12. Keeping the Government Clean

When the PAP government took office in 1959, we set out to have a clean administration. We were sickened by the greed, corruption, and decadence of many Asian leaders. Fighters for freedom for their oppressed peoples had become plunderers of their wealth. Their societies slid backward. We were swept up by the wave of revolution in Asia, determined to get rid of colonial rule, but angry at and ashamed of the Asian nationalist leaders whose failure to live up to their ideals had disillusioned us.

In England after the war, I met students from China whose burning ambition was to rid China of the corruption and incompetence of the Nationalist Chinese leaders. Hyperinflation and wholesale looting had led to their ignominious defeat and retreat to Taiwan. It was disgust with the venality, greed, and immorality of those men that made so many Chinese school students in Singapore pro-communists. The students saw the communists as exemplars of dedication, sacrifice, and selflessness, the revolutionary virtues displayed in the spartan lives of the Chinese communist leaders. Those were the prevailing beliefs of the time.

One important decision we made before the May 1959 general election highlighted our position on corruption. Lim Yew Hock's government (1956–1959) had started to go corrupt. His education minister, Chew Swee Kee, had received S$1 million, money from an American source to fight the communists in the coming elections. There was widespread market talk of smaller amounts paid for less ideological reasons. We had grave reservations over fighting the election to win because we felt unprepared and not sufficiently organized to take on the communists whom we expected to turn on us once we were the government. But to allow this group of scoundrels another five-year term would corrupt the public servants who were on the whole still honest, and once this happened we would not be able to work the system. We decided to fight to win.

There were temptations everywhere, not only in Singapore. For example, the first official contacts foreigners have when entering a country are immigration and customs officers. At many airports in Southeast Asia, travellers often find themselves delayed at customs clearance until a suitable inducement (often hard cash) is forthcoming. The same tiresome practice is found among traffic police; when stopped for alleged speeding, drivers have to hand over their driving license together with the ongoing rate in dollars to avoid further action. The superior officers do not set a good example. In many cities in the region, even hospital admission after a traffic accident needs a bribe to get prompt attention. Petty power invested in men who cannot live on their salaries is an invitation to misuse that power.

We had a deep sense of mission to establish a clean and effective government. When we took the oath of office at the ceremony in the city council chamber in June 1959, we all wore white shirts and white slacks to symbolize purity and honesty in our personal behavior and our public life. The people expected this of us, and we were determined to live up to their expectations. The pro-communists paraded their working-class credentials in their dress style (rumpled shirt sleeves and slacks), travel mode (buses and taxis), sleeping quarters (back rooms of unions offices), and Chinese school education. They derided my air-conditioned office and home, my large American Studebaker car, my golf and beer drinking, my bourgeois family background, and my Cambridge education. But they could not accuse my colleagues and me of making money out of the workers and unions we helped.

All my ministers except one were university graduates. Out of office, we were confident of getting by and professionals like myself had every expectation of doing so. There was no need to put by something extra for that eventuality. More important, most of us had working wives who could support the family if we were imprisoned or not around. This shaped the attitudes of my ministers and their wives. When ministers commanded the respect and confidence of the people, public servants were also able to hold their heads high and make decisions with confidence. It made a critical difference in our battle against the communists.

We made sure from the day we took office in June 1959 that every dollar in revenue would be properly accounted for and would reach the beneficiaries at the grass roots as one dollar, without being siphoned off along the way. So, from the very beginning we gave special attention to the areas where discretionary powers had been exploited for personal gain and sharpened the instruments that could prevent, detect, or deter such practices.

The principal agency charged with this task was the Corrupt Practices Investigation Bureau (CPIB) set up by the British in 1952 to deal with increasing corruption, especially at lower and middle levels of the police, hawker inspectors, and land bailiffs who had to take action against the many who broke the law by occupying public roads for illegal hawking, or state land for building their squatter huts. These inspectors could either issue a summons or look the other way for an appropriate bribe.

We decided to concentrate on the big takers in the higher echelons and directed the CPIB on our priorities. For the smaller fish we set out to simplify procedures and remove discretion by having clear published guidelines, even doing away with the need for permits or approvals in less important areas. As we ran into problems in securing convictions in prosecutions, we tightened the law in stages.

In 1960, we changed the outdated 1937 anticorruption law and widened the definition of gratuity to include anything of value. The amendments gave wide powers to investigators, including arrest and search and investigation of bank accounts and bank books of suspected persons and their wives, children, or agents. It became unnecessary to prove that the person who accepted a bribe was in a position to carry out the required favor. The comptroller of income tax was obliged to give information concerning anyone investigated. The existing law that the evidence of an accomplice was unworthy of credit unless corroborated was changed to allow the judge to accept the evidence of an accomplice.

The most effective change we made in 1960 was to allow the courts to treat proof that an accused was living beyond his or her means or had property his or her income could not explain as corroborating evidence that the accused had accepted or obtained a bribe. With a keen nose to the ground and the power to investigate every officer and every minister, the director of the CPIB, working from the Prime Minister's Office, developed a justly formidable reputation for sniffing out those betraying the public trust.

In 1963, we made it compulsory for witnesses summoned by the CPIB to present themselves to give information. In 1989, we increased the maximum fine for corruption from S$10,000 to S$100,000. Giving false or misleading information to the CPIB became an offense subject to imprisonment and a fine of up to S$10,000, and the courts were empowered to confiscate the benefits derived from corruption.

Corruption used to be organized on a large scale in certain areas. In 1971, the CPIB broke up a syndicate of over 250 mobile squad policemen who received payments ranging from S$5 to S$10 per month from truck owners whose vehicles they recognized by the addresses painted on the sides of the trucks. Those owners who refused to pay would be constantly harassed by having summonses issued against them.

Customs officers would receive bribes to speed up the checking of vehicles smuggling in prohibited goods. Personnel in the Central Supplies Office (the government's procurement department) provided information on tender bids for a fee. Officers in the import and export department received bribes to hasten the issue of permits. Contractors bribed clerks of works to allow short-piling. Public health laborers were paid by shopkeepers and residents to do their job of clearing refuse. Principals and teachers in some Chinese schools received commissions from stationery suppliers. Human ingenuity is infinite when translating power and discretion into personal gain.

It was not too difficult to clean up these organized rackets. Isolated opportunistic acts of corruption were more difficult to detect, and when discovered had to be squashed.

