MILKEN INSTITUTE

ASIA SUMMIT 2025

OPENING REMARKS BY CHAN CHUN SING, COORDINATING MINISTER FOR PUBLIC SERVICES AND MINISTER FOR DEFENCE FOR SINGAPORE

Announcer 00:04

Ladies and gentlemen, welcome to the Milken Institute Asia Summit. We're delighted to have you join us for this event in Singapore, and look forward to your participation throughout the day. To open the program, please welcome to the stage Executive Vice President International, Milken Institute, Laura Deal Lacey.

Laura Deal Lacey 00:30

Good morning! It is my great honor to welcome you to the 12th Milken Institute Asia Summit. Over the past decade, the summit has grown into much more than just a gathering. It has become the Milken Institute's largest gathering outside of the United States, an important platform for global dialogue on the future of finance, health and philanthropy. And where better to convene this conversation than here in Singapore, a trusted hub for investors and business leaders; a stage where we confront the defining challenges of our times, from US-China relations, to supply chain resilience, to AI advancements. At the Milken Institute, we're guided by a simple but powerful belief that when capital, talent and ideas connect, they can solve the world's greatest challenges. In this year's summit, we will examine how to navigate geopolitical shifts, how to accelerate innovation and how to confront urgent priorities in sustainability, health, and resilience. The conversations we begin here will not only shape strategies for Asia, but they also shape the trajectory of the global economy. To open our program, we have invited the Minister of Defence of Singapore Chan Chun Sing, to provide opening remarks. Minister Chan has led the Singapore Army, the Ministry of Trade and Investments, the Ministry of Education, before taking his current role as minister of defence. His unique perspective and background, spanning from security economics to education, making the perfect voice to open today's program that has 70 sessions under the theme: Progress with Purpose: Collaboration Amid Complexity. Please join me in giving a warm round of applause and to welcome the minister to the stage. Thank you Minister for coming. Thank you all for being here.

Chan Chun Sing 02:45

Mr. Richard Ditizio, CEO of Milken Institute, Mr. Robin Hu, Asia Chairman of Milken Institute, distinguished guests, ladies and gentlemen, good morning to all of you, and for all our foreign guests, a warm welcome to Singapore. In Singapore, when we say a warm welcome, we also mean the weather. Good to see all of you here. Good to see all of you back in Singapore. Well, if I start today by telling and reminding all of us that we are in a changed world, it should not come as a surprise. For everyone in the audience here if I say that not only has the world changed, but the world is going to change even more, and perhaps in more unpredictable ways, it should also not come as a surprise. And today, I thought we should spend a bit of time instead of just talking at the superficial level about changes, to perhaps understand the driving forces for these changes, and certainly the driving forces beyond personalities. Then perhaps we can think about what we are going to do in Singapore and what we are going to do together on the global stage. Now today, as we stand here, I think many of us can be justifiably worried about the future, and for many of us, I think we are paid to be worried ahead of times. Because we all know that when the economies falter, societies fragment, and the risk of conflict heightens. When people feel that they are left behind, many will turn nativists. When societies feel that they are left behind, they turn protectionists. And we soon find ourselves in a downward spiral—economic stagnation, societal rifts, protectionist measures, and the negative cycle goes on. But such trajectory is neither new or unavoidable. It's not new because—if we recall our own global history to almost a 100 years ago—we face rather similar challenges. Not exactly the same, but rather similar. In the late 1920s and early 1930s, we had the Great Depression. There were global economic challenges, and arguably, many of those global economic challenges unleashed quite radical politics in many countries. Trade flows dwindle in the face of tit for tat measures and retaliatory measures. Overall, growth faltered. The downward spiral arguably contributed to global conflict in the form of World War II. Today, we see elements of that part of history—the forces for globalization is weakening, the global productive capacity is not reaching its optimum. And because of that, we see inflationary pressures, we see rich stagnation in many parts of the world, and we see rising inequality. All these are, once again, feeding back into political polarization and mistrust. However, all is not gloomy. On the bright side, we see tremendous potential for technological advancements, but technology is neutral. The question is whether we have the rules, we have the systems that can allow us to bring out the best from technology. Or will we end up in a situation where without those guardrails—rules—that technology itself may not only fulfill its potential, but can become a negative force in itself.

