

Election watch: Timing hinges on the economy

The Straits Times

Sue-Ann Chia, 7 March 2009

Will there or won't there be one? The signals are mixed, Insight sizes up the possibility of an earlier-than-expected election.

THERE are still almost three years to go before the next General Election is due. But talk of an upcoming poll is already hotting up, sparked by recent moves by the Elections Department to update electoral registers and alter the boundaries of polling districts.

Some, however, would have paused after hearing what Minister Mentor Lee Kuan Yew said this week.

The former prime minister who contested and won at 12 general elections - eight of them as secretary-general of the ruling People's Action Party - said on Wednesday that he 'didn't see any purpose' in having an election before 2011.

The next one is due by February 2012.

His remarks, in an interview with the Reuters news agency, may have cooled rising election fever, but they have not put a stop to the election date guessing game.

After all, MM Lee made clear that it is the Prime Minister who calls the shots on when an election will be held.

He also said the timing depends on how the current financial crisis unfolds. Prime Minister Lee Hsien Loong, he said, is 'feeling the pulse, not of the people here, but of the financial markets and how it would impact on our economy and our employment situation'.

Given the unpredictability of the economy, this means the election's timing is equally hard to predict.

What MM Lee's remarks show, say political observers, is that the election date is still not set.

'I would say that right now, the person who decides this hasn't made up his mind,' says Dr Russell Heng, associate senior fellow at the Institute of Southeast Asian Studies.

The economy

THERE is no lack of opinion on when the polls should take place, with most saying now is not a good time.

Focus on fixing the economy instead of electioneering, say MPs, political observers and Singaporeans interviewed.

Secretary Rene Yap, 27, speaks for many when she says holding the election this year would appear 'opportunistic'.

'An election would distract people away from the more important task of dealing with the economy,' she says.

'The Government should be working to ensure that what has to be done to deal with the crisis is being done. They should not be trying to fight for votes.'

Ironically, the anaemic economy is the key factor in deciding whether the election should be sooner or later.

While there is merit in the argument that the Government should concentrate on pulling the economy out of the recession, there could also be benefits to an early election.

As Sembawang GRC MP Lim Wee Kiak notes, no one can predict the duration of the recession, so it would be an 'advantage' to have one early.

So better to get the election out of the way, so that the incoming Government will have the mandate and time to push through measures to aid economic recovery, he says, adding: 'If you have both the election and recession to think about, it may distract the Government for the next 12 to 24 months.'

'In the event the recession drags on, the Government may not be able to tackle it fully. Maybe it's wise...to have an early election, then it can have a fresh mandate and team to tackle it.'

But one question is whether the PAP is ready to renew its ranks now.

In each of the last three elections, it brought in between 18 and 24 new faces, who took the places of retiring MPs and ministers. He has seen no new faces recently, says Dr Lim, who believes refreshing the party may take a backseat if an election is called now.

'The party might have to delay renewal and hold older MPs back for another term to have the full force to tackle the recession,' he says.

It was the same in the 1991 snap polls, called by then Prime Minister Goh Chok Tong soon after he took over the top job.

Then, only 11 MPs stepped down - lower than the 14 in 1988, and 20 in 1984.

Another advantage of an early election is to avoid having to hold it amid worse conditions if the economy deteriorates further.

As it is, the numbers do not look good. MM Lee raised the possibility of the economy contracting by 10 per cent this year - much worse than the official forecast of minus 2 per cent to minus 5 per cent.

This is reason enough for grassroots leader Johari Rais, 60, to believe the polls will be held this year. 'In 2010, the economy could be in a worse state than it is now, so I don't think the Government will wait for that,' he points out.

Political observer Ho Khai Leong has another take on why the election could be earlier rather than later.

'My sense is that it is a bad time, unless the PAP has worse news for everyone and they want to tell this to us only after they get a new mandate,' he says.

The ground

WHILE the worsening economy could mean an early election, one factor that could delay it is the mood on the ground.

'The ground is definitely not sweet. People are losing their jobs,' says former Nominated MP Zulkifli Baharudin.

'Do they blame the Government? Yes. They expect the Government to solve all problems, but in this situation, it can solve only some.'

So while he is not ruling out an early election, he will be surprised if it is held this year.

Like him, others feel time is needed to lift people out of their moodiness, as the global financial crisis has led to deep wage cuts, massive job losses, and heavy investment losses.

Marine Parade GRC MP Lim Biow Chuan says 'it doesn't make good sense' to call an election soon.

'Even though it's not the fault of the Government, (some may) feel frustrated if (they) cannot provide for their families,' he says. 'The feel-good feeling won't be there, so I don't see any compelling reason for going to the polls.'

It is not just those who have lost their jobs who are hurting. It is also those who have lost their savings through financial products that went bust or as a result of the stock market rout in recent months.

With more hurting from the financial fallout, Nee Soon Central MP Ong Ah Heng cautions against holding too early an election.

While the economy and employment situation is bad enough, what can sour the ground is also the investment losses suffered by Temasek Holdings and the Government of Singapore Investment Corporation (GIC).