High-profile cases made the headlines. Several ministers were guilty of corruption, one in each of the decades from the 1960s to the 1980s. Tan Kia Gan was the minister for national development until he lost the 1963 election. We were close colleagues from the early 1950s when he was the leader of the Malayan Airways engineers' union and I was its legal adviser. We appointed him a director on the board of Malaysian Airways. At a board meeting of the company in August 1966, Tan took strong objection to the purchase of Boeing aircraft. A few days later a Mr. Lim contacted First National City Bank, Boeing's bankers, to offer his services for a consideration. He was Tan Kia Gan's business friend. The bank knew of the government's strict stand against corruption and reported the matter. Lim refused to implicate Tan Kia Gan and Tan could not be prosecuted. But I was convinced Tan was behind it. Unpleasant and painful as the decision was, I issued a statement to say that as the government's representative on the board of Malaysian Airways, he had not discharged his duties beyond reproach. I removed him from the board and from all his other appointments. Kim San told me later that Tan was down at heel, unable to do much because he was ostracized. I was sad but there was no other course I could have taken.

Wee Toon Boon was minister of state in the ministry of the environment in 1975 when he took a free trip to Indonesia for himself and his family members, paid for by a housing developer on whose behalf he made representations to civil servants. He also accepted a bungalow worth S$500,000 from this developer and took two overdrafts totalling S$300,000 in his father's name against the personal guarantee of the developer, to speculate in shares. He was a loyal noncommunist trade union leader from the 1950s. It was painful to confront him and hear his unconvincing protestations of innocence. He was charged, convicted, and sentenced to four years and six months in jail. He appealed. The convictions were upheld but the sentence was reduced by 18 months.

In December 1979, we suddenly faced a serious setback. Phey Yew Kok, then president of the NTUC and a PAP MP, was charged on four counts of criminal breach of trust involving a total sum of S$83,000. He was also charged on two counts under the Trade Unions Act for investing S$18,000 of trade union money in a private supermarket without the approval of the minister. As was normal in such cases, he was released on bail.

Devan Nair, as secretary-general of the NTUC, was close to Phey Yew Kok and believed in his innocence. He wanted the CPIB to review the case, saying that an innocent man was being destroyed on false charges. I did not agree because I had seen the investigation reports and had allowed the CPIB to proceed. He was so convinced of Phey's innocence and concerned at losing a valuable aide in the trade union movement that he spoke vehemently to me over lunch one Saturday. In his presence, I rang up the director of the CPIB and told him to show Devan Nair in strict confidence the evidence he had against Phey Yew Kok immediately after that lunch. After he read the evidence, Devan did not contact me. Phey Yew Kok decided to jump bail, and his two sureties lost their S$50,000 when he never returned. He was last heard of in Thailand, eking out a miserable existence as a fugitive, subject to blackmail by immigration and police authorities.

The most dramatic downfall was that of Teh Cheang Wan, then minister for national development. In November 1986, one of his old associates admitted under questioning by the CPIB that he had given Teh two cash payments of S$400,000 each, in one case to allow a development company to retain part of its land which had been earmarked for compulsory government acquisition, and in the second to assist a developer in the purchase of state land for private development. These bribes had taken place in 1981 and 1982. He denied receiving the money and tried to bargain with the senior assistant director of the CPIB for the case not to be pursued. The cabinet secretary reported this and said Teh had asked to see me. I replied that I could not until the investigations were over. A week later, on the morning of 15 December 1986, my security officer reported that Teh had died and left me a letter:

> Prime Minister
>
> I have been feeling very sad and depressed for the last two weeks. I feel responsible for the occurrence of this unfortunate incident and I feel I should accept full responsibility. As an honourable oriental gentleman I feel it is only right that I should pay the highest penalty for my mistake.
>
> Yours faithfully,
> Teh Cheang Wan

I visited the widow and viewed his body lying in his bed. She said he had served the government all his life and wanted to preserve his honor. She asked if it was possible not to have a coroner's inquiry. That was only possible if she got a death certificate from his doctor that he had died of natural causes. Inevitably there was a coroner's inquiry that found he had taken his life with a massive overdose of sodium amytal. The opposition took it up in Parliament and demanded a commission of inquiry. I immediately agreed. This created more painful publicity for his wife and daughter. Soon afterward they left Singapore and never returned. They had lost too much face.

We had established a climate of opinion that looked upon corruption in public office as a threat to society. Teh preferred to take his life rather than face disgrace and ostracism. I never understood why he took this S$800,000. He was an able and resourceful architect and could have made many millions honestly in private practice.

It is easy to start off with high moral standards, strong convictions, and determination to beat down corruption. But it is difficult to live up to these good intentions unless the leaders are strong and determined enough to deal with all transgressors, and without exceptions. CPIB officers must be supported without fear or favor to enforce the rules.

The Institute of Management Development's World Competitiveness Yearbook 1997 ranked the least corrupt countries in the whole world giving 10 points as the perfect score for the country with no corruption. Singapore was ranked as the least corrupt country in Asia with a score of 9.18, ahead of Hong Kong, Japan, and Taiwan. Transparency International (based in Berlin) placed Singapore in seventh place worldwide in 1998 for absence of corruption.

The percentage, kickback, baksheesh, slush, or whatever the local euphemism is a way of life in Asia: People openly accept it as a part of their culture. Ministers and officials cannot live on their salaries to the standard of their office. The higher they are, the bigger their homes and more numerous their wives, concubines, or mistresses, all bedecked in jewelry appropriate to the power and position of their men. Singaporeans who do business in these countries have to take care not to bring home such practices.

When the Chinese communists came to power they made a great play of their total honesty and dedication. Waiters and chambermaids in the

China of the 1950s and 1960s would return every scrap of property left behind in the hotel, even things the guests had intended to discard. It was an ostentatious display of their total disinterest in material possessions. But during the height of the Cultural Revolution, 1966–1976, the system broke down. Favoritism, nepotism, and covert corruption infected high places. The whole society was degraded as opportunists masqueraded as revolutionaries and achieved "helicopter promotions" by betraying and persecuting their peers or superiors. Corruption became worse when China embarked on its open-door policy in 1978. Many communist activists who felt they had been deceived and had wasted the best years of their lives set out to make up for lost time and enrich themselves in every way they could. The same happened with communists in Vietnam. After they opened up to foreign investments and the free market in the late 1980s, corruption infected the Communist Party. Both regimes, once justly proud of their total selflessness and dedication to the communist cause, are bedeviled by worse corruption than the decadent capitalist Asian countries they used to revile and despise.

A precondition for an honest government is that candidates must not need large sums of money to get elected, or it must trigger off the cycle of corruption. The bane of most countries in Asia has been the high cost of elections. Having spent a lot to get elected, winners must recover their costs and also accumulate funds for the next election. The system is self-perpetuating. To be elected to Taiwan's legislative *yuan* in the 1990s, some KMT candidates spent as much as US$10–20 million. Once elected, they had to recoup and prepare for the next round by using their influence with government ministers and officials to get contracts awarded, or to convert land use from agricultural to industrial or urban development. In Thailand, a former government minister described it as "commercial democracy, the purchased mandate." In 1996, some 2,000 candidates spent about 30 billion bahts (US$1.2 billion). One prime minister was called Mr. ATM (Automatic Teller Machine) because he was renowned for dispensing cash to candidates and voters. He retorted that he was not the only ATM.

