A42 Going somewhere new without leaving

A40 Andy Ho: Think and you shall be fed



Keeping alive the opportunity society

THE issue of social mobility is something of a fixation here, as it should be as mobility declines with development generally and can create social tensions. One facet of this is the role of self-help groups in helping families move up the social ladder, as noted by Prime Minister Lee Hsien Loong. Taking a holistic approach, assistance should extend beyond schools to post-secondary institutions, and should also go beyond just academic grades. Becoming more successful in life calls for a range of soft skills, like the knack of networking, social confidence and money management. A good measure of character, cultural appreciation and emotional intelligence can also help give a leg up to young people from low-income homes.

While education remains a central plank, developing entrepreneurship is another way to bridge the gulf between the haves and the have nots. But inadequate capital, high rentals, rising labour costs and the lack of business contacts all stack the odds against those from disadvantaged homes. In a risk-averse culture, the young might gravitate towards a secure job to buy a better home for their family or help educate their siblings. Business associations and larger firms can play a useful part in checking this tendency through internships to foster an entrepreneurial spirit, mentoring programmes and business angel schemes.

It is encouraging that the doors continue to remain open for those from lower socio-economic groups to get ahead. The so-called "double poor", with low household incomes and poor grades, can also be found in good neighbourhood primary schools that have produced top students. Over 90 per cent of each cohort move on to post-secondary institutes – high by world standards – and almost half of those from one- to three-room flats make it to universities and polytechnics. Fittingly, many financial assistance schemes are available to them. Society will splinter if the children of the rich grow up to become rich, while those of poor parents stay poor.

While social mobility carried three Tans to the Istana gate, as noted by Associate Professor Koo Tsai Kee after the presidential election last year, the candidates rose up during an earlier time. A study by the Finance Ministry found moderate to high mobility here, but the fathers surveyed averaged more than 50 years of age and the ministry cautioned that the study might not apply to future generations. Also, while the poor have a chance of moving up, those from well-off homes have a higher probability of succeeding for a host of reasons like better financial support for study and cultural capital. Rising inequality is a worldwide phenomenon. It bears watching to ensure that society strives to keep hopes of moving up alive.

What is it about Singapore?

The unofficial capital of Asia is the place to be to witness an exciting future unfolding

By AYESHA and PARAG KHANNA
FOR THE STRAITS TIMES



IT IS a cliche that the Pacific Ocean is displacing the Atlantic, China will replace America at the top of the world's hierarchy of power, and the East will surpass the West. We do not believe any of that for a minute. The multipolar world we are entering will have no single winner, and the three-pillared West of the European Union, North America and Latin America remains a triangular zone of peace and the foundation of global stability.

But a world of continued Western power is not a world of Western dominance. Areas once considered the West's eminent domain such as the Middle East and Africa are now looking East for investment and exports, and new models of growth, development and governance. It would not hurt for the West to do the same.

We can all start by looking at Singapore, to which we are relocating shortly.

For the past generation, Eastern talent has been educated in the West and stayed, rising to the top of professions from medicine to academia, and founding over 40 per cent of Silicon Valley start-ups. But Asia's wave of economic growth, infrastructure spending, and improved governance have been luring back Chinese "sea turtles" and non-resident Indians, among others, to shiny new corporate parks and research labs. You do not even have to be Asian: China is launching a new scheme to recruit the best and brightest talent from all races and nations on permanent visas – call it a "red card".

Migration is about opportunity, not loyalty. Americans too have become economic migrants. Since 2008, tens of thousands of Americans have sought employment in fast-growing emerging markets, their CVs pouring into financial capitals such as Abu Dhabi, Shanghai and Singapore.

During a recent lecture to an Indian firm in Mumbai, we noticed that a third of the audience were young American MBAs. At the prestigious Tsinghua University in Beijing, hundreds of Americans and Europeans are enrolled in the English language master's programme in international relations, where they get not only the professional training for global careers, but also Mandarin language classes and guaranteed summer internships in China as well.

Already, the next generation of American leadership is learning the Asian way next to its own.

To live in the future, to some extent, you have to move to it. Singapore is not just a city-state; it is perhaps the world's leading info-state. Alongside the now universal scope of globalisation, return of Asia, and giant urbanisation wave across the planet, the rise of the info-state is one of the great trends of the 21st century.

In the 20th century, we spoke of garrison states and even market-states, but in this age where geo-technology is the key driver of geo-economics and geopolitics, it is the info-state that will have the upper hand. Info-states harness in knowledge and technology what they lack in size or military muscle. Info-states thrive by providing not just security, but also connectedness to rapidly advancing markets and technologies.

Like Switzerland, Singapore is geopolitically nimble and diplomatically neutral. It thrives as Asia prospers, and even benefits from turbulence all around as investors and talent seek a safe haven. As it nears the 50th anniversary of its founding, Singapore has undoubtedly become the unofficial capital of Asia.

