

S'pore 'can reinvent itself with new tech' **Even city-states can influence and shape their operating environment: Ex-civil service chief**

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Singapore may be small but with new technology, it can shape a future that transcends its physical size and enlarges its identity, the former head of the civil service, Mr Peter Ho, said yesterday.

Citing three countries that have re-invented themselves in the digital age, he urged Singaporeans to adopt a more hopeful view to balance the prevailing attitude that Singapore is a price-taker.

He made the call in his last lecture as the Institute of Policy Studies' S R Nathan Fellow for the Study of Singapore. The lecture series explores Singapore's future.

Ideas that can inspire Singapore exist in Estonia, Denmark and Luxembourg, Mr Ho said.

Estonia, with 1.3 million people, introduced e-residency. It now has 18,000 such residents who are not citizens of Estonia, but they can set up companies based in the Baltic nation.

This scheme helps Estonia generate business for its companies, from independent contractors to small companies with clients worldwide.

Denmark, with 5.7 million people, is mulling the creation of a Silicon Valley Ambassador to better engage digital companies such as Apple, Google and Facebook.

"This is almost as if technology was its own country, unlike the present," said Mr Ho. The idea is for the ambassador to work with big companies on issues such as privacy and fake news, and perhaps influence their positions.

Luxembourg, with fewer than 600,000 people, is creating a market by letting companies own resources obtained from space.

These are ideas to consider, Mr Ho told officials and students at the National University of Singapore.

Singapore does not have to be at the mercy of forces which it thinks are beyond its control. "Because we are a small country, we often speak as if the future is a car speeding towards us - we can swerve, or we can run backwards. But we cannot control the car."

However, "even small city-states can influence, shape, and even create, not just markets but also their operating environment", he said.

Mr Ho gave two reasons for his optimism. First, Singapore can experiment with policies and roll them out more easily because it is small. It can also correct its course quickly if a policy was wrong or misguided.

Second, Singapore has experience in responding to complexity and uncertainty, and can draw on it. As a newly independent nation, it eschewed import substitution, courted multinational corporations and chose multicultural meritocracy when its neighbours were going for the opposite.

But Singapore has to have the courage to seize this hope and reinvent itself, added Mr Ho, who is now a senior adviser at think-tank Centre for Strategic Futures.

"Just as Sir Stamford Raffles made Singapore a free port in 1819, welcoming traders from any country, Singapore in 2017 could welcome data from any country - a free data port," he said.

It could allow data centres in Singapore to hold data governed by the laws of another country, as if it was stored in the source country. This would allow local-based companies to harness insights from the data, he added.

Mr Ho noted that Estonia's e-residency hints at what it means to be a nation in a digital era. Quoting an Estonian official, he said: "Land is so yesterday. It doesn't matter where you physically live or operate. That is how the game will change."

But a "virtual nation" faces the perennial threat of cyber attacks. To withstand them, Estonia is experimenting with "digital embassies", where data is stored on servers in its embassies abroad.

Despite the risks, re-invention in the digital age is vital for the long-term survival of global hubs like Singapore. This is because changes in technology, trade routes and geopolitics can gradually diminish a country's position as a global hub, said Mr Ho.