In Malaysia, UMNO leaders call it "money politics." In his speech to party delegates in October 1996, Prime Minister Dr. Mahathir Mohamad noted that some candidates vying for higher positions had been "offering bribes and gifts to delegates" in exchange for votes. Dr. Mahathir deplored the practice of money politics and was moved to tears as he urged party delegates "not to let bribery destroy the Malay race, religion and nation." According to Malaysian news reports, Bank Negara ran out of RM1,000 and RM5,000 notes at the height of the campaign leading to the UMNO party delegates' conference in 1993.

Indonesia was a celebrated example of corruption on such a grand scale that Indonesian media coined the acronym "KKN" for *Kolusi* (Collusion), *Korupsi* (Corruption), and *Nepotisme* (Nepotism). President Suharto's children, friends, and cronies set examples that made KKN an irreducible part of Indonesian culture. The American media assessed the Suharto family to be worth US$42 billion before the financial crisis reduced their value. Corruption was worse under President Habibie. Ministers and officials, uncertain of their positions after the election for a new president, made the most of the time left. Habibie's aides accumulated huge funds to buy votes in the MPR (People's Consultative Assembly) to get elected. The going rate reportedly was more than a quarter million U.S. dollars for each vote.

The most expensive of all election systems is Japan's. Japanese ministers and Diet members (MPs) are paid modest salaries and allowances. A Japanese MP requires over US$1 million a year to maintain his support staff both in Tokyo and in his constituency as well as to provide gifts to voters for birthdays, births, marriages, and funerals. In an election year, the candidate needs over US$5 million. He depends on his faction leader for funds. Since a leader's power depends on the number of Diet members who support and depend on him, he has to amass vast sums to finance his followers during and between elections.

Singapore has avoided the use of money to win elections. As leader of the opposition, I had persuaded Chief Minister Lim Yew Hock in 1959 to make voting compulsory and prohibit the practice of using cars to take voters to the polls. After winning power, we cleaned up triad (secret society) influence from politics. Our most formidable opponents, the communists, did not use money to win voters. Our own election expenses were small, well below the amount allowed by law. There was no need for the party to replenish its coffers after elections, and between elections there were no gifts for voters. We got them to vote for us again and again by providing jobs, building schools, hospitals, community centers, and, most important of all, homes which they owned. These are substantial benefits that changed their lives and convinced them that their children's future lay with the PAP. Opposition parties also did not need money. They defeated our candidates because the electorate wanted an opposition MP to pressure the government for more concessions.

Western liberals have argued that a completely unfettered press will expose corruption and make for clean, honest government. Yet uninhibited and freewheeling press and television in India, the Philippines, Thailand, Taiwan, South Korea, and Japan have not stopped the pervasive and deeply embedded corruption in these countries, while the most telling example of a free media being part and parcel of its owner's corruption is former Italian Prime Minister Silvio Berlusconi. He owns a large media network but was himself investigated and charged for corrupt practices committed before he became prime minister.

On the other hand Singapore has shown that a system of clean, no-money elections helps to preserve an honest government. But Singapore will remain clean and honest only if honest and able men are willing to fight elections and assume office. They must be paid a wage commensurate with what men of their ability and integrity are earning for managing a big corporation or a successful legal or other professional practice. They have to manage a Singapore economy that yielded an annual growth rate of 8 to 9 percent in the last two decades, giving its citizens a per capita GDP that the World Bank rated in 1995 as the ninth highest in the world.

With the founder generation of leaders, honesty had become a habit. My colleagues would spurn any attempt to suborn them. They had put their lives in jeopardy to achieve power, not to enrich themselves, but to change society. However, this group could not be replicated because it was not possible to recreate the conditions that made them different. Our successors have become ministers as one of many career options, and not the most attractive one. If we underpay men of quality as ministers, we cannot expect them to stay long in office earning a fraction of what they could outside. With high economic growth and higher earnings in the private sector, ministers' salaries have to match their counterparts' in the private sector. Underpaid ministers and public officials have ruined many governments in Asia. Adequate remuneration is vital for high standards of probity in political leaders and high officials.

In a debate on the budget in March 1985, I took the opposition to task for opposing ministerial pay increases. J. B. Jeyaretnam of the Workers' Party had contrasted my monthly salary of S$29,000 with that of the prime minister of Malaysia who was paid S$10,000, but took only S$9,000. I went further to compare the salaries of Philippines President Marcos at 100,000 pesos yearly, or just over S$1,000 a month, and the president of Indonesia, governing 150 million people at a monthly salary of 1.2 million rupiahs or S$2,500. However, they were all wealthier than I was. An Indonesian leader retained his official residence on retirement. A Malaysian prime minister was given a house or land to build his private residence. My official residence belonged to the government. I had no perks, no cars with chauffeurs thrown in, or ministerial quarters with gardeners, cooks, and other servants in attendance. My practice was to have all benefits expressed in a lump sum and let the prime minister and ministers themselves decide what they wanted to spend it on.

I referred to the wage scales of the People's Republic of China. Their lowest wage was 18 yuan and the highest 560 yuan, a ratio of 1:31. But this did not reflect the difference in the quality of life between the lowest and the highest in the land who lived behind the walls of the Zhongnanhai near the Forbidden City. Nor did it take into account the access to different foods and goods, with cooks, other domestic staff, and medical services that made for a different quality of life.

Ostentatious egalitarianism is good politics. For decades in Mao's China, the people wore the same-style Mao jacket and trousers, ostensibly of the same material with the same ill-fitting cut. In fact there were different grades of Mao jackets. A provincial leader in charge of tourism explained to one of my ministers that while they might look alike, they were of different quality cloth. To emphasize his point, he unbuttoned his jacket to show that it was fur-lined.

The need for popular support makes governments who have to be elected into office, as a rule, underpay ministers in their official salaries. But semihidden perks in housing, an expense account, a car, travel, children's education, and other allowances often make up more than their salaries.

In successive debates in Parliament in the 1980s and 1990s, I pointed out that the remuneration of ministers and political appointees in Britain, the United States, and most countries in the West had not kept pace with their economic growth. They had assumed that people who went into politics were gentlemen with private means. Indeed, in prewar Britain, people without private incomes were seldom found in Parliament. While this is no longer the case in Britain or the United States, most successful people are too busy and doing too well to want to be in government.

In the United States, highly paid persons from the private sector are appointed by the president for brief periods of one or two terms. Then they return to their private sector occupations as lawyers, company chairpersons, or lobbyists with enhanced value because they now enjoy easy access to key people in the administration. I thought this "revolving door" system undesirable.

After independence I had frozen ministerial salaries and kept public service wage increases at a low level to be sure that we would cope with the expected unemployment and slowdown in the economy and to set an example of restraint. When we had no serious unemployment by 1970, and everybody breathed a little easier, I increased ministers' salaries from S$2,500 to S$4,500 per month but kept my own fixed at S$3,500 to remind the public service that some restraint was still necessary. Every few years I had to increase ministerial salaries to narrow the widening gap with private sector rewards.

