

## Hidden harsh truth in Future Economy committee's report

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A government that has created and institutionalised a crutch mentality in its citizens since independence is facing a harsh new truth: economic success will come only if the people start thinking and acting for themselves.

The recently-released report by the Committee on the Future Economy is a reflection of how broken the top-down system of economic development has become.

It is a classic example of how the planners have been sleepwalking their way into the land of the unknown.

The report is long on strategy and short on tactics with a view on the ground – and more seriously, some members of the intelligentsia are echoing this sentiment rather strongly.

Jason Tan, an economist at Centennial Asia Advisors, said in a scathing [Facebook post](#), “(It) is disconcerting – even discomfiting – when five ministers on a 30-member panel, aided by thousands more in sub-groups and consultation groups, cannot come up with refreshing policy directions to bring Singapore forward.”

The 108-page report’s language reflects its helplessness. Deepen and diversify international connections, innovate and scale up companies, make digital a way of life, keep Singapore open... the list goes on.

There is nothing precise, nothing specific in the report. Yes, it is not easy to come up with a silver-bullet solution in today’s anarchic world of disruptive technology and a very important leader who makes policy decisions on Twitter.

Still, Manu Bhaskaran, Senior Adjunct Fellow at the Institute of Policy Studies, felt the committee could have tackled the issue of structural changes.

“Singapore faces a plethora of big structural challenges such as high costs, loss of competitiveness, threats to our regional hub position, our failure to boost productivity, weak innovation outcomes despite immense mobilisation of resources and innovation inputs, weak SMEs and the absence of large private local firms, rising inequality, inadequate social safety nets, especially the inadequacy of CPF to provide sufficient retirement income in cash,” Bhaskaran said.

That is a long list, indeed.

And Dennis Foo, nightclub boss, said, “Dealing with urgency on current issues is as important as planning for the future. Without addressing the present it will be harder to deal with the future.”

At a deeper level, the committee’s report is the clearest example of how the government cannot continue to operate the way it has been doing all this while.

A lot of today's problems go back to a system that used a centralised structure to run the country. It achieved solid results in the last 50 years but for the next 50 years, Singapore needs a system that will allow a free flow of ideas, even those that run counter to established thinking.

A new book on how Uber and Airbnb dared to go against rules is instructive for a Singapore struggling to find light at the end of the economic tunnel.

It will be a leap of imagination to expect Singapore to go the way of the two American innovators and go against rules. Their way is really disruptive.

Brad Stone, the author [of the book "The upstarts: How Uber, Airbnb, and the killer companies of the new Silicon Valley are changing the world"](#), said, "Uber started rampaging over local transportation laws when it appeared competitors might capture strategic ground.

"Airbnb knew it violated the strict housing rules of New York and elsewhere but pushed ahead anyway."

The fear among the ruling politicians must be a belief that Singapore will go through a period of severe pain and chaos if a laissez-faire approach is allowed.

But to continue the old system of control can lead to even more hardship. And worse, changes may be forced upon them when they least expect it – and from the outside.

The report is the clearest indication yet that fundamental changes in the way Singapore is governed are needed.

The economy is the best place to start since that is the country's lifeblood and its leaders' often-repeated source of ruling legitimacy.

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