-1.097 for males. “Essentially, a money’s worth ratio larger than unity means that an individual can expect to get back (in terms of monthly payouts) over one’s lifetime approximately what he or she had initially paid in premium,” she stated. These attractive money’s worth estimates for CPF LIFE annuities are partly due to the mandatory nature of the scheme which eliminated the costs of adverse selection, efficient scheme administration under the CPF Board, and the capital guarantee embedded in the LIFE annuities.

### **The challenges of policymaking**

Governments often encounter blind spots when faced with new insights and research findings, and this is especially so when it comes to socially sensitive topics.

In her research on the marital sex lives of Singaporeans, Assistant Professor Tan Poh Lin highlighted how there appears to be “a great reluctance” among the public as well as policymakers to discourage aged childbearing.

“There is quite a lot of tip-toeing around certain controversial parts of the story,” said Professor Tan. Public sensitivities are often taken into account when policies are being formulated.

**“IN MANY OTHER ANNUITY MARKETS IN OTHER COUNTRIES, ANNUITANTS HAVE TO GIVE UP ABOUT 10-20% OF THEIR WEALTH TO OBTAIN LONGEVITY PROTECTION. THAT IS BASED ON AVAILABLE ESTIMATES OF THE MONEY’S WORTH RATION FOR LIFE ANNUITIES PER PRIOR RESEARCH.”**

### **Assistant Professor Joelle Fong**

In light of this, Assistant Professor Reuben Ng highlights several key considerations that governments and policymakers need to make.

Firstly, he cautions against adopting practices and technology from other cultures or countries wholesale. A policy that does well in Norway or Japan may not yield the same results in Singapore.

“Implementation is absolutely critical,” he advised. “If you bring programmes wholesale without understanding the culture and context, it’s not going to work.”

Instead, it is much more effective to distill some of the learning points, and then adapt it to fit the context.

Secondly, it is crucial that policymakers speak the same language as the people, both metaphorically and literally. This is how groups of people in society are overlooked and become blind spots in policymaking. As such, policymakers and researchers need to use innovative ways to reach

people who either don’t want to be reached, or cannot be reached.

Professor Ng also highlights the dangers of being too inflexible in the ways policymakers communicate risks in Singapore. We need to be mindful of the fact that the general public may not understand certain technical terms or phrasings, and we need to “constantly question our assumptions and whether things work”, he added.

### **COVID-19 and its impact on governance**

Tackling COVID-19 has exposed more blind spots in our policymaking process — namely surrounding the migrant population in Singapore. For example, our whole-of-society health approaches did not adequately cover the health of the migrant population.

To rectify this, we need to build a more inclusive policymaking environment so that we can include the vulnerable and marginalised sectors of our society.



**WE NEED TO BUILD  
A MORE INCLUSIVE  
POLICYMAKING  
ENVIRONMENT SO THAT  
WE CAN INCLUDE THE  
VULNERABLE AND  
MARGINALISED SECTORS  
OF OUR SOCIETY.**





**“IT IS CRITICAL TO LET IDEAS LEAP OUT OF PUBLICATIONS INTO PRACTICE DOWN THE VALUE CHAIN, SO THAT THEY WILL MAKE A DIFFERENCE TO POLICY AND PRACTICE.”**

**Assistant Professor Reuben Ng**



The pandemic has also “broadened the base” of the Singapore population, as more people are becoming unemployed or underemployed. In light of this, we need to “rethink, recalibrate, and rebalance”, and we need to focus on levelling up the base, suggests Professor Ng.

Additionally, as the elderly population has been placed in a vulnerable position because of the virus, the problem of ageism has been exacerbated. When negative stereotypes about ageing are perpetuated and internalised, it can not only take a toll on the physical health of the subject, but their mental health as well.

In response to this, he encourages news media and journalists to balance out negative stories about ageing with more positive ones.

“I think these positive stories build resilience in our society, give us strength and make our society a better place,” he concluded.

### **The role of public policy researchers**

Policy researchers play an important role in engaging the public about important issues that need to be addressed by policymakers. According to Dr. Ng, public engagement is “the key to policy change, because elected governments make policy decisions in response to public demand.”

Therefore studies with a capacity for public engagement are crucial.

“I think it falls upon us as policy researchers who want to see change, to study issues that society is concerned about,” said Dr. Ng.

“It is critical to let ideas leap out of publications into practice down the value chain, so that they will make a difference to policy and practice,” added Professor Ng.

In addition, policy researchers also play an important role in educating the general public about certain policies, such as CPF LIFE. Not only is it difficult to understand, but its lack of visibility in the international context only compromises its perceived merits even more.

“It’s a great scheme, but not everybody has the technical expertise to value it,” said Professor Fong.

She suggests that policymakers in Singapore can work more closely with academics to uncover useful evidence, and where relevant, translate and relay this information to the public. At the same time, efforts to improve financial literacy among older Singaporeans are critical. After all Singaporeans have the right to know what types of products they are buying into, and becoming more financially literate will allow them to make more informed choices.

Ultimately, it is important that Singapore cultivates an environment in which there are always new policies waiting to take the place of old and retired ones, and it is up to researchers and universities to help promote that environment. ■





THE ASIA THINKER SERIES IS AN EVENT SERIES FEATURING A PANEL OF EXPERTS DISCUSSING POLICY AND INTERNATIONAL AFFAIRS. THE SERIES WENT ONLINE IN 2020 WITH 10 EPISODES OF DISCUSSIONS SURROUNDING THE COVID-19 PANDEMIC.