Accountant Eugene Lim, 59, puts it bluntly: 'I have great distaste for how they have talked about the losses of Temasek - not admitting that mistakes were made, but that we lost less than other people did...There is no openness, and therefore, an election would be rather disadvantageous.'

Other potentially divisive issues which surface at every downturn could also turn contentious. These include locals' resentment against foreigners working here, and the cost of living.

The voters

THERE are two schools of thoughts on how tough times affect decisions at the ballot box.

According to one, voters want more of the same to ensure stability.

'The ground is not sweet now, but there is a lot of fear, fear that things will get worse, and that plays into the PAP's hands,' says Nominated MP Siew Kum Hong.

Indeed, the politics of fear was used in the 2001 General Election, which was held in November, two months after the Sept 11 terrorist attacks in the United States. Singapore was also suffering a recession following the bursting of the dot.com bubble then.

With national security concerns and the bad economy hogging headlines, the PAP romped to victory with a resounding 75.3 per cent of the votes.

Dr Gillian Koh, senior research fellow at the Institute of Policy Studies, calls it 'a flight to safety'. 'With the PAP's track record, people will go for the tried and tested,' she notes.

The results could be equally stunning if an election was held now, as a recession could cause voters to be less inclined to gamble with their votes, argues political observer Eugene Tan.

But he has a caveat: Bad times do not always translate to a preference for the PAP, especially if the economy has been doing badly for an extended period.

'A prolonged recession and where the Government is seen to be ineffective or bankrupt of ideas to get Singapore out of the rut may make some voters more willing to speculate with their votes,' says the law lecturer from the Singapore Management University.

He singles out young voters as a group who may lack the institutional memory of how the PAP Government got the country through hard times in the past. Resentful and impatient with the dismal performance of the economy, they 'may be more willing to opt for alternatives, and give the opposition a chance', he notes.

In contrast to the 'flight to safety' school of thought, another school of thought says voters will clamour for change when things go wrong.

Political observer Ho says studies have shown that during recessions, voters tend to blame the government and would opt for changes in political leadership.

A case in point is the United States, where voters sent Mr Barack Obama from the Democratic Party to the White House.

Will the tide of change reach Singapore too?

Unionist G. Muthukumar, from the Amalgamated Union of Public Daily Rated Workers, does not think so. 'My members say, 'Why change the Government. Look at other neighbouring countries which did, and it is messy for them now,' he notes.

Mr Steven Liew, 41, a government-relations director in a private company, says that even if voters are unhappy with the Government, they are unlikely to turn to the opposition.

'The minority parties in Singapore are stuck in the 'opposing' mindset. None has really thought hard about what credible alternative they can offer to voters,' he notes.

The opposition

AN EARLY election can be a boon or a bane for the opposition.

A boon if they can capitalise on the thorny issues and canvass support from disillusioned voters who are hit hard by the economic crisis.

A bane if they are caught unprepared, without candidates to field, and lacking in contact with voters.

Opposition leaders interviewed are giving nothing away now.

'When the date is finally confirmed, WP will face the challenge,' says Workers' Party chairman Sylvia Lim.

Singapore Democratic Alliance secretary-general Desmond Lim adds: 'We don't want to speculate on the date, but we're prepared if an election is called now.'

What they are all waiting for is the electoral boundaries report, which details the number and size of single-member and group representation constituencies.

'What is of interest to me is whether the boundaries are going to be redrawn again, the extent of any changes, and how far in advance this announcement is made ahead of the polls,' says Ms Lim. She is also a Non-Constituency MP.

So far, early indications signal that the opposition parties intend to contest in the constituencies they did in the 2006 polls.

But there are some changes, with Potong Pasir MP Chiam See Tong declaring his intention to contest a GRC.

Another person to watch is former NTUC Income chief executive officer Tan Kin Lian, who said in November that he was considering standing as Singapore's next elected president or contesting in the next General Election as an independent candidate.

So when?

WHILE the economy is the No. 1 factor in the timing of the election, more pertinent is, to what extent ground sentiment changes in tandem with the economy.

If, wonder of wonders, the economy gets worse without undermining ground sentiment, then an early election would not be so urgent from the political point of view.

If, however, ground sentiment is seen going downhill, and the economy is not judged to be recovering soon, then an early election would make political sense.

The No. 2 factor is what other ammunition the Government has in its arsenal to fight the recession.

It has already gone to great lengths in this battle - for example, drawing on the reserves to help finance the \$20.5 billion Resilience Package, drawing up training programmes to absorb the retrenched and unemployed, and imploring employers to stave off retrenchments.

Many people expect more help measures to be announced later. After all, the Government still has financial surpluses accumulated from the present term of office.

Where cost of living issues are concerned, two developments are in the Government's favour: public transport fares have come down; and utilities prices too. Both affect the overwhelming majority of Singaporeans.

Whatever the case, the man who calls the shots is not giving anything away. Asked last month when the General Election would be, PM Lee said: 'When they come, you will know.'

sueann@sph.com.sg

Additional reporting by Li Xueying, Jeremy Au Yong and Zakir Hussain