

Forum 3: “Global Economy”

Forum 3 of Singapore Perspectives 2021 focused on the Global Economy and how the changes in the global economic landscape would affect Singapore. Speakers included Professor Beatrice Weder Di Mauro, president of Centre of Economic Policy Research, and Professor Linda Lim, professor emerita at the University of Michigan. The session was moderated by Mr. Christopher Gee and discussants included Mr Victor Mills, president of Singapore International Chamber of Commerce and Professor Danny Quah, Dean of the Lee Kuan Yew School of Public Policy.

Professor Di Mauro began the session by noting the devastating impact the COVID-19 pandemic have had on the global economy and the inequality in how countries and people have suffered from the pandemic. She also noted that the pandemic’s effects on the economy were likely to be long term with lower productivity and lower growth anticipated on the horizon.

Professor Lim then highlighted trends in the global economy including technological change, deglobalisation and geopolitical instability, and noted that Singapore would need to prepare itself to reset its strategy to cope with these structural shifts.

Panelists then discussed elements of both the global financial system and Singapore’s economic repositioning. Panelists noted that both asset prices and debt levels had increased after the pandemic and that these have had consequences that economic policymakers should be concerned about such as rising inequality and low economic growth.

The discussion about Singapore’s repositioning sparked an interesting debate. While Professor Lim suggested a need for a hard reset in Singapore’s strategy and a shift in focus towards ASEAN, Professor Di Mauro suggested that Singapore can continue to be a safe haven hub much like Switzerland.

Suggestions proposed by Mr Mills and Professor Quah included the possibility of Singapore being a climate change mitigation or disease centre hub for the ASEAN region.

In summary, the discussion fostered interesting conversations and viewpoints about the shifting global economic landscape and how Singapore needed to prepare and adjust to a vastly different global economy after the pandemic.



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