# COVID-19: LESSONS, CONSEQUENCES ON GLOBAL CLIMATE, BIODIVERSITY CRISES AND HEALTH

May 14, 2020

## Panellists:

**Dr. Susann Roth**  
Moderator

*Principal Knowledge Sharing and Services Specialist, Sustainable Development and Climate Change Department, Asian Development Bank*



**Professor Benjamin Cashore**  
Speaker

*Li Ka Shing Professor in Public Management, Lee Kuan Yew School of Public Policy*



**Professor Jeannette R Icknovics**  
Speaker

*Dean of Faculty & Professor of Social Sciences, Yale-NUS College*



**Professor Vinod Thomas**  
Speaker

*Visiting Professor, Lee Kuan Yew School of Public Policy*



As governments and international bodies devote sustained attention to managing the COVID-19 pandemic, its impact on the climate change and biodiversity crises has not gone unnoticed. With the dramatic decline in economic activity, the demand for fossil fuels has fallen in tandem, leading to consequent reductions in air and water pollution. As we move towards the new “normal”, domestic and global leaders have the chance to manage this economic recovery in an environmentally-sustainable direction.

The fourth virtual panel in the Lee Kuan Yew School of Public Policy’s Asia Thinker Series seeks to explore the linkages between COVID-19, biodiversity and climate change: How might COVID-19 management enable governments to meet their climate agenda? Conversely, what lessons from the biodiversity and climate crises can be applied to COVID-19 management? ■

**“The COVID-19 crisis ironically brings out a very interesting phenomenon relating to the even bigger catastrophe that is likely to hit us unless we take action - and that is climate change. We have observed that people [are] indeed able to change their lifestyles under the tremendous weight of COVID-19. Those changes need to be locked in if we want to tackle climate change, but can that be done? Moving from carbon-intensive, polluting energy and transport fuel, to greener options like solar, wind, and other forms of renewable energies.”**

*Visiting Professor Vinod Thomas on climate policies in the aftermath of the COVID-19 crisis*

**“Imagine the cycle where threats to biodiversity and climate change affect health, and then our health, in turn, makes us more vulnerable to future climate-related threats. And just like our own immune systems are the first line of defence against disease, biodiversity is nature’s defence.”**

*Professor Jeannette Icknovics on how biodiversity, climate and health are inextricably tied*

# 4 MORAL FRAMEWORKS

## 01

### Collectively Irrational, Individually Rational

#### 'Panic buying' during the COVID-19 situation:

"It's collectively irrational to do so, but if your neighbours are all hoarding toilet paper, you must also do that. Otherwise you'll be left with no toilet paper in the short run and the long run."

## 02

### Cost-Benefit Analysis: Compare in ways that allow you to evaluate how many lives to save or lose, based on an economic value

"The Lieutenant governor in Texas said that he'd be willing to die, to save his grandchildren's economy."

## 03

### Foster compromise among competing interests (e.g. economic vs social)

#### On the prevention of over-fishing in Newfoundland, Canada:

"The problem was this approach identified a catch level higher than what the scientists said they could actually engage in to maintain the fisheries. And what happened was that the fisheries collapsed."

## 04

### Problems that for universal reasons cannot be subjected to the other frameworks

#### The quintessential example? Anti-slavery norms:

"We'd never give a cost-benefit analysis or compromise approach to the question of whether human beings should own other human beings, because it's a universal norm that we give priority to over other values."

Professor Benjamin Cashore explains:

**"But what we find in the climate case is that we're not making it a Type 4 priority. We're undermining them with other values and moral philosophies."**



Read the full article  
<https://nus.edu/3gv3qHU>



Watch the session  
on Youtube  
<https://bit.ly/34w5Z7Q>

# COVID-19: HOW WILL INCREASED TENSION ON US-CHINA RELATIONS IMPLICATE THE REGION?

▶ Apr 28, 2020

## Panellists:

### Professor Bert Hofman

Moderator

Director (East Asian Institute) and Professor in Practice, Lee Kuan Yew School of Public Policy



### Professor Kishore Mahbubani

Speaker

Distinguished Fellow, Asia Research Institute, National University of Singapore



### Professor Khong Yuen Foong

Speaker

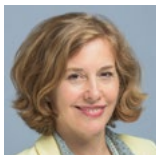
Vice Dean (Research & Development) and Li Ka Shing Professor in Political Science, Lee Kuan Yew School of Public Policy



### Professor Alicia Garcia-Herrero

Speaker

Adjunct Professor, Department of Economics, Hong Kong University of Science and Technology, Chief Economist for Asia Pacific at NATIXIS



In the midst of already souring relations between US and China, the current global coronavirus pandemic may be aggravating the animosity that both superpowers have against each other.

How will a mixture of US-China bilateral tensions and the ramifications from the global pandemic impact the security and prosperity of Asia and beyond? This was the focus of the second virtual episode of the Lee Kuan Yew School of Public Policy's "Asia Thinker Series" on the global pandemic. ■

**"Most importantly, for most in ASEAN and beyond, the issue is not whether China covered things up but rather, when the pandemic took hold, which societies did best at containing the spread and saving lives? The other performance test will be who would recover faster economically? While the jury is still out on this one, I would not underestimate America's economic resilience and its technological ingenuity, but if China were to do better than the US on the economic front, this narrative about being the wave of the future will fall on receptive ears in Southeast Asia."**

*Professor Khong Yuen Foong on how the ASEAN region will react to the pandemic and existing tensions*




Read the full article  
<https://nus.edu/2W1h3VK>



Watch the session  
on Youtube  
<https://bit.ly/3rqSajQ>



# AFTER THE PANDEMIC : THE REBIRTH OF BIG GOVERNMENT? STATE CAPACITY, TRUST AND PRIVACY IN THE POST-COVID-19 ERA

 Jul 23, 2020

## Panellists:

**James Crabtree**  
Moderator

Visiting Senior Research Fellow  
Lee Kuan Yew School of Public Policy



**Mr Tharman Shanmugaratnam**  
Speaker

Senior Minister and Coordinating  
Minister for Social Policies, Singapore



**Mr John Micklethwait**  
Speaker

Editor-in-Chief, Bloomberg



**Ms Rana Foroohar**  
Speaker

Global Business Columnist, Financial  
Times



The pandemic has seen huge expansions in the power of the state enabled by new technologies — governments have locked down citizens, mobilised health systems and spent huge sums to support workers and businesses.