In 1978, Dr. Tony Tan was general manager of the Oversea-Chinese Banking Corporation, a big local bank, on a salary scale that would have taken him to S$950,000 per year. I had persuaded him to resign to become minister of state, for which he was paid less than a third of his former salary, apart from losing his perks, the most valuable of which was a car with a driver. Ong Teng Cheong, the minister for communications, had also made a sacrifice by giving up a successful practice as an architect during a building boom.

When I was senior minister, I proposed in Parliament in 1994 that the government settle a formula so that revisions to salaries of ministers, judges, and top civil servants were automatic, linked to the income tax returns of the private sector. With the Singapore economy growing at 7 to 10 percent per annum for over two decades, public sector salaries were always lagging two or three years behind the private sector. In 1995, Prime Minister Goh decided on a formula I had proposed that would peg the salaries of ministers and senior public officers to those of their private sector counterparts. This would automatically entitle them to an increase as incomes in the private sector increased. This change to a formula, pegged at two-thirds of the earnings of their private sector equivalents as disclosed in their income tax returns, caused an enormous stir, especially with the professionals who felt that it was completely out of proportion to what ministers were paid in advanced countries. People had for so long been accustomed to having public servants paid modest salaries that the idea that ministers not only exercised power but were also paid in accordance with the importance of the job upset their sense of propriety. I was able to help the prime minister justify this change and rebut the arguments that ministers were more than adequately compensated by the honor of high office and the power they wielded, and that public service should entail sacrifice of income. I believed this high-minded approach was unrealistic and the surest way to make ministers serve only briefly, whereas continuity in office and the experience thus gained have been a great advantage and strength in the Singapore government. Our ministers have provided the experience and judgment the government has shown in its decisions, the result of their ability to think and plan long-term.

In the general election 18 months later, the prime minister carried the electorate although the opposition made ministerial salaries an issue. People want a good, honest, clean government that produced results. That was what the PAP provided. It is now less difficult to recruit talent from the private sector. Before the salary formula was implemented top litigation lawyers were earning S$1 to 2 million a year, while judges were paid less than S$300,000. Without this change, we would never have been able to appoint some of our best practicing lawyers to the judiciary. We also had the salaries of doctors and other professionals in government service linked to the incomes of their counterparts in private practice.

This salary formula does not mean increments every year, because the private sector incomes go up and down. When they went down in 1995, the salaries of all ministers and senior officials were reduced accordingly in 1997.

To guard against a freak election of a less than honorable and honest group into government, I had proposed at a National Day Rally in August 1984 that we have an elected president to safeguard the nation's reserves. He would also have powers to override a prime minister who held up investigations for corruption against himself, his ministers, or senior officials, and to veto unsuitable appointments to high positions like chief justice, chief of defense staff, or commissioner of police. Such a president would need an independent mandate from the electorate. Many believed I was preparing a position for myself after I stepped down as prime minister. In fact, I had no interest in this high office as it would be too passive for my temperament. This proposal and its implications were debated as a white paper in Parliament in 1988. Several years later, in 1992, the constitution was amended by Prime Minister Goh Chok Tong to provide for an elected president. We had to keep the right balance between the president's powers and the legitimate discretionary powers of the prime minister and his cabinet.

When the countries of East Asia from South Korea to Indonesia were devastated by the financial crisis in 1997, corruption and cronyism aggravated their woes. Singapore weathered the crisis better because there was no corruption and cronyism that had cost the other countries many billions in losses.

It was the high standards we maintained that made Prime Minister Goh Chok Tong order an investigation into purchases in 1995 of two properties each made by my wife on my behalf and by my son Lee Hsien Loong, the deputy prime minister. They had both enjoyed discounts for the property purchases. The developer had given the same unsolicited 5 to 7 percent discounts on these purchases as he had given to 5 to 10 percent of his other buyers at a soft launch to test the market. Immediately after their purchase, in the heat of the property boom, the properties escalated in price. Those who had not been given a chance to buy at the soft launch made complaints to the committee of the Stock Exchange of Singapore (SES). (The developer was a public-listed company.) After investigations the SES found that the developer had acted within its rights. Because my brother was a nonexecutive director of the company, a rumor went around that my son and I had gained an unfair advantage when purchasing these properties. The Monetary Authority of Singapore investigated and reported to Prime Minister Goh that there was nothing improper in the discounts given to us.

Choo was indignant at the charge of impropriety. She had been a conveyancing lawyer for 40 years, and knew that giving discounts in sales was a common practice by all developers. I was equally angry and decided to scotch suspicions of improper dealings by going public with our purchases and the unsolicited discounts. We paid over the value of the discounts, which amounted to a total of S$1 million, to the finance minister (i.e., the government). The prime minister ordered this sum to be returned to us because he agreed there had been no impropriety and the government was not entitled to the money. Loong and I did not want to appear to have benefited from my brother being a director of the developer company and decided to give the S$1 million to charity.

I asked the prime minister to take the matter to Parliament for a thorough airing of the issue. In the debate, opposition MPs, including two lawyers, one of them the leader of the opposition, said that in their experience the giving of such discounts was standard marketing practice and there was nothing improper in our purchases. This open and complete disclosure of a perceived unfair advantage made it a nonissue in the general election a year later. As I told the House, the fact that the system I had set in place could investigate and report upon my conduct proved that it was impersonal and effective, and that no one was above the law.