Chan Chun Sing 07:51

So then the question is, where do we go from here? I think there are two possible scenarios, broadly, to bookend the range of expanded scenarios that we have to think about. On one extreme end of the scenario, we are likely to see the world continuing to fragment, different countries going into different blocs, and overall, the global economic potential is diminished because we are all trying to optimize at the local level. And we all know from economics that optimizing at the local level can never be as good as optimizing at the global level. So that's one end of the spectrum. Of course, the other end of the spectrum is this dream that we will once again, return to the "we all live happily ever after" model, where we see greater global integration, all coming together to build rules for the future, for the common good. I would argue that both extreme scenarios are not the most likely. The question is, within these two book ends, where were we more likely to end up? That is not a path that is entirely dependent on luck. That is something that all of us here can do to define that balancing point or to achieve that balancing point that we wish. But to do that, I think we have to first understand the driving forces that are causing all this at this point in time. And the real problem for many countries, for their inability to take action together, to bring for a more integrated world, basically boils down to domestic politics. No country, without strong cohesive society, without strong domestic support, will have the confidence to take measures that will promote more integrated growth, more integrated economic development in the world. Because for us to come together to set new rules and guardrails, it requires confidence. Confidence to say that this set of rules will be better for all of us—sometimes we win more, sometimes we win less, but overall, we can all win together. But many countries, when they are not confident, they will be caught up in their own domestic politics, and without strong, principled leaders, it will be easy to fall into the trap of populist politics, where leaders will appeal to the here and now and not the long term. Where leaders will appeal to the easy solutions. Take the example of the growing disparity domestically between those who are able to keep pace with globalization and those who are not. What is the right solution to narrow the gap for everyone to move along and to see that everyone can benefit from this process, and everyone has an interest to upkeep this process? I would say that the correct solution, but the toughest solution, is to remind ourselves that we all have a responsibility to help those who are left behind to keep pace. That is easy to say but difficult to do, because it will require public expenditure, political will to see through programs to retrain our people and upskill them in order to keep pace. It is not something that can be done within one political term. It is not something that leaders who are only focused on the short term may focus their minds on. But to me, that is most important. Because at the end of the day, to narrow the inequality, or the disparity in the distribution of the fruits of success, cannot just be about a game of redistributing in order to get more votes. We need to keep growing the pie. We need to make sure that those people who are left behind, either absolutely or relatively, have the chance and the hope to keep pace. And therefore, the fruits of success must be shared and reinvested in building up the capacities of those who have been left behind or feel that they have been left behind relative to others. So these are real issues that require political will and a government system that can deliver. Without that, we will be caught up in the nativist instincts and the protectionist instincts, which will never allow global cooperation to flourish. So that is my basic hypothesis. What are we doing in Singapore amidst all these changes? Well, we will certainly adapt our ways of how we build partnerships with the rest of the world. But I would say that we will double down on four things that we will not change, four man made advantages, or four man made competitive advantages that we will not change.