But is this a permanent or temporary shift, and what does this mean for Asian economies with traditions of frugal and limited states? How will political leaders balance calls for greater state power to monitor public health and reduce inequality while protecting individual privacy? ■

**“Fundamentally, we need a new compact between state and markets, [and] state and community that makes the most of... entrepreneurship, of innovation, but uses markets not just to achieve private gain, but to achieve public purpose.**

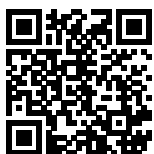
**The challenge of using markets – private finance, private entrepreneurship, and private innovation – to develop public goods and to serve the public purpose is a fundamental fiscal policy challenge and a fundamental approach or orientation that we have to take when we think about [the] role of government.**

**The tapping on communities, empowering communities, educational institutions, employers, the social networks that allow towns to regenerate themselves in larger societies – we have to think about this re-ordering of the relationship, rather than the state getting larger, in order to tackle these fundamental challenges we face.”**

*Senior Minister Tharman on why a new social compact is needed*



Read the full article  
<https://nus.edu/370nvTg>



Watch the session  
on Youtube  
<https://bit.ly/3poXd3B>

# AFTER THE PANDEMIC : REIMAGINING EDUCATION

▶ Sep 30, 2020

## Panellists:

**Associate Professor Suzaina Kadir**  
Moderator

*Vice Dean (Academic Affairs) and  
Associate Professor, Lee Kuan Yew  
School of Public Policy*



**Mr Lawrence Wong**

*Minister for Education, Singapore*



**Mr Brajesh Panth**

*Chief, Education Sector Group, Asian  
Development Bank*



As Singapore embarks upon her journey to recovery from the COVID-19 pandemic, the future of education is a major concern. The education sector was one of the hardest hit during the pandemic, with schools shutting down and classes turning to online e-learning.

Now the question arises: where do schools go from here? ■

**“Teaching and learning are ultimately social and relational processes at their core, which is why there is now renewed interest in a blended model of learning... More important than content is the mindset that we need to inculcate in our young people. That mindset must be one of agility, adaptability, and the ability to keep on learning through life.”**

*Minister Lawrence Wong on how the COVID-19 pandemic has changed Singapore’s approach to education*

**“COVID-19 has... put the question of our readiness for a digitalised world front and centre. We do now wonder if what we have in our curriculums and our assessment systems are in fact ready, or have they simply become obsolete.”**

*Associate Professor Suzaina Kadir on how educators need to question if current education systems are adequate in a digitalised world*



Read the full article  
<https://nus.edu/3gv39om>



Watch the session  
on Youtube  
<https://bit.ly/3iOxWxr>

global-is-  
asian /



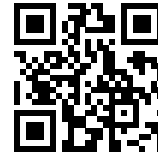
FORESEEABLE IS A PODCAST SERIES FEATURING CONVERSATIONS WITH A LEE KUAN YEW SCHOOL OF PUBLIC POLICY FACULTY, POLICY EXPERT OR PRACTITIONER. FORESEEABLE IS AVAILABLE ON:



<https://spoti.fi/3qTzadS>



<https://apple.co/3m1dRUD>



<https://bit.ly/2LeY87M>

## HOW HAS COVID-19 CHANGED THE WAY WE WORK? A CONVERSATION WITH ASSISTANT PROFESSOR TAHA HAMEDUDDIN

▶ Aug 6, 2020 • 17 min

### Featured Faculty:

**Taha Hameduddin**

*Assistant Professor, Lee Kuan Yew School of Public Policy*



Following the second episode of the Asia Thinker Series Talkback - After the Pandemic "A Test of Resilience: Workplace Innovation and Strategies", Global-is-Asian caught up with Assistant Professor Taha Hameduddin to find out how workplaces have changed since the COVID-19 pandemic hit.

### **How should we be looking at the workplace and how should leaders plan and execute to be effective?**

It really is dependent on the social sort of environment and the political environment. As countries get out of this lockdown or circuit breaker, as restrictions are lifted, there will have to be some sort of conversation about to what extent will they be working from home.





*A poll run on the Lee Kuan Yew School of Public Policy Facebook page showed 74% of respondents felt that employees were better off telecommuting.*

Maybe organisations might take surveys to kind of determine, just like we did on the Facebook page of the Lee Kuan Yew School of Public Policy, to determine whether people prefer working from home rather than going into the workplace. But I think there will be a lot more acceptance, a lot more perhaps even preference for working a few days at the house compared to having to come into work every single workday of the week.

One of the reasons why this would probably be popular is because offices cost a lot of money. So, having to rent out that space, if it's vacant, you don't have to have so much space and you can actually get rid of quite a lot of square footage when you don't need it.

I think there's probably going to be some change fundamentally in the way in which we approach the space in which we work, especially now that we have all these tools for connecting online. There'll probably be some innovations there too. I think one of the things we got from the discussion was that in doing creative work, you have to kind of be in the same room together.

