Bargaining change in the political arena: key success factors

Singapore: Pragmatism

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<table>
<thead>
<tr>
<th>Western values</th>
<th>Asian values</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberalism</td>
<td>Communitarianism</td>
</tr>
<tr>
<td>Individual rights</td>
<td>Social obligations</td>
</tr>
<tr>
<td>Political pluralism</td>
<td>Strong, stable leadership</td>
</tr>
<tr>
<td>Dissent &amp; confrontation</td>
<td>Social harmony &amp; consensus</td>
</tr>
<tr>
<td>Laissez faire</td>
<td>State intervention</td>
</tr>
<tr>
<td>Civil liberties</td>
<td>Socio-economic well-being</td>
</tr>
</tbody>
</table>
Singapore

- where 3 ancient civilisations converge
Economic miracle: Asian “Tigers”

Real income per capita (PPP), Four Asian Tigers 1950-2001

GDP per capita (PPP) US$50,000 (2008)

Singapore
Hong Kong
Taiwan
Korea

Real income per capita (PPP), Four Asian Tigers 1950-2001

GDP per capita (PPP) US$50,000 (2008)

Singapore
Hong Kong
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“With few exceptions, democracy has not brought good government to new developing countries... Westerners value the freedoms and liberties of the individual. As an Asian of Chinese cultural background, my values are for a government which is honest, effective and efficient.”
"Between being loved and being feared, I have always believed Machiavelli was right."
Tom Plate on Lee’s worldview:

“Sustained and sustainable progress is possible only when a gifted, empowered elite is in more or less in complete control of policy”.

“Politics that includes significant decision-making by the unqualified — or by well-organized narrow interests, the lobbies — is the enemy of superior public policy.”

“Democracy, at its one-man, one-vote purest, is almost always the enemy of a practical, here-and-now, best-we-can-get utopia.”
Pragmatism

“the doctrine that *practical consequences* are the criteria of knowledge and meaning and value”
wordnetweb.princeton.edu/perl/webwn

“an ideology or proposition is true if it works satisfactorily... *unpractical ideas are to be rejected*.
en.wikipedia.org/wiki/Pragmatism
One man one vote!
Is one-man one-vote the best way to solve problems?

“A democracy is nothing more than mob rule, where fifty-one percent of the people may take away the rights of the other forty-nine.”
Why is healthcare contentious?

The Health-Care Debate Turns Angry

Vitriol — orchestrated or otherwise — turns up at town-hall meetings organized by Congressmen to sound out their constituents on the President's proposals for healthcare reform.
Because health is special:

“You may promise yourself everything – but health, without which there is no happiness”

Thomas Jefferson (1787)
Article 25

“Everyone has the right to a standard of living adequate for the health and well-being of himself and of his family, including food, clothing, housing and medical care and necessary social services…”
Common Values & Principles underpinning all EU healthcare systems.

• “The 4 overarching values are universality, access to high quality care, equity, and solidarity.”

- adopted by EU Ministers of Health, June 2006
But only in utopia can we have it all…

Low cost

Provider of choice

High quality

Universal access
In the real world,

Cost  Choice

Quality  Equity

Trade-offs must be made
What do Americans want?

“First, they (Americans) want quality health care, which will cover a wide range of services. Second, they want everyone in the nation, without exception, covered. Third, they want the spiraling costs of health care brought under control. And fourth, they want those physicians and hospitals to be mainly controlled by the private sector.”

- 1993 Harris Poll
American Sausage

what you want is what you get
Singapore believes that welfarism is not viable as it breeds dependency on the government. It has adopted a policy of co-payment to encourage people to assume personal responsibility for their own welfare, though the government does provide subsidies in vital areas like housing, health and education.”
Reality of Healthcare:

No money, no healthcare
“Who pays” is not the issue

(somebody has to...)

- Private
  - Self Insurance
  - Private insurance
- Public
  - Social Insurance
  - Taxes

Hospitals
Specialist physicians
General practitioners
Question is...

Which is more sustainable?
Healthcare is inherently inflationary:

Health care expenditure trends: Selected OECD countries 1965-2000

U.S.

Germany

Canada

Japan

U.K.
Singapore bucks the trend...

Health care expenditure trends: Selected OECD countries 1965-2000

- U.S.
- Germany
- Canada
- Japan
- U.K.
- Hong Kong
- Singapore

Singapore bucks the trend…

Hong Kong
British colonies

Singapore

Hong Kong

140 years

155 years
Healthcare systems: Why different paths?

Singapore: Mixed

Hong Kong: Tax-based
Sovereignty

1965 1997

32 year lead time
Contrasting styles of Government

Intervention

laissez-faire
Solve problems before they arise!

Why fix something not broken?
Interventions have consequences

Public and Private share of Total Health Expenditure

Interventions have consequences
Key = finding the right balance

Free Market, Individual responsibility (out of pocket, pte insurance) e.g. USA

Free Healthcare, State responsibility (taxes, social insurance) e.g. UK

Mixed
Shared responsibility (Taxes + medical savings accounts + catastrophic insurance) e.g. Singapore
**Summary: Singapore’s advantages:**

- **Strong economy:** GDP (PPP) per capita of US$50,299 (World Bank 2007)

- **Efficient healthcare system:** 6th out of 191 countries in overall health systems performance (WHO 2000).

- **No “entitlement” culture** - population conditioned to cost-sharing,

- **Policies** encourage demand-side responsibility while discouraging supply-side waste

- **Strong, stable government** (since 1959) – continuity in policymaking; willing to make hard decisions;
“Every government degenerates when trusted to the rulers of the people alone. The people themselves are its only safe depositories.”
Zhou enlai and Nixon

“It’s too early to say”
Still work in progress

The story continues…