12. Keeping the Government Clean

When the PAP government took office in 1959, we set out to have a clean administration. We were sickened by the greed, corruption, and decadence of many Asian leaders. Fighters for freedom for their oppressed peoples had become plunderers of their wealth. Their societies slid backward. We were swept up by the wave of revolution in Asia, determined to get rid of colonial rule, but angry at and ashamed of the Asian nationalist leaders whose failure to live up to their ideals had disillusioned us. In England after the war, I met students from China whose burning ambition was to rid China of the corruption and incompetence of the Nationalist Chinese leaders. Hyperinflation and wholesale looting had led to their ignominious defeat and retreat to Taiwan. It was disgust with the venality, greed, and immorality of those men that made so many Chinese school students in Singapore pro-communists. The students saw the communists as exemplars of dedication, sacrifice, and selflessness, the revolutionary virtues displayed in the spartan lives of the Chinese communist leaders. Those were the prevailing beliefs of the time. One important decision we made before the May 1959 general election highlighted our position on corruption. Lim Yew Hock's government (1956-1959) had started to go corrupt. His education minister, Chew Swee Kee, had received S$1 million, money from an American source to fight the communists in the coming elections. There was widespread market talk of smaller amounts paid for less ideological reasons. We had grave reservations over fighting the election to win because we felt unprepared and not sufficiently organized to take on the communists whom we expected to turn on us once we were the government. But to allow this group of scoundrels another five-year term would corrupt the public servants who were on the whole still honest, and once this happened we would not be able to work the system. We decided to fight to win. There were temptations everywhere, not only in Singapore. For example, the first official contacts foreigners have when entering a country are immigration and customs officers. At many airports in Southeast Asia, travellers often find themselves delayed at customs clearance until a suitable inducement (often hard cash) is forthcoming. The same tiresome practice is found among traffic police; when stopped for alleged speeding, drivers have to hand over their driving license together with the ongoing rate in dollars to avoid further action. The superior officers do not set a good example. In many cities in the region, even hospital admission after a traffic accident needs a bribe to get prompt attention. 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All my ministers except one were university graduates. Out of office, we were confident of getting by and professionals like myself had every expectation of doing so. There was no need to put by something extra for that eventuality. More important, most of us had working wives who could support the family if we were imprisoned or not around. This shaped the attitudes of my ministers and their wives. When ministers commanded the respect and confidence of the people, public servants Keeping the Government Clean 1 59 were also able to hold their heads high and make decisions with confidence. It made a critical difference in our battle against the communists. We made sure from the day we took office in June 1 959 that every dollar in revenue would be properly accounted for and would reach the beneficiaries at the grass roots as one dollar, without being siphoned off along the way. So, from the very beginning we gave special attention to the areas where discretionary powers had been exploited for personal gain and sharpened the instruments that could prevent, detect, or deter such practices. The principal agency charged with this task was the Corrupt Practices Investigation Bureau (CPIB) set up by the British in 1 952 to deal with increasing corruption, especially at lower and middle levels of the police, hawker inspectors, and land bailiffs who had to take action against the many who broke the law by occupying public roads for illegal hawking, or state land for building their squatter huts. These inspectors could either issue a summons or look the other way for an appropriate bribe. We decided to concentrate on the big takers in the higher echelons and directed the CPIB on our priorities. For the smaller fish we set out to simplify procedures and ren1ove discretion by having clear published guidelines, even doing away with the need for permits or approvals in less important areas. As we ran into problems in securing convictions in prosecutions, we tightened the law in stages. In 1 960, we changed the outdated 1 937 anticorruption law and widened the definition of gratuity to include anything of value. The amendments gave wide powers to investigators, including arrest and search and investigation of bank accounts and bank books of suspected persons and their wives, children, or agents. It became unnecessary to prove that the person who accepted a bribe was in a position to carry out the required favor. The comptroller of income tax was obliged to give information concerning anyone investigated. The existing law that the evidence of an accomplice was unworthy of credit unless corroborated was changed to allow the judge to accept the evidence of an accomplice. The most effective change we made in 1 960 was to allow the courts to treat proof that an accused was living beyond his or her means or had property his or her income could not explain as corroborating evidence that the accused had accepted or obtained a bribe. With a keen nose to the 1 60 From Third World to First ground and the power to investigate every officer and every minister, the director of the CPIB, working from the Prime Minister's Office, developed a justly formidable reputation for sniffing out those betraying the public trust. In 1963 , we made it compulsory for witnesses summoned by the CPIB to present themselves to give information. In 1989, we increased the maximum fine for corruption from S$10,000 to S$100,000. Giving false or misleading information to the CPIB became an offense subject to imprisonment and a fine of up to S$10,000, and the courts were empowered to confiscate the benefits derived from corruption. Corruption used to be organized on a large scale in certain areas. In 197 1, the CPIB broke up a syndicate of over 250 mobile squad policemen who received payments ranging from S$5 to S$10 per month from truck owners whose vehicles they recognized by the addresses painted on the sides of the trucks. Those owners who refused to pay would be constantly harassed by having summonses issued against them. Customs officers would receive bribes to speed up the checking of vehicles smuggling in prohibited goods. Personnel in the Central Supplies Office (the government's procurement department) provided information on tender bids for a fee. Officers in the import and export department received bribes to hasten the issue of permits. Contractors bribed clerks of works ro allow short-piling. Public health laborers were paid by shopkeepers and residents to do their job of clearing refuse. Principals and teachers in some Chinese schools received commissions from stationery suppliers. Human ingenuity is infinite when translating power and discretion into personal gain. It was not too difficult to clean up these organized rackets. Isolated opportunistic acts of corruption were more difficult to detect, and when discovered had to be squashed. High-profile cases made the headlines. Several ministers were guilty of corruption, one in each of the decades from the 1960s to the 1980s. Tan Kia Gan was the minister for national development until he lost the 1963 election. We were close colleagues from the early 1950s when he was the leader of the Malayan Airways engineers' union and I was its legal adviser. We appointed him a director on the board of Malaysian Airways. At a board meeting of the company in August 1966, Tan took strong objection to the purchase of Boeing aircraft. A few days later a Mr. Lim contacted First National City Bank, Boeing's bankers, to offer his services for a consideration. He was Tan Kia Gan's business friend. The bank knew of the government's strict stand against corruption and reported the matter. Lim refused to implicate Tan Kia Gan and Tan could not be prosecuted. But I was convinced Tan was behind it. Unpleasant and painful as the decision was, I issued a statement to say that as the government's representative on the board of Malaysian Airways, he had not discharged his duties beyond reproach. I removed him from the board and from all his other appointments. Kim San told me later that Tan was down at heel, unable to do much because he was ostracized. I was sad but there was no other course I could have taken. Wee Toon Boon was minister of state in the ministry of the environment in 1975 when he took a free trip to Indonesia for himself and his family members, paid for by a housing developer on whose behalf he made representations to civil servants. He also accepted a bungalow worth S$500,000 from this developer and took two overdrafts totalling S$300,000 in his father's name against the personal guarantee of the developer, to speculate in shares. He was a loyal noncommunist trade union leader from the 1950s. It was painful to confront him and hear his unconvincing protestations of innocence. He was charged, convicted, and sentenced to four years and six months in jail. He appealed. The convictions were upheld but the sentence was reduced by 18 months. In December 1979, we suddenly faced a serious setback. Phey Yew Kok, then president of the NTUC and a PAP MP, was charged on four counts of criminal breach of trust involving a total sum of S$83,000. He was also charged on two counts under the Trade Unions Act for investing S$18,000 of trade union money in a private supermarket without the approval of the minister. As was normal in such cases, he was released on bail. Devan Nair, as secretary-general of the NTUC, was close to Phey Yew Kok and believed in his innocence. He wanted the CPIB to review the case, saying that an innocent man was being destroyed on false charges. I did not agree because I had seen the investigation reports and had allowed the CPIB to proceed. He was so convinced of Phey's innocence and concerned at losing a valuable aide in the trade union movement that he spoke vehemently to me over lunch one Saturday. In his presence, I rang up the director of the CPIB and told him to show Devan Nair in strict confidence the evidence he had against Phey Yew Kok immediately after that lunch. After he read the evidence, Devan did not contact me. Phey Yew Kok decided to jump bail, and his two sureties lost their S$50,000 when he never returned. He was last heard of in Thailand, eking out a miserable existence as a fugitive, subject to blackmail by immigration and police authorities. The most dramatic downfall was that of Teh Cheang Wan, then minister for national development. In November 1986, one