### **What are the top three things organisation leaders can do to create a good company culture while telecommuting?**

I think communicating, having different channels of communication. It doesn't have to be memos or formal emails, it can be informal things. Having some events, touch points that help. Discussing performance regularly, having more empathy, having flexibility for people, and setting a vision for what we are going forward.

I think for a lot of businesses that have struggled at this time; they're doing a fundamental rethink of their business models. And how do we approach the customer in this COVID-19 kind of world? So, leaders have a large part in communicating that, articulating a vision to motivate individuals. ■



Read the full article:  
<https://nus.edu/3glUOZH>



Listen to the full podcast episode  
<https://spoti.fi/3m5p9aq>

# FORESEEABLE PODCAST: EXPLAINING THE ASIAN ECONOMIC MIRACLE

▶ Nov 11, 2020 • 23 min

## Featured Faculty:

### Razeen Sally

Visiting Associate Professor,  
Lee Kuan Yew School of Public Policy



Razeen Sally is Visiting Associate Professor at the Lee Kuan Yew School of Public Policy and Chairman of the Institute of Policy Studies, the main economic-policy think tank in his native Sri Lanka. His research and teaching focuses on global trade policy and Asia in the world economy. He has also written on the history of economic ideas, especially the theory of commercial policy.

### What do people mean when they say the “Asian economic miracle”?

It's basically the spectacular economic growth that much of Asia has had since the 1950s and its catch-up growth. So we have countries that started dirt poor, some of them destroyed during the war, like Japan and then Korea during the Korean War. And they've risen, some of them, as Lee Kuan Yew put it in his memoirs *From Third World to First*, like Singapore, like South Korea, like Japan, others from dirt poor to somewhat less poor like India and Vietnam more recently.

And some of them from dirt poor to middle income countries - China, Malaysia, Thailand - for example. So that's the Asian economic miracle over a period of, I'd say 50 to 60 years.

### Do you think it's right to call it a miracle or is this something that was bound to happen one way or another?

It's neither a miracle in terms of something that's just happened out of the blue, it's not been pre-ordained, not automatic. It has been man-made, so it's a result of good conditions.

And I think I would point to two main enabling conditions. One is that governments in countries that have had this kind of miracle growth as it were, have got the basics right. The World Bank did a big report on the East Asian miracle in 1993, studying the East Asian tigers and their soundbite for it was getting the basics right.

What does that mean? Firstly, you need political stability, otherwise nothing beneficial happens. Secondly, you need reasonable fiscal and monetary stability. You need to be open to international trade, so



trade becomes an engine of growth. You need to roll out your hard infrastructure, roads, ports, railways, airports. You need to improve education starting with primary and secondary education.

So those are the basics. And these countries got them more or less right. The second enabling condition is to really have a propitious set of external conditions. So you need regional and global peace, more or less, and you need a stable and open world economy with the free flow of goods, services, people to some extent, and capital. So I think those were the main enabling conditions for this Asian economic miracle.

**Is there anything that you want to leave us on? As far as looking ahead?**

I think, having some understanding of where we were, where we are and where we might be heading geopolitically is really important to understanding where we might be going economically.

So meaning the security order, the big questions of war and peace, we had a Pax Americana in Asia. We still have to some extent, which provided the enabling conditions for the Asian economic miracle in economic terms and

security terms, America being the balancing power in the region. It seems that that order is shifting much faster than most of us anticipated even a few years ago, particularly in terms of the power shift involving the US and China.

I think that it leaves us with maybe three scenarios, geopolitical scenarios, but each of them have an economic corollary.

The first is continued US leadership, a kind of adjusted “Pax Americana”, which would have to involve others but the United States remains indispensable. The second is a power shift to a “Pax Sinica” in which we will see hardcore mercantilism. The third is neither, but we have a vacuum filled by regional cooperation or conflict. ■

*Response has been condensed for brevity.*



Read the full article  
<https://nus.edu/37fMKk8>



Listen to the full podcast episode  
<https://spoti.fi/2LdguP>





## FORESEEABLE PODCAST: THE WORRYING CASE OF HONG KONG

▶ Jun 19, 2020 • 18 min

### Featured Faculty:

#### Alfred Wu

Assistant Dean (Research) and  
Associate Professor, Lee Kuan Yew  
School of Public Policy



China recently passed a national security law\* that could completely change Hong Kong's relationship with the mainland, yet how it will be implemented remains to be seen. The dynamic between Beijing and Hong Kong is what Associate Professor Alfred Wu at the Lee Kuan Yew School of Public Policy would call a "centre periphery" relationship.

*\*this podcast episode was published on 19 June 2020*

### What do you mean a "centre vs periphery" relationship?

It means that a central government is making some decisions, but some areas are not actually, quite close to the central government.

Maybe they are different culturally. Or they may be different financially, so they [can] not understand each other.