Chan Chun Sing 14:42

There's a Chinese saying that "以不变应万变"—stillness to counter the ever changing world. And what are some of these four core principles that we will not change? First, our first man made competitive advantage is this: that we will continue to make sure that we have the political stability, so that we can have the policy, consistency, and continuity. I have been the defence minister. I have been the trade and industry minister. I have been the education minister. In all my roles, very often people will ask, visitors will ask, what is the ingredient or the special sauce for Singapore's success? When I was the education minister, the question was, did you have some technology? Did you have some curriculum or syllabus that you can share with us, that we can perhaps keep pace just as you have? My answer has always been no, there is nothing secret about Singapore's success, but there is something special about Singapore's success, and that is our ability to execute and think long term. An average idea, well-executed consistently over time, beats the brilliant idea that is a flash in the pan. Take a simple policy, like using English as our business language. We started the bilingual policy in 1960, where we all learned English and the mother tongue. We only had all schools using English as the primary language in the 1980s—a 20-year journey. But this is just but one example of what we mean by being able to think long term and execute with conviction. On the economic front, increasingly, in an uncertain world, businesses are looking for places where they can mobilize their capital, aggregate their talent, and protect their intellectual property. Businesses are looking for places where they can put their trust in, because when they plant their investments that require a gestation period of 10 to 15 years, they require policy consistency. And I would say that this is something that Singapore can offer, unique to the rest of the world: the ability to think long term, and the ability to execute with conviction over the long term, so that we mean what we say, and we say what we mean, that businesses can continue to have the trust in us. In a world of rapid change, the second thing that we will double down on is the rule of law—the consistent and fair application of the rule of law. But I want to stress this. In Singapore, when we look at the rule of law, it's not just about preventing bad things from happening. It is also about ensuring that good and better things can happen. This is why, MAS, the Monetary Authority of Singapore, and many other agencies in the Singapore public service—we are all committed to making sure that our rules continue to evolve at speed, so that we can pioneer new products and services with the necessary guardrails. And in the financial markets, this is increasingly important. It is one thing to have financial innovations, it is another thing to have financial innovations that comes with guardrails, with responsibility, with ethics. And this is what Singapore intend to do to distinguish ourselves as a place with the rule of law, and more importantly, a place with the rule of law that is progressive and evolving with the needs of the time. The third thing that Singapore will double down in this volatile and uncertain world will be this: We will continue to forge new partnerships with partners, not just countries, but also companies—many companies like yourself, whose GDP is probably bigger than some other smaller countries. Because we think that the future will be shaped by rules that are developed, not just with partner countries, but the companies also play an important role. For example, about more than 20 years ago, Singapore pioneered the free trade agreement with the US. It was a gold standard at that point in time, and I will still argue that it's still the gold standard, even till today, where we were able to have the free movement of capital, talent and so forth, and it allows both of us to partner, each other, to seize the new opportunities. So notwithstanding this, we have not rest on our laurels. When the digital economy came along, we initiated the Digital Economy Partnership Agreement—that was my time in MTI. My team thought that it was necessary, but not sufficient, to just keep improving what we have done on the FTA side. We need new rules for the new digital economy, and that's why with like-minded partners like New Zealand and Chile, we started the deeper series of agreements, and it has since grown. And now we'll continue to do so, even in the partnership for the Future Investment and Trade, or what we call "FIT." Again with like-minded partners to try to contribute our efforts to uphold the rules-based order, to uphold and reinvent a new set of rules that will continue to promote mini-plurilaterals or multilaterals, so that we can continue to benefit from globalization and integration. And we will continue to do that, because there is nothing to say that is inevitable the world will fragment, because I believe businesses and many other countries continue to believe in the potential of a more integrated world, and that is where we will continue our effort.

Chan Chun Sing 22:07

Last but not least, Singapore will continue to double down on our investment in our people. And when we say our investment in our people, as the then minister for education, I have said this, and I'll continue to say this, it's not about just investing in the first 15 years to give our people a solid foundation in math, in science, in languages. More important than that, nowadays in the world, we need to invest in the next 50 years beyond the schools, because whatever we learn in the school is but a foundation. Whoever in the world that can continue to invest in his people beyond his school years and keep his people always at the cutting edge of technology, ideas, will be the winner in the new, uncertain world. We started this more than 10 years ago with what we call the SkillsFuture movement. We have made progress, but we are humble enough to know that much needs to be done. We have an objective that if the work span in any particular company is going to get shorter and shorter, if the lifespan of every major Fortune 500 company is going to get shorter on average, then the speed at which we need to retrain our people must keep pace, and that is why our emphasis is not just on the basic compulsory education in the first 15 years, but the lifelong continuing education of our people for the next 50 years. And this is how we will not protect jobs, but we will protect our people. We will help our people to make sure that they can earn their keep, so that they have the dignity and respect that comes from work. This is also the way that we can keep our society cohesive and united and not be divided by the unequal distributions from the fruits of growth. And this will form the basis of how Singapore can continue to be cohesive, coherent and confident in the way that we approach the rest of the world's challenges. Now, having said that, beyond Singapore, let me just come back to this point about where we all can work together going forward. All of us here in this room are probably leaders in different industries and different sectors, and all of us will have a role, have a responsibility and the agency to shape the outcome of where we want to go from the two extreme book ends that I described. Governments can set policies, but markets, industries and enterprise will shape the outcome. There is room for all the leaders in this room, because you command the resources and you have the ideas to take us to a better place. Or, none of us in this room should be a bystander to change, but instead, we can be the architects of change.