of his old associates admitted under questioning by the CPIB that he had given Teh two cash payments of S$400,000 each, in one case to allow a development company to retain part of its land which had been earmarked for compulsory government acquisition, and in the second to assist a developer in the purchase of state land for private development. These bribes had taken place in 198 1 and 1982. He denied receiving the money and tried to bargain with the senior assistant director of the CPIB for the case not to be pursued. The cabinet secretary reported this and said Teh had asked to see me. I replied that I could not until the investigations were over. A week later, on the morning of 15 December 1986, my security officer reported that Teh had died and left me a letter: Prime Minister I have been feeling very sad and depressed for the last two weeks. I feel responsible for the occurrence of this unfortunate incident and I feel I should accept full responsibility. As an honourable oriental gentleman I feel it is only right that I should pay the highest penalty for my mistake. Yours faithfully, Teh Cheang Wan I visited the widow and viewed his body lying in his bed. She said he had served the government all his life and wanted to preserve his honor. She asked if it was possible not to have a coroner's inquiry. That was only possible if she got a death certificate from his doctor that he had died of natural causes. Inevitably there was a coroner's inquiry that found he had taken his life with a massive overdose of sodium amytal. The opposition took it up in Parliament and demanded a commission of inquiry. I immediately agreed. This created more painful publicity for his wife and daughter. Soon afterward they left Singapore and never returned. They had lost too much face. We had established a climate of opinion that looked upon corruption in public office as a threat to society. Teh preferred to take his life rather than face disgrace and ostracism. I never understood why he took this S$800,000. He was an able and resourceful architect and could have made many millions honestly in private practice. It is easy to start off with high moral standards, strong convictions, and determination to beat down corruption. But it is difficult to live up to these good intentions unless the leaders are strong and determined enough to deal with all transgressors, and without exceptions. CPIB officers must be supported without fear or favor to enforce the rules. The Institute of Management Development's World Competitiveness Yearbook 1997 ranked the least corrupt countries in the whole world giving 10 points as the perfect score for the country with no corruption. Singapore was ranked as the least corrupt country in Asia with a score of 9.18, ahead of Hong Kong, Japan, and Taiwan. Transparency International (based in Berlin) placed Singapore in seventh place worldwide in 1998 for absence of corruption. The percentage, kickback, baksheesh, slush, or whatever the local euphemism is a way of life in Asia: People openly accept it as a part of their culture. Ministers and officials cannot live on their salaries to the standard of their office. The higher they are, the bigger their homes and more numerous their wives, concubines, or mistresses, all bedecked in jewelry appropriate to the power and position of their men. Singaporeans who do business in these countries have to take care not to bring home such practices. When the Chinese communists came to power they made a great play of their total honesty and dedication. Waiters and chambermaids in the China of the 1950s and 1960s would return every scrap of property left behind in the hotel, even things the guests had intended to discard. It was an ostentatious display of their total disinterest in material possessions. But during the height of the Cultural Revolution, 1966- 197 6, the system broke down. Favoritism, nepotism, and covert corruption infected high places. The whole society was degraded as opportunists masqueraded as revolutionaries and achieved "helicopter promotions" by betraying and persecuting their peers or superiors. Corruption became worse when China embarked on its open-door policy in 1978. Many communist activists who felt they had been deceived and had wasted the best years of their lives set out to make up for lost time and enrich themselves in every way they could. The same happened with communists in Vietnam. After they opened up to foreign investments and the free market in the late 1980s, corruption infected the Communist Party. Both regimes, once justly proud of their total selflessness and dedication to the communist cause, are bedeviled by worse corruption than the decadent capitalist Asian countries they used to revile and despise. A precondition for an honest government is that candidates must not need large sums of money to get elected, or it must trigger off the cycle of corruption. The bane of most countries in Asia has been the high cost of elections. Having spent a lot to get elected, winners must recover their costs and also accumulate funds for the next election. The system is selfperpetuating. To be elected to Taiwan's legislative yuan in the 1990s, some KMT candidates spent as much as US$ I 0-20 million. Once elected, they had to recoup and prepare for the next round by using their influence with government ministers and officials to get contracts awarded, or to convert land use from agricultural to industrial or urban development. In Thailand, a former government minister described it as "commercial democracy, the purchased mandate." In 1996, some 2,000 candidates spent about 30 billion bahts (US$ I .2 billion). One prime minister was called Mr. ATM (Automatic Teller Machine) because he was renowned for dispensing cash to candidates and voters. He retorted that he was not the only ATM. In Malaysia, UMNO leaders call it "money politics." In his speech to party delegates in October 1996, Prime Minister Dr. Mahathir Mohamad noted that some candidates vying for higher positions had been "offering Keeping the Government Clean 1 65 bribes and gifts to delegates" in exchange for votes. Dr. Mahathir deplored the practice of money politics and was moved to tears as he urged party delegates "not to let bribery destroy the Malay race, religion and nation." According to Malaysian news reports, Bank Negara ran out of RM 1,000 and RM5 ,000 notes at the height of the campaign leading to the UMNO party delegates' conference in 1993. Indonesia was a celebrated example of corruption on such a grand scale that Indonesian media coined the acronym "KKN" for Kolusi (Collusion), Korupsi (Corruption), and Nepotisme (Nepotism). President Suharto's children, friends, and cronies set examples that made K KN an irreducible part of Indonesian culture. The American media assessed the Suharto family to be worth US$42 billion before the financial crisis reduced their value. Corruption was worse under President Habibie. Ministers and officials, uncertain of their positions after the election for a new president, made the most of the time left. Habibie's aides accumulated huge funds to buy votes in the MPR (People's Consultative Assembly) to get elected. The going rate reportedly was more than a quarter million U.S. dollars for each vote. The most expensive of all election systems is Japan's. Japanese ministers and Diet members (MPs) are paid modest salaries and allowances. A Japanese MP requires over US$ I million a year to maintain his support staff both in Tokyo and in his constituency as well as to provide gifts to voters for birthdays, births, marriages, and funerals. In an election year, the candidate needs over US$5 million. He depends on his faction leader for funds. Since a leader's power depends on the number of Diet members who support and depend on him, he has to amass vast sums to finance his followers during and between elections. Singapore has avoided the use of money to win elections. As leader of the opposition, I had persuaded Chief Minister Lim Yew Hock in 1959 to make voting compulsory and prohibit the practice of using cars to take voters to the polls. After winning power, we cleaned up triad (secret society) influence from politics. Our most formidable opponents, the communists, did not use money to win voters. Our own election expenses were small, well below the amount allowed by law. There was no need for the party to replenish its coffers after elections, and between elections there were no gifts for voters. We got them to vote for us again and again by providing jobs, building schools, hospitals, community centers, and, most important of all, homes which they owned. These are substantial benefits that changed their lives and convinced them that their children's future lay with the PAP. Opposition parties also did not need money. They defeated our candidates because the electorate wanted an opposition MP to pressure the government for more concessions. Western liberals have argued that a completely unfettered press will expose corruption and make for clean, honest government. Yet uninhibited and freewheeling press and television in India, the Philippines, Thailand, Taiwan, South Korea, and Japan have not stopped the pervasive and deeply embedded corruption in these countries, while the most telling example of a free media being part and parcel of its owner's corruption is former Italian Prime Minister Silvio Berlusconi. He owns a large media network but was himself investigated and charged for corrupt practices committed before he became prime minister. On the other hand Singapore has shown that a system of clean, nomoney elections helps to preserve an honest government. But Singapore will remain clean and honest only if honest and able men are willing to fight elections and assume office. They must be paid a wage commensurate with what men of their ability and integrity are earning for managing a big corporation or a successful legal or other professional practice. They have to manage a Singapore economy that yielded an annual growth rate of 8 to 9 percent in the last two decades, giving its citizens a per capita GDP that the World Bank rated in 1995 as the ninth highest in the world. With the founder generation of leaders, honesty had become a habit. My colleagues would spurn any attempt to suborn them. They had put their lives in jeopardy to achieve power, not to enrich themselves, but to change society. However, this group could not be replicated because it was not possible to recreate the conditions that made them different. Our successors have become ministers as one of many career options, and not the most attractive one. If we underpay men of quality as ministers, we cannot expect them to stay long in office earning a fraction of what they could outside. With high economic growth and higher earnings in the private sector, ministers' salaries have to match their counterparts' in the private sector. Underpaid ministers and public officials have ruined many governments in Asia. Adequate remuneration is vital for high standards of probity in political leaders and high officials. In a debate on the budget in March 1985, I took