

THE SINGAPORE ECONOMY RECONSIDERED

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Published by
Institute of Southeast Asian Studies
Heng Mui Keng Terrace
Pasir Panjang
Singapore 0511

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First printed 1987
Reprinted 1988

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Cataloguing in Publication Data

Krause, Lawrence B.

The Singapore economy reconsidered / Lawrence B. Krause, Koh Ai Tee and Lee (Tsao) Yuan.

1. Singapore — Economic conditions.

2. Singapore — Economic policy.

I. Koh, Ai Tee.

II. Lee (Tsao), Yuan.

III. Institute of Southeast Asian Studies.

IV. Title.

HC445.8 K91 1987

ISBN 9971-988-63-1 (soft cover)

ISBN 9971-988-66-6 (hard cover)

Typeset by The Fototype Business

Reprinted in Singapore by Kyodo-Shing Loong Printing Industries Pte Ltd

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Preface

The Singapore Economy Reconsidered owes its origins to a growing concern within and outside the Institute for the need of a comprehensive survey of the Singapore economy, particularly over the medium term. The decline of the economy in 1985, for the first time in twenty years, focused these concerns even more sharply, since it brought to light structural difficulties that had been hidden by the general economic growth. At the same time, the findings and recommendations of the Economic Committee, set up in 1985 under the chairmanship of the then Acting Minister for Trade and Industry, Brigadier-General (Res.) Lee Hsien Loong, provided additional data and a bench-mark to launch critical investigations into both the trends and desired future directions of the Singapore economy. It was felt that this objective could perhaps be best achieved if investigations were undertaken by a team of researchers, including those from outside Singapore, who could bring fresh insights and perspectives to the problems involved.

The first step taken to give substance to this idea was to check on the availability of Dr Lawrence B. Krause, and to seek the cooperation of the Brookings Institution where he worked as a Senior Fellow. Dr Krause had participated and helped direct three country studies for the Brookings Institution — on the United Kingdom, Japan, and Australia — and was known to have professional interest in Singapore. He readily endorsed the idea of a study along the lines above, and the Brookings Institution agreed to give him leave to undertake it.

For the Singapore component of the research team, Dr Koh Ai Tee and Dr Lee (Tsao) Yuan of the Department of Economics and Statistics, National University of Singapore, were approached and they too agreed to participate in the study.

Working contacts were also established with the Ministry of Trade and Industry and the Monetary Authority of Singapore, in terms of access to information and any other assistance required.

Field-work for the study began in April 1986 when Dr Krause took up residence at the Institute. This permitted close collaboration among the researchers until August 1986.

The drafts of the various chapters were completed in September 1986 and were circulated to a select group for comments. They were subsequently discussed at a special workshop held at the Institute on 31 October 1986. Participants included senior civil servants, business and media executives, and academics. Two persons were assigned to critically review each draft chapter. These commentators — Dr Chan Heng Chee, Mr Patrick Daniel, Dr Basant Kapur, Prof. Lee Soo Ann, Prof. Lim Chong Yah, Dr Linda Low, Mr Ngiam Tong Dow, Dr Ong Nai Pew, Dr Pang Eng Fong, Dr Augustine Tan, Mr Tan Chin Nam, Dr Amina Tyabji, Mr Wong Chin Yeow, and Dr Wong Kum Poh — presented their critiques at the workshop. These critiques and the subsequent discussions stimulated considerable debate and exchange of views. The authors benefited immeasurably from these comments and the discussions, and would like to thank all the commentators and participants at the workshop for their invaluable suggestions and the time they took to review the drafts of the manuscript and to participate in the workshop.

It is possible that despite such improvements to the original drafts, purists may still find the quality of the individual chapters in the volume variable. Likewise, a longer gestation and research period may have led to greater sophistication of analysis. However, given the topicality of the issues involved, it was generally felt that any further delay in the publication of *The Singapore Economy Reconsidered* would detract from its significance and impact. Accordingly, it is presented as it is. In doing so, the authors are also aware that not all will agree with their conclusions. All the same, it is hoped that this volume can contribute to the ongoing debate on the future of the Singapore economy and the Republic's well-being.

During the research and the preparation of the manuscript for publication, the Institute received assistance from several individuals and organizations, and it would like to record its appreciation of such support. In particular, it is grateful to the Lee Foundation and the Board of Trustees of the Institute for covering part of the costs of the study and its publication; Mr Ngiam Tong Dow and Dr Teh Kok Peng and their colleagues at the Ministry of Trade and Industry and the Monetary Authority of Singapore, respectively, for their advice and encouragement throughout the study; Prof. Lim

Chong Yah and the National University of Singapore for their cooperation and permission for Dr Koh Ai Tee and Dr Lee (Tsao) Yuan to participate in the study; and the Brookings Institution for the release of Dr Lawrence B. Krause, and the research assistance of Ms Elizabeth Phillips. Last but not least the Institute would like to thank the authors for their contributions and promptness in meeting requests and deadlines. Whilst wishing them and *The Singapore Economy Reconsidered* all the best, it is clearly understood that responsibility for statements made and for the accuracy of the information provided rests exclusively with the individual authors.

20 December 1986

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