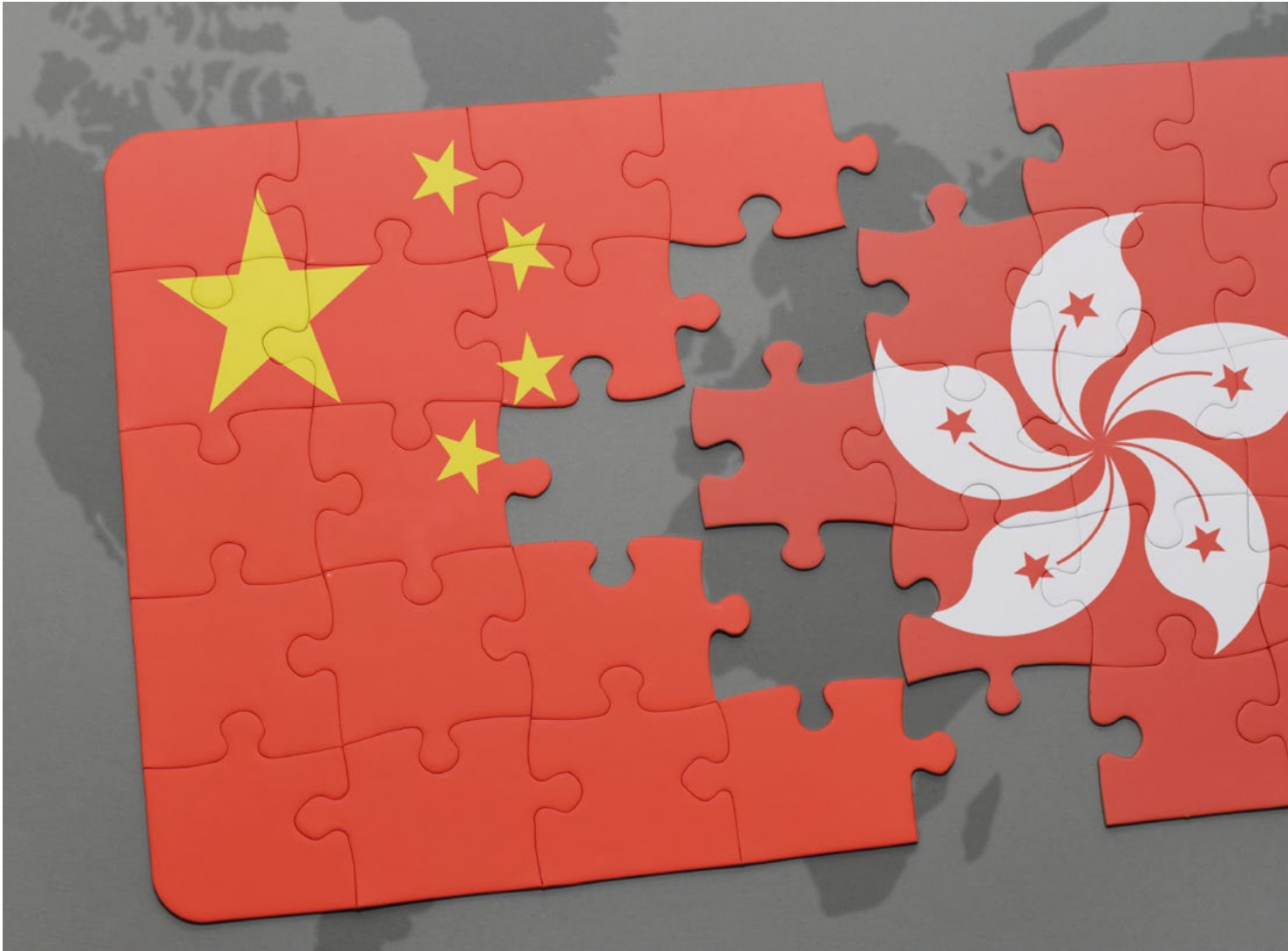
In that case, a lot of our problems happen. Like in Hong Kong's case, Hong Kong's culture is very different from Beijing. So, you create another problem called, centre and the periphery relations. In China, we have a number of similar problems. One is the relationship between

Hong Kong and Beijing and the relationship between Tibet and Beijing.

Mostly that is because of historical reasons. Or sometimes it's due to a financial reason or [it] could be because of a cultural difference.

**So, there has been a trend towards more centralised power. And so, this would be the centre taking greater control over the periphery. Is that how you'd say it?**

Yes. Another issue [which] is a very important thing, over the past 10 years, in 2008, China held the Olympic Games in Beijing. China actually, also has obtained [a] much more important position around



the world, particularly out of [the] financial crisis in 2008 and 2009. So, China tried to have more say in the world. So, within the country, the central government also has become much more assertive.

In the past, I will say that, especially under Deng Xiaoping, the central government was a little bit humble.

They tried to ask [the] local government to develop on their own pace. But now it sounds like the central government is very confident, so they try to say to the local governments in Hong Kong, "You don't need to do a lot of things. You need to listen to me."

That's a very important message from the central government.

**Can you describe the details of this new national security law, what does it mean and what does it actually say?**

It's really a surprise to see the national government in China promoting the national security law at the national level.

In the past, it was a tougher issue for the Hong Kong SAR government to handle. Because under the Basic Law, the Hong Kong SAR government has the obligation to pass a law on national security.

Hong Kong could not be a base for violating national security issues.

That was the agreement in the 1980s. But now the issue is, over

the past 20 years it was a big headache for [the] Hong Kong SAR government to have this law. The biggest gap between [the] Hong Kong SAR government and also people is, how to have implementation details. So, it means that the majority of people will think the national security law is necessary. But at some time, people just worry about Hong Kong [having] a similar system like China.

That's worrying, because in a Chinese system, secret police can come to your home. The trial may not be open.

Also, in Hong Kong there were a number of cases suspected to be related to China's national security law enforcement. So, some people





disappear, [and] later on appear in Chinese courts. So, it's related to so-called "national security law implementation in China."

The gap between [the] Chinese law system and [the] Hong Kong Law system is huge.

Now, the issue is the national government wants to impose the national security law on a national level. So, it means that they will impose the national law enforcement style in Hong Kong. But many Hong Kongers, including law professionals, think Hong Kong should follow a common law system. Still, it's not clear how they are going to implement the national security law in Hong Kong. One guess is they will use a Chinese law system.

So, it means that they will have their own law enforcement system in Hong Kong. So, they will arrest people. Then they will actually sentence people to jails or other terms under Chinese law system.