the opposition to task for opposing ministerial pay increases. J. B. Jeyaretnam of the Workers' Party had contrasted my monthly salary of S$29,000 with that of the prime minister of Malaysia who was paid S$10,000, but took only S$9,000. I went further to compare the salaries of Philippines President Marcos at 100,000 pesos yearly, or just over S$1,000 a month, and the president of Indonesia, governing 150 million people at a monthly salary of 1.2 million rupiahs or S$2,500. However, they were all wealthier than I was. An Indonesian leader retained his official residence on retirement. A Malaysian prime minister was given a house or land to build his private residence. My official residence belonged to the government. I had no perks, no cars with chauffeurs thrown in, or ministerial quarters with gardeners, cooks, and other servants in attendance. My practice was to have all benefits expressed in a lump sum and let the prime minister and ministers themselves decide what they wanted to spend it on. I referred to the wage scales of the People's Republic of China. Their lowest wage was 18 yuan and the highest 560 yuan, a ratio of 1:3 1. But this did not reflect the difference in the quality of life between the lowest and the highest in the land who lived behind the walls of the Zhongnanhai near the Forbidden City. Nor did it take into account the access to different foods and goods, with cooks, other domestic staff, and medical services that made for a different quality of life. Ostentatious egalitarianism is good politics. For decades in Mao's China, the people wore the same-style Mao jacket and trousers, ostensibly of the same material with the same ill-fitting cut. In fact there were different grades of Mao jackets. A provincial leader in charge of tourism explained to one of my ministers that while they might look alike, they were of different quality cloth. To emphasize his point, he unbuttoned his jacket to show that it was fur-lined. The need for popular support makes governments who have to be elected into office, as a rule, underpay ministers in their official salaries. But semihidden perks in housing, an expense account, a car, travel, children's education, and other allowances often make up more than their salaries. In successive debates in Parliament in the 1980s and 1990s, I pointed out that the remuneration of ministers and political appointees in Britain, the United States, and most countries in the West had not kept pace with their economic growth. They had assumed that people who went into politics were gentlemen with private means. Indeed, in prewar Britain, people without private incomes were seldom found in Parliament. While this is no longer the case in Britain or the United States, most successful people are too busy and doing too well to want to be in government. In the United States, highly paid persons from the private sector are appointed by the president for brief periods of one or two terms. Then they return to their private sector occupations as lawyers, company chairpersons, or lobbyists with enhanced value because they now enjoy easy access to key people in the administration. I thought this "revolving door" system undesirable. After independence I had frozen ministerial salaries and kept public service wage increases at a low level to be sure that we would cope with the expected unemployment and slowdown in the economy and to set an example of restraint. When we had no serious unemployment by 1970, and everybody breathed a little easier, I increased ministers' salaries from S$2,500 to S$4,500 per month but kept my own fixed at S$3,500 to remind the public service that some restraint was still necessary. Every few years I had to increase ministerial salaries to narrow the widening gap with private sector rewards. In 1978, Dr. Tony Tan was general manager of the Oversea-Chinese Banking Corporation, a big local bank, on a salary scale that would have taken him to S$950,000 per year. I had persuaded him to resign to become minister of state, for which he was paid less than a third of his former salary, apart from losing his perks, the most valuable of which was a car with a driver. Ong Teng Cheong, the minister for communications, had also made a sacrifice by giving up a successful practice as an architect during a building boom. When I was senior minister, I proposed in Parliament in 1994 that the government settle a formula so that revisions to salaries of ministers, judges, and top civil servants were automatic, linked to the income tax returns of the private sector. With the Singapore economy growing at 7 to 10 percent per annum for over two decades, public sector salaries were always lagging two or three years behind the private sector. In 1995, Prime Minister Goh decided on a formula I had proposed that would peg the salaries of ministers and senior public officers to those of their private sector counterparts. This would automatically entitle them to an increase as incomes in the private sector increased. This change to a formula, pegged at two-thirds of the earnings of their private sector equivalents as disclosed in their income tax returns, caused an enormous stir, especially with the professionals who felt that it was completely out of proportion to what ministers were paid in advanced countries. People had for so long been accustomed to having public servants paid modest salaries that the idea that ministers not only exercised power but were also paid in accordance with the importance of the job upset their sense of propriety. I was able to help the prime minister justify this change and rebut the arguments that ministers were more than adequately compensated by the honor of high office and the power they wielded, and that public service should entail sacrifice of income. I believed this high-minded approach was unrealistic and the surest way to make ministers serve only briefly, whereas continuity in office and the experience thus gained have been a great advantage and strength in the Singapore government. Our ministers have provided the experience and judgment the government has shown in its decisions, the result of their ability to think and plan long-term. In the general election 18 months later, the prime minister carried the electorate although the opposition made ministerial salaries an issue. People want a good, honest, clean government that produced results. That was what the PAP provided. It is now less difficult to recruit talent from the private sector. Before the salary formula was implemented top litigation lawyers were earning S$1 to 2 millioan a year, while judges were paid less than S$300,000. Without this change, we would never have been able to appoint some of our best practicing lawyers to the judiciary. We also had the salaries of doctors and other professionals in government service linked to the incomes of their counterparts in private practice. 170 From Third World to First This salary formula does not mean increments every year, because the private sector incomes go up and down. When they went down in 1995, the salaries of all ministers and senior officials were reduced accordingly in 1997. To guard against a freak election of a less than honorable and honest group into government, I had proposed at a National Day Rally in August 1984 that we have an elected president to safeguard the nation's reserves. He would also have powers to override a prime minister who held up investigations for corruption against himself, his ministers, or senior officials, and to veto unsuitable appointments to high positions like chief justice, chief of defense staff, or commissioner of police. Such a president would need an independent mandate from the electorate. Many believed I was preparing a position for myself after I stepped down as prime minister. In fact, I had no interest in this high office as it would be too passive for my temperament. This proposal and its implications were debated as a white paper in Parliament in 1988. Several years later, in 1992, the constitution was amended by Prime Minister Goh Chok Tong to provide for an elected president. We had to keep the right balance between the president's powers and the legitimate discretionary powers of the prime minister and his cabinet. When the countries of East Asia from South Korea to Indonesia were devastated by the financial crisis in 1997, corruption and cronyism aggravated their woes. Singapore weathered the crisis better because there was no corruption and cronyism that had cost the other countries many billions in losses. It was the high standards we maintained that made Prime Minister Goh Chok Tong order an investigation into purchases in 1995 of two properties each made by my wife on my behalf and by my son Lee Hsien Loong, the deputy prime minister. They had both enjoyed discounts for the property purchases. The developer had given the same unsolicited 5 to 7 percent discounts on these purchases as he had given to 5 to 10 percent of his other buyers at a soft launch to test the market. Immediately after Keeping the Government Clean 171 their purchase, in the heat of the property boom, the properties escalated in price. Those who had not been given a chance to buy at the soft launch made complaints to the committee of the Stock Exchange of Singapore (SES). (The developer was a public-listed company.) After investigations the SES found that the developer had acted within its rights. Because my brother was a nonexecutive director of the company, a rumor went around that my son and I had gained an unfair advantage when purchasing these properties. The Monetary Authority of Singapore investigated and reported to Prime Minister Goh that there was nothing improper in the discounts given to us. Choo was indignant at the charge of impropriety. She had been a conveyancing lawyer for 40 years, and knew that giving discounts in sales was a common practice by all developers. I was equally angry and decided to scotch suspicions of improper dealings by going public with our purchases and the unsolicited discounts. We paid over the value of the discounts, which amounted to a total of S$ I million, to the finance minister (i.e., the government). The prime minister ordered this sum to be returned to us because he agreed there had been no impropriety and the government was not entitled to the money. Loong and I did not want to appear to have benefited from my brother being a director of the developer company and decided to give the S$ I million to charity. I asked the prime minister to take the matter to Parliament for a thorough airing of the issue. In the debate, opposition MPs, including two lawyers, one of them the leader of the opposition, said that in their experience the giving of such discounts was standard marketing practice and there was nothing improper in our purchases. This open and complete disclosure of a perceived unfair advantage made it a nonissue in the general election a year later. As I told the House, the fact that the system I had set in place could investigate and report upon my conduct proved that it was impersonal and effective, and that no one was above the law.

