

THE ECONOMIC SOCIETY OF SINGAPORE ANNUAL GALA DINNER 2010

Opening Speech by Professor Euston Quah, President of the Economic Society of Singapore, at Grand Hyatt Hotel Singapore, 30 July 2010

Introduction

Guest of Honour, Minister Tharman Shanmugaratnam, Your Excellencies, Distinguished Guests, Ladies and Gentlemen; a very warm welcome to all of you to this year's Economic Society Annual Gala Dinner.

About ESS

The Economic Society of Singapore (ESS) is a non-profit organisation of economists, professionals, captains of industries, university academicians, and policy and decision makers interested in economics.

By providing a platform for discussions on issues facing the Singapore economy and the region, the Society aims to raise public awareness, and stimulate public interest and debate, in economic issues. It does this by organizing events such as conferences, talks, workshops, public lectures, and by conducting studies on social and economic issues, either on its own or in partnership with other organisations.

Distinguished speakers in past Society events included Minister Mentor Lee Kuan Yew, Dr. Tony Tan, Deputy Chairman of Singapore Investment Corporation, Ms. Ho Ching, CEO of Temasek Holdings and Mr Timothy Geithner, then President of the Federal Reserve Bank of New York, and incumbent United States Secretary of the Treasury, just to name a few.

History of ESS

2010 marks the 54th anniversary of the Society. Established in 1956 as the Malayan Economic Society, the Society took shape through the initiatives of graduates and several members of the Department of Economics of the then University of Malaya in Singapore.

The Society took its current name in 1969 to reflect the independent and sovereign status of the Republic of Singapore. The Society was instrumental in setting up, as founding member, the Federation of ASEAN Economic Associations, now in its 34th year of existence.

ESS Membership Information

The Society's membership base has been increasing over the years. The lifetime Honorary Fellowship of the Society has been conferred upon Senior Minister Goh Chok Tong, Emeritus Professor You Poh Seng, Professor Lim Chong Yah, and the late Dr Goh Keng Swee as its first Honorary Fellow.

For this year alone, corporate and individual members have increased by 20% and 65% respectively. Our corporate members, which include major banks and financial institutions, have been very supportive of the Society's activities. I wish to place on record our Society's appreciation to Maybank for becoming our platinum sponsor for this year.

Our universities have also been strong supporters of the Society through the supplying and sharing of academic expertise, and financial support. I am pleased to welcome Professor Chow Yow Tong, founding Provost of the Singapore University of Technology and Design (SUTD), to the dinner. I would like to take this opportunity to invite him and our youngest sibling university to join the Society.

Activities over the Past Year

The Society has been very active in the past year. We held a joint seminar with the Singapore Management University (SMU) to host Mr. Ivailo Izvorski, a lead economist of the World Bank, who gave the latest review on Singapore and other economies in the Asia-Pacific region. The annual economics seminar on contemporary topics was held for JC students and this attracted more than 300 students. A forum presented by Cornell University Economist, Professor Robert Frank, author of the acclaimed book “The Economic Naturalist”, was jointly organised by the Society and the Civil Service College.

Following the Society’s feedback and participation in the activities of the Government’s Economic Strategies Committee (ESC), the Society jointly organised the Singapore Economic Policy Forum with Nanyang Technological University’s (NTU) Economic Growth Centre in October 2009 with the support of the National University of Singapore’s (NUS) Department of Economics and the Lee Kuan Yew School of Public Policy, and Singapore Management University’s School of Economics.

The forum was held at this hotel with over 200 participants from the academic circle, financial and private sectors, professionals, public policy makers and the general public. Presentations by invited speakers and a panel discussion included issues concerning the Singapore economy in the aftermath of the global financial crisis and in-depth analysis of Singapore’s healthcare system.

Singapore Economic Review

Besides these various activities, I would like to make a special mention of the official journal of the Society, the Singapore Economic Review (SER). First published in 1956, the journal has grown from strength to strength and is now one of the leading economics academic journals in this part of the world.

The journal currently has its editorial office in the Division of Economics at NTU. While its editorial office is at NTU, the journal has, and will always, remain a shared enterprise of NTU, NUS, SMU and UniSIM, and hopefully, our youngest university, SUTD, will be part of this. Members of the editorial board reflect this commitment through participation of faculty from all the universities.

The journal has established an international reputation as a high quality journal in policy and applied economics with special focus on the Asia-Pacific region. Attesting to the quality of the journal, it is one of the only six economics journals based in Asia to be indexed in the Social Sciences Citation Index, a citation database of leading social science journals across the world.