But another much more benign scenario is that the Hong Kong law enforcement system will handle the cases, but the law actually is passed by the national-level government.■



Read the full article  
<https://nus.edu/3qKPEFK>



Listen to the full podcast episode  
<https://spoti.fi/3oxGfPY>

THE RESEARCH SPOTLIGHT SERIES DEEP DIVES INTO RESEARCH PUBLICATIONS AND STUDIES FROM THE LEE KUAN YEW SCHOOL OF PUBLIC POLICY'S FACULTY WHERE WE BREAK DOWN EACH RESEARCH'S KEY POINTS AND POLICY IMPACT.

## INDIA'S SHADOW PANDEMIC AND TRENDS OF VIOLENCE AGAINST WOMEN

### Featured Faculty:

**Saravana Ravindran**

Assistant Professor, Lee Kuan Yew School of Public Policy



Amidst the various problems and disruptions caused by the COVID-19 pandemic and the accompanying lockdowns, a shadow pandemic of violence against women is growing, according to a statement by Phumzile Mlambo-Ngcuka, the Executive Director of UN Women.

In light of this, Assistant Professor Saravana Ravindran at the Lee

Kuan Yew School of Public Policy, co-authored *COVID-19: "Shadow pandemic" and violence against women* with Professor Manisha Shah from the UCLA Luskin School of Public Affairs to investigate the changes in the magnitudes and types of violence against women during the COVID-19 pandemic and lockdowns in India.





Why India? According to Professor Ravindran, India was chosen as the country of interest due to the pervasive problem of gender-based violence in the country. In fact, India has been ranked the most dangerous country for women back in 2018.

In order to take into account the variations of lockdown regulations across India, the authors studied districts categorised into green, orange and red zones in increasing strictness with regards to level of mobility affected.

As for data, the study analysed complaints received from the National Commission of Women (NCW) from January 2018 to May 2020. Instead of looking only at domestic violence complaints, however, the study also examined the impact of lockdown measures on various types of violence like cybercrime, harassment, and rape and sexual assault complaints.

Indeed, the results demonstrate that while the lockdowns led to lower reported rates of rape and sexual assault, they also exacerbated complaints related to domestic violence and cybercrime.



In areas with the strictest lockdown regulations, domestic violence complaints increased by 131% in May 2020, and cybercrime complaints also saw a similarly large increase. On the other hand, rape and sexual assault complaints decreased by 119% during the same period in the same areas, which is consistent with reduced female mobility in public spaces, public transport and workplaces. These results show that women are under a variety of threats, and as such, the same policy can improve certain types of violence outcomes while exacerbating others. ■



Read the full article  
<https://nus.edu/3gLCCKD6>

# WHICH CHRONIC DISEASES LEAD TO THE MOST OUT-OF-POCKET SPENDING?

## Featured Faculty:

**Joelle Fong**

Assistant Professor, Lee Kuan Yew School of Public Policy



New research about out-of-pocket expenses for Medicare recipients in the United States suggests that health professionals and policymakers need a better understanding of the financial toll that some chronic diseases have on the elderly.

“Interventions to promote more cost efficient healthcare services and consumer choices can help older adults better cope with these expensive long-lasting conditions and reduce the overall burden of non-communicable diseases,” writes the study’s author Joelle Fong, who is an Assistant Professor at the Lee Kuan Yew School of Public Policy.

The study, *Out-of-pocket health spending among Medicare beneficiaries: Which chronic diseases are most costly?* found that major chronic health conditions can impose significant out-of-pocket (OOP) expenses for recipients of the US government’s insurance scheme for older Americans. For some illnesses, the costs are up to 30% higher than for other conditions.

Medicare provides health coverage for 58 million Americans, most of them aged 65 or older. The programme has received significant attention in this year’s US electoral cycle, as most Democratic candidates wanted to expand the

programme to cover more people, although the presumptive nominee Joe Biden wants to drop the age requirement to 60.

Under Medicare, hospital coverage is free (although there is a deductible) but there is a premium for coverage of doctor’s visits and outpatient services. The premium is adjusted according to income, with wealthier Americans paying more.

Medicare typically pays for 80% of approved medical costs or for 60 days of hospital care. This means that there can be significant out-of-pocket expenses. Many seniors buy supplemental insurance as a result. Among the study’s sample group, 45% had some form of private health insurance plan and 15% had private long-term care insurance.

Chronic diseases have a huge impact on older Americans, and they’re becoming more common among younger Americans too. As many as two-thirds of Americans over 65 have more than one chronic illness, according to the Centres for Disease Control and Prevention. ■