13. Greening Singapore

On my first visit to the Great Hall of the People in Beijing in 1976, there were spittoons in the meeting rooms where they greeted us. Some of the Chinese leaders actually used them. When Deng Xiaoping visited Singapore in 1978, we provided a Ming blue and white spittoon. Although we placed it next to his chair in the conference room, he did not use it. He might have noticed that Chinese Singaporeans did not spit. On my next visit to Beijing in 1980, I saw that spittoons had been removed from the Great Hall. A few years later, when I gave dinner in Singapore to Gu Mu, a state councillor in charge of economics, I mentioned that they had stopped using spittoons in the Great Hall of the People. He chuckled and said they had removed them from the meeting rooms but still used them in their offices-it was too old a habit to eradicate. I had introduced antispitting campaigns in the 1960s. But even in the 1980s some taxi drivers would spit out of their car windows and some people were still spitting in markets and food centers. We persisted and disseminated the message through schools and the media that spitting spread diseases such as tuberculosis. Now people seldom see spitting in public. We are an immigrant people who have uprooted ourselves from our ancient homelands and are prepared to abandon old habits to make good in a new country. This progress encouraged me to alter other bad habits. After independence, I searched for some dramatic way to distinguish ourselves from other Third World countries. I settled for a clean and green Singapore. One arm of my strategy was to make Singapore into an 1 74 From Third World to First oasis in Southeast Asia, for if we had First World standards then businesspeople and tourists would make us a base for their business and tours of the region. The physical infrastructure was easier to improve than the rough and ready ways of the people. Many of them had moved from shanty huts with a hole in the ground or a bucket in an outhouse to highrise apartments with modern sanitation, but their behavior remained the same. We had to work hard to be rid of littering, noise nuisance, and rudeness, and get people ro be considerate and courteous. We started from a low base. In the 1960s, long queues would form at our "Meet the People" sessions, clinics where ministers and MPs helped solve the problems of their constituents. The unemployed, many accompanied by wives and children, would plead for jobs, taxi or hawker licenses, or permission ro sell food in school cafeterias. These were the human faces behind the unemployment statistics. Thousands would sell cooked food on the pavements and streets in total disregard of traffic, health, or other considerations. The resulting litter and dirt, the stench of rotting food, and the clutter and obstructions turned many parts of the city into slums. Many became "pirate taxi" drivers, unlicensed and without insurance cover, exploited by businesspeople who rented them junk private cars. They charged slightly more than the buses and much less than licensed taxis. They stopped without signalling to pick up or drop off passengers at will and were a menace to other road users. Hundreds, eventually thousands, of pirate taxis clogged our streets and destroyed bus services. For years we could not clean up the city by removing these illegal hawkers and pirate taxi drivers. Only after 1971, when we had created many jobs, were we able ro enforce the law and reclaim the streets. We licensed the cooked food hawkers and moved them from the roads and pavements to properly constructed nearby hawker centers, with piped water, sewers, and garbage disposal. By the early 1980s we had resettled all hawkers. Some were such excellent cooks that they became great tourist attractions. A few became millionaires who drove to work in their Mercedes-Benz and employed waiters. It was the enterprise, drive, and talent of such people that made Singapore. Pirate taxi drivers were banished from the roads only after we had reorganized bus services and could provide chem with alternative employment.

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