To be clear, we believe in mobility, not moving. Ninety per cent of the world's population has never had the luxury to leave the country in which they were born, and only 3 per cent of the world's population are migrants. We have been more fortunate: Travel has been integral to our research methodology, taking us to most parts of the world. Globalisation has become global, and in the coming years, globalisation will open up the few remaining pockets of isolation, several of them in Asia.

While living in Singapore, we will witness Myanmar's opening first-hand as companies and investors scramble to increase their exposure to that strategically located and resource-rich country. In the coming years, North Korea's fate may well include reintegration with the South, a momentous geopolitical event. Frontier markets such as Mongolia are rapidly harnessing immense natural resources while using the latest technology to leapfrog out of underdevelopment.

Most of all, Western inventions are becoming Eastern innovations as Asian nations such as Singapore, South Korea and China rapidly move up the value chain and deploy bio- and nano-technologies, alternative energy sources, and robotics in their societies. Nothing beats being there to witness new futures being made.

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We live in a world of multiple loyalties. We are both naturalised Americans and proud New Yorkers, but we are also academics and advisers who have fallen in love with London. We also care deeply about our South Asian homelands and contribute to diaspora programmes and technology ventures to spread prosperity to what are still some of the poorest parts of the world.

There is no substitute for America in our lives, but those who have global connections have a responsibility to keep America connected to the world. American expatriates represent only 1 per cent of its population, far less than other developed societies. Geography is one significant reason for this. Americans have become used to believing they sit in the centre of the world, but in fact the US is the last major nation to complete the day (Brazil's east coast is an hour ahead of New York). It is certainly parochial, not to mention impractical, to believe that the rest of the world will wait for American instructions as it goes about its day. Instead, more and more traders and investors are moving to California so they can speak to Asian clients and partners at more reasonable hours.

Singapore has attracted American expats for decades. The first wave was bankers and consultants in the 1970s and 1980s. Several years ago, adventurer-investor Jim Rogers made it his home too. A well-known China and commodities bull, he has twice driven around the world and knows demographic vibrancy and entrepreneurial energy when he sees it.

Few knew that Facebook co-founder Eduardo Saverin lived in Singapore until it was revealed last month that he had taken Singapore citizenship. The Saverin case is interesting not because he would not have to share perhaps billions in taxes with the Internal Revenue Service after Facebook's initial public offering, but because he is practising a perfectly rational arbitrage in a world of diverse systems and growing opportunity. All American expatriates rightly complain about their disproportionate and punitive double-tax burden while living abroad. Rather than question their loyalty, Congress should learn from its best ambassadors and repeal it.

Our Hybrid Reality Institute joins a growing list of institutions setting up co-equal outposts in Asia to serve as bridges between East and West – because there can never be too many. Insead and the Massachusetts Institute of Technology have substantial presence in Singapore, and now Yale is launching a major partnership with the National University of Singapore.

Anyone who denounces such moves on the grounds that most Asian nations are not Western-style democracies have not observed the progressive social impact American universities have brought in just the past decade through their campuses in Doha and Abu Dhabi. Even where politics unfolds according to its own path, Americans can spread many virtues: overcoming the fear of failure, greater risk taking, and a culture of open discourse.

We also believe there are important things the West can learn from Asia, where there is greater confidence in government and a less hostile dynamic between business and government. Asian nations running surpluses are committing long-term capital to infrastructure the way America needs to.

Leading Western companies such as General Electric, IBM, Cisco and others are building their future business as American companies by co-constructing Asia's smart cities. Lower-cost private universities are flourishing across Asia while American drop-out rates are soaring. Enrolment in private Chinese universities has grown 25 per cent since 2001, and over 1 per cent of Malaysia's gross domestic product now comes from higher education.

Furthermore, disciplined technocratic governments are also practising what seems like an oxymoron to Americans: planned innovation.

A recent study of 10 emerging markets revealed that the top 1 per cent of 400,000 firms studied contributed 40 per cent of total new jobs and 44 per cent of revenue; the top 5 per cent delivered around 70 per cent of both revenue and jobs. Education, social stability, and sustainable consumption: these are values now as universally important as democracy.

Singapore and other Asian finance and tech centres pay deep homage to Silicon Valley and work hard to learn its lessons. We might also return the favour.

Singapore's outgoing ambassador in Washington, Professor Chan Heng Chee, is a political scientist who has travelled across America relentlessly in recent years pointing out all the ways Singapore not only practices democratic elections (the ruling People's Action Party suffered sharp set-backs a year ago), but constantly consults citizens through district-level outreach and technology to calibrate its policies. America could use a lot more such real-time governance. Technology allows it and citizens should demand it.

Singapore is entering its next 50 years as one of the few unmitigated success stories of the post-colonial world. It sits at the heart of the Indo-Japanese-Australian triangle, a strategic zone that is a world unto itself, the most populous and diverse region in the world. We are rapidly moving into a future where West needs East as much as the reverse.

The writers are directors of the Hybrid Reality Institute and authors of the new book Hybrid Reality: Thriving In The Emerging Human-Technology Civilization (TED Books, 2012).