Read the full article  
<https://nus.edu/37Sm5JJ>

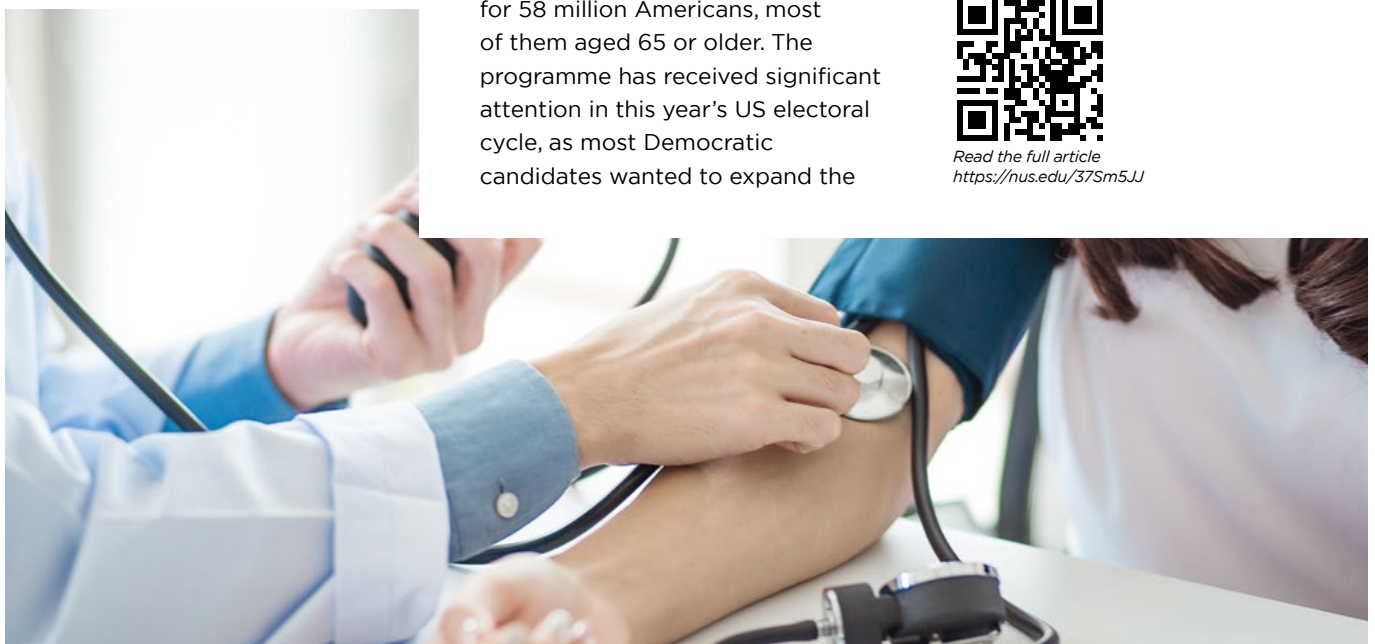
## THE COSTLIEST CONDITIONS

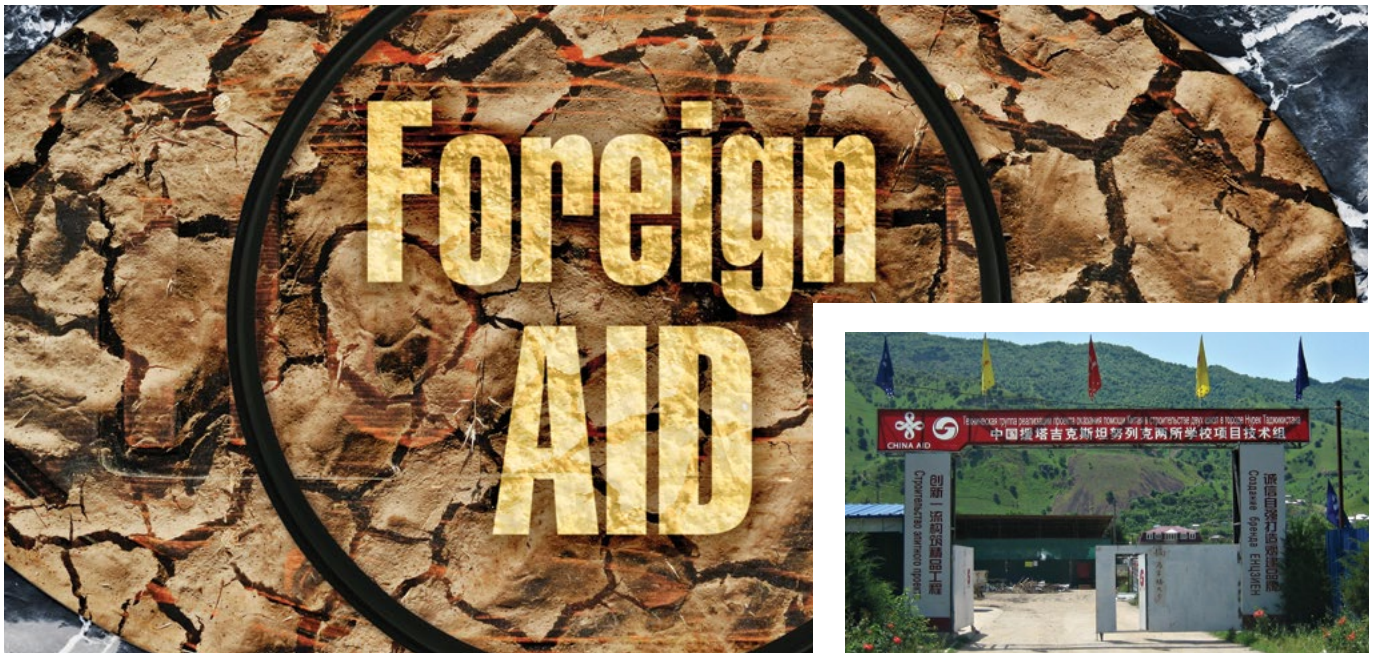
**Cardiovascular Disease**  
\$317 per year

**Diabetes**  
\$237 per year

**Hypertension**  
\$150 per year

**Cancer**  
\$144 per year





## BUYING FRIENDS, AND INFLUENCING COUNTRIES

### Featured Faculty:

**Zheng Huanhuan**

Assistant Professor, Lee Kuan Yew  
School of Public Policy



Foreign aid, or overseas development assistance (ODA), is ostensibly aimed at promoting welfare, or economies, in recipient countries, but in reality is also used by donor countries for a range of purposes, including to strengthen international alliances, to maintain political regimes, or to gain support in international affairs.

It has been argued that donor countries use foreign aid — by providing and potentially terminating it — as a “carrot” and “stick” approach to shape a recipient country’s behaviour.