Chan Chun Sing 25:40

And so what can we do as industry leaders, as corporate leaders? I would suggest two things. First, it is our responsibility and within our agency to push for new models of collaboration. Your voices, your desire for greater global collaboration, greater integration, fresh set of rules to guide the new economy. Your voices must be heard in your respective countries at the political level. You must give confidence to your own leaders that this is what the business community and the market desire. You will have the responsibility, you will also have the agency to try to counterbalance the worst of the nativist instincts that comes from the uncertainties that our people are facing. But on the other hand, if we succumb to our own protectionist tendencies in the corporate world, then it will be quite a different world. Then it will be what we call a prisoner's dilemma, where each and every one try to optimize our own outcome, but we end up with a worse collective outcome. So I think all the corporates have a responsibility to raise your voice for the kind of world that you want to see, and hopefully it's a more integrated world with guardrails, with new rules fit for purpose for the new economy. The second thing that I think all corporates can do, is to invest in our people, to grow our own timber. I say this not to ask you to do charity or to train the people, but it is in our own enlightened self interest that we grow our timber so that people, workers who are likely to be displaced by the technological disruptions or the fragmented global system can have the confidence and the hope that they will be taken care of, not by welfare payment per se, but by the fact that there are people who continue to believe in them and want to invest in them and want to help them to keep pace with the work. I say self enlightened interest, because the people, the workers, are also the electorate. When the people, the workers, the electorate, all of them are the same, see the hope and the prospect for a better future with the current system, with corporates playing their role, then I think they are more likely to support the current system, and that would help us to stave off the worst of the nativist and protectionist tendencies. But on the other hand, if corporates do not invest in the talent management and the talent development of our own people, then I think there will be many more who will feel that they are going to be left behind, or fear that they going to be left behind, and they will question, why should they continue to support the system? So I think these are two simple things that corporate leaders all over can join hands to do—develop our people and have your voice heard that you prefer a more integrated global trading and economic investment system.

Chan Chun Sing 29:31

So ladies and gentlemen, I hope I have been a fire starter for your conversations for the next two and a half days. I don't think there will be easy solutions, and I don't think that you are looking for easy solutions, but I do believe that there is nothing inevitable that we end up in a more fragmented world, or should we just sit idly by, hoping that we will end up in a more integrated world. Because hope is not a method, but I do believe that between these two extremes, we have both responsibility and agency to shape the world that we want to see. For Singapore, we believe in doubling down on our man made competitive advantages, a consistent and coherent government, a conviction to invest in the long term, a commitment to build partnerships, and a commitment to invest in our people. And we would like to partner you in this journey to collectively get our voices out to say that we all would like to see a more integrated world where we have more opportunities for everyone, because we are able to optimize at the global level, rather than be shoehorned and restricted in our narrow local level. And I hope that we will also all play our part in investing in our people, so that everyone can feel the sense of hope that they can continue to progress and allow the next generation to do even better. Without that sense of hope, then it's a very dangerous world for everyone, because the worst of the nativist and protectionist instincts may take over. On that note, I wish you all the very best in your conversations in the next few days, and I hope that Singapore will be able to partner you in your journey, in your onward journey. Thank you very much.