Paper submissions to the journal have been thriving. In 2009 alone, we had an average submission rate of 2 papers per week despite a high rejection rate of at least 70% over the past 8 years. The journal has also increased its publication frequency from 3 to 4 a year with one special issue focusing on some contemporary trends or topical issues.

Beyond the journal, the editorial team also manages the Singapore Economic Review Conference which is held once every two years. Speakers included Nobel Laureates like Joseph Stiglitz and Edward Prescott, and many prominent editors and co-editors of major economics journals. The last conference in 2009 was a great success with over 350 attendees from 39 countries. Close to 200 papers were accepted and presented out of more than 300 papers submitted.

Through the Singapore Economic Review Distinguished Lecture Series, the journal has welcomed experts to give public lectures on economic issues. Recent speakers include Professor Bradford DeLong, Professor of Economics at U.C Berkeley and former United States Deputy Secretary of Treasury, Professor Fred Singer, Professor Emeritus of Environmental Sciences at the University of Virginia, and Professor Robert Klitgaard, President Claremont Graduate University and presently the Lee Ka Shing Distinguished Visiting Professor at the Lee Kuan Yew School of Public Policy.

Singapore Economy in Review

2010 has been a good year for Singapore. The economy is well on its way to recovery with the latest forecast from the Ministry of Trade and Industry (MTI) predicting blistering growth rates of between 13% and 15%. Other macro indicators such as the unemployment rate and the inflation rate paint an encouraging positive picture at 2.2% and 2.7% (Singstat) respectively. However, this rosy scenario has to be qualified with some caution; the continuing debt situation in Europe and looming protectionist arguments being

heard around the world; increasing conflicts and barriers between developing and the developed countries; uncertainty over the speed of withdrawal of global expansive fiscal policies; and energy security issues.

Economics is more than just about the macroeconomy. Economics deals too, with other social issues such as health, education, transport and in my own field of expertise, the environment. In this area too, there is much to say about Singapore. Our small geographical size, which eliminated the possibility of a 'countryside' to escape to, necessitated the building of our economy on the foundations of sustainable development to maintain the quality of our living environment. And, guided by sound economic principles, Singapore has done remarkably well thus far. Green spaces in Singapore have increased by 10% since 1986; carbon intensity has been reduced by 30% since 1990; regionally, the seasonal haze has mostly been contained thanks to the formation of the Asean Agreement on Transboundary Haze Pollution promoted by Singapore; and in the international arena, Singapore has been actively furthering the environmental agenda. These are things we can be proud of.

Moving forward, the Singapore model of how a land-scarce city can balance both development and preservation needs will grow in importance as the world's population gets more concentrated in megacities. More can be done to augment the sustainable development effort. Accounting for green goods and pricing non-market environmental goods in policy design is one, raising environmentally-aware and concerned citizens is another, just as paying for activities that generate carbon emissions requires changing mindsets and behaviours.

On ESS Upcoming Events

On the Economic Society's upcoming events, I want to mention one in particular, and that is, the Society will be organising the Annual Singapore Economic Policy Forum on 22 October 2010. The event was inaugurated in 2006 by Minister Tharman. Over the years, it has provided a forum for economists both local and foreign, to engage in rigorous and yet practical analysis and discussion on important policy issues in Singapore. It is now widely recognized as one of the more engaging annual economic events in Singapore.

This year, the Forum will be jointly hosted by the Society, Singapore Management University and the Civil Service College of Singapore. A number of well-known local and foreign economists will be presenting papers relating to issues such as "Financial Regulation and Macro stability after the Global Crisis", "Developing Local Production Capacity in Singapore", "Impact of Income Inequality on Society" and "Social Safety Network in Singapore" amongst others.

We can also look forward to the forthcoming Distinguished Leader Public Lecture Series jointly-organised by the Society and other platinum sponsor partner, Maybank. This series of lectures will bring insights from opinion leaders in Singapore and beyond.

Closing

Finally, I would like to thank the Society's members, and sponsors, particularly Maybank, our Annual Gala Dinner's Platinum Sponsor for this year, and everyone present at the dinner for your generous support.

It is from your support that the Society can continue to organise the many and wide activities and events that make the Economic Society thrive. The Society needs more memberships and I invite those present tonight who are not yet our members to consider joining us. On behalf of my fellow council members and the Society, I thank our Guest of Honour Minister Tharman Shanmugaratnam for his encouraging presence tonight and for his continued unwavering support for our Society.

Thank you and good evening.

And now, it gives me great pleasure to announce the conferral of Honorary Fellow of the Economic Society of Singapore to Minister Tharman Shanmugaratnam.