Research from the Lee Kuan Yew School of Public Policy has found new evidence that foreign aid can be used as a “stick” by donor countries, but not necessarily a “carrot”.

In fact, the study finds that increasing foreign aid often negatively impacts bilateral relations, something that has become more pronounced since the end of the Cold War, in politically stable regions, and in countries where both the United States and China are donors.

In the paper, *Can Money Buy Friendship? Evidence from International Aid and Political Relations*, Assistant Professor Zheng Huanhuan utilises data of bilateral aid from 47 donors to 194 recipient countries between 1973 and 2013, and shows that cutting foreign aid actually strengthens bilateral relations, but no evidence to indicate that increasing foreign aid improves relations further. This outcome provides evidence, therefore, that foreign aid is often used by donor countries as a “stick” to urge the recipient country to improve bilateral relations, but that strong relations between the two countries cannot necessarily be “bought”. ■



Read the full article  
<https://nus.edu/3oKhcsW>



#GIABox

[GIABox] Divian Nair: What It Feels Like Being in a Non-Essential Profession?

Aug 28, 2020



SUBSCRIBE



As Singapore went into a “circuit breaker” during the nation’s battle with COVID-19, a Straits Times poll asked 1000 respondents which jobs were essential to keep the country going. Artists (71%) were labelled as the top “non-essential” job, followed by telemarketers (69%) and social media managers/PR specialists (61%). The topic sparked a flurry of online debate, with some questioning the definition of the term “artist” in question and the value of culture and art in relation to basic human needs such as healthcare and food in a global health crisis.

Kiss92FM radio presenter Divian Nair reacts to this topic in the first episode of GIA Box which premiered on 28 August 2020.

### As an artist, were you emotionally affected?

I think a lot of people missed the point that, contextually, in light of a pandemic – in this period of time, resources need to be dedicated to core and crucial services that keep a country, or the economy, or the world moving. So, arts, even sports... multiple sports organisations will also close down. It doesn't mean that they're not essential to humanity as a whole, it just means that when everything is slowed down and you move into survival mode, then it's not a priority.

### Was there a financial impact due to COVID-19?

Definitely. [The] first hit was my emcee-ing jobs for outdoor events, because gathering in crowds was just not the practical thing to do, and that definitely resulted in some loss of income. But for other people who work entirely in events, who are performers for events, you can see how their entire livelihoods would be completely and entirely disrupted. So I understand that it's been very, very difficult for people who require that sort of audience participation.

### Given the impact of the pandemic on the industry, what would you say to young aspiring artists?

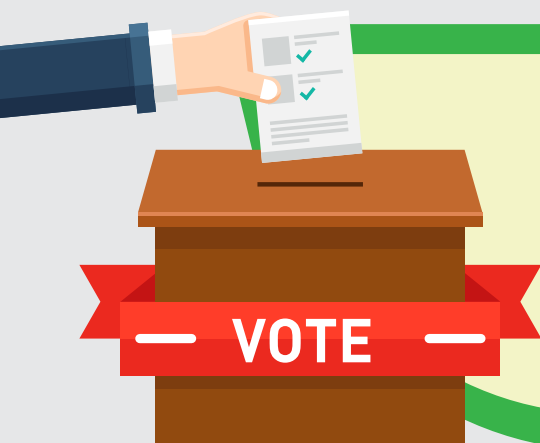
I would definitely say, don't be discouraged and don't give up, because the way arts and media is, as a whole – if there is one word that I can use to characterise it, it would be adaptable. And as we move on into a new world, even with the 12% GDP shrinkage – entire industries being wiped out because platforms don't exist anymore – I

think new platforms will emerge, I think the incentive and the drive to move into a digital economy will be stronger than ever. More opportunities will be created, more types of jobs will be created, so keep yourself open.

Like I said, just because you're an artist doesn't mean you should tie yourself to a specific job title. I think you should understand that as an artist, as a performer, as anyone in the media industry, a lot of what you do is essentially creating. So if you look at it from that point of view, where you can create is more important. And so, always look for new opportunities to create, and that's what I've done with my company. And you can see over time, industries, [even] before the pandemic, they also [had] to adapt. You'll see older, traditional media like radio or print, having to move into a digital space. It's just the way of the world, and it's just happening much faster today, because of the pandemic. ■



Catch the full episode on Youtube  
<https://bit.ly/2KRtuSg>



Access the poll here:  
<http://lkyspp.sg/3noeoRc>

## VOTE FOR THE NEXT EPISODE OF GIA BOX!

Let us know in our quick poll: Which discussion point should GIA Box tackle next?

# BE PART OF THE COMMUNITY

Join close to 50,000 subscribers and receive our monthly newsletter on the latest *Global-is-Asian* content!



**SUBSCRIBE HERE**



<http://lkyspp.sg/360rApS>

## WRITE TO US!

In addition to producing our original content, we welcome opinion editorials from academics, students, policymakers or anyone who has an interest in policy issues affecting Asia.

If you have a specific topic relevant to Asia and anchored on recent current affairs or upcoming trends, send us your contribution at [globalisasian@nus.edu.sg](mailto:globalisasian@nus.edu.sg)

global *is-asian*



Lee Kuan Yew  
School of Public Policy

National University of Singapore

Lee Kuan Yew School of Public Policy  
National University of Singapore

469C Bukit Timah Road  
Oei Tiong Ham Building  
Singapore 259772



<https://lkyspp.nus.edu.sg/gia>



Email: [globalisasian@nus.edu.sg](mailto:globalisasian@nus.edu.sg)



[facebook.com/globalisasian](https://facebook.com/globalisasian)