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Digital Narratives of Asia

Institute for Societal Leadership (2016-2018)

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31-10-2017

### Tony Tan [Singapore, President, Minister for Defence, Education]

Tony Tan

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Interviewee: **TONY TAN**  
Interviewer: Martin Tan  
Date: 31st October 2017  
Location: Singapore

00:00:21

Martin

Dr Tan, thank you for joining us for Digital Narratives of Asia. It is an oral history initiative by Institute of Societal Leadership. So, thank you for this privilege. You have had a storied career. You started as an academic, you rose through the ranks at OCBC (Oversea-Chinese Banking Corporation) to become general manager. You were appointed Chairman of Singapore Bus Service, and then you joined politics. After winning a Sembawang seat, you very swiftly started as the Minister of State for Education, rising to become the Minister of Trade and Industry... Education, Health, Finance... and on your return to Cabinet, you became Deputy Prime Minister. After years at the corporate world as Chairman of the Singapore Press Holdings, and after retiring from politics, you contested and was elected as the seventh President of the Republic of Singapore. Now, post-Presidency, we find ourselves in this office at Singapore Management University, where you are now the Honorary Patron. It is almost like a full-circle. The story arc of the career of your life, coming back to where you first started, which is academia.

Of all the leadership roles that you have played, which one will you remember the most for? Which one did you enjoy the most?

00:01:30

Tony Tan

Of all the ministries which I did, the one which I found the most engaged in, even my wife also found most engaged in, was the Ministry of Defence. There was a special reason for it. We have a small professional army there, but basically the artillery. The bulk of our soldiers are national servicemen. Now national servicemen are actually young men just out of school, when they finished polytechnics, or "A" Levels, or schools, and they serve in the military for two or three years. So, they are not professional soldiers, and I have found it very encouraging to see these young men, literally boys, actually, coming out. Within one, two years, turning to professional soldiers. My wife and I had the opportunities to accompany them on their training stints here in Singapore, as well as in Brunei, Australia, Taiwan, and various places. It gives me a tremendous sense of satisfaction to see our own young men, rising up to occasions, becoming professional soldiers. Actually, being able to work with other soldiers from other militaries, who have made a career out of their profession, giving off their best; also, drawing very favourable comments on their performances, that gives you a tremendous sense of satisfaction. We enjoyed it tremendously, mixing with the national servicemen. Of course, I also spent a lot of time visiting military units, both in the Army, as well as the Navy. I sailed on ships, also I went up

on airplanes. That's something different from other ministries. Every ministry has got its challenges, meetings you have to attend, people you have to meet. But it's only in the SAF (Singapore Armed Forces) you get to meet these whole variety of experiences, which for most people, you don't really get to a chance to experience. So, I would say that I found very satisfying. But having said that, every ministry I found something very interesting, particularly when the time was difficult, and you have to focus you mind.

00:04:04

[Martin](#)

How about challenges, if there are so many of these portfolios, so many highlights that you have mentioned? You have mentioned earlier that at difficult times you have to focus. If there is one portfolio that you have found the most challenging, what would that be?

00:04:19

[Tony Tan](#)

That's a very good question. I would say conceptually the portfolio, which I found most was difficult to define, set targets, be clear about what you have to do, and what results you are likely to get and the consequences, is education. Education is somewhat different from other ministries. First of all, every person in Singapore believes that he or she knows how to run the education, whether they have been to the school education, or they have a child who is in the school or university, and they have their aspirations. So, it's difficult to define the education policy, which will suit everyone. Also, there are many faceted aspects of education. You talk about the professional training, you must give the student a very good academic background. You must prepare for their studies, whoever to carry on later on. At the same time, we also want to teach them strong values as well. How to balance all of these? It's a real challenge. The other aspect of education, which I found difficult was the time scale. In other ministries, particularly in Finance, for example, if you make a mistake you know it straight away, within one, two months, and you can correct it. In education, the time scale is in years, seven, eight years before you can see a difference. If you make a serious error, by the time you found out about it, and then you change it, essentially one generation of students would have been impaired, or their learning would have suffered. So, I was very careful to think through all of these.

The nature of education also changes. What we are doing now in Singapore, because of the change of our economy, is emphasizing very much on skills, for example. At that time when I was Education Minister, it was to give students solid academic background, and also to prepare them for continual education, whether it is in the ITE (Institute of Technical Education), or in the polytechnics, or in the university. In a sense, the skills part was very important, but not to the extent that we have to... Education has to change with the times and as to take into account the needs of the economy, the aspirations of parents, also of young people, also the circumstances change.

00:07:41

Martin

If I take you back to all your various roles, the five decades that you were in the corporate life: Dr Tony Tan as an academic, Dr Tony Tan as a banker, Dr Tony Tan as a politician, and Dr Tony Tan as a President, how different are you in each of these roles? Have you changed in your leadership style?

00:07:53

Tony Tan

I would hope that I have learned more, and consulted more people. The value of feedback is very important now, particularly today because social media has changed the whole way people interact with each other now. In the past actually, it was much simpler because there is the mainstream press, and there is certain news cycle, and then you have time.

Today social media changes everything. Something comes up, you have to reply instantly. The news cycle is so short. Let me give you one example why it is important. I was in Germany on some official trip. There was this riot, which took place in Little India. This was in 2013, something like it, right? We were having dinner in Germany... it was about six hours I think. One of my security officers told me, "Do you know there was a riot?" I did not get the information from the Government. It was some member of public, who had taken a video of what was happening, put it on YouTube. I saw the video. We are not used to this in Singapore, car burning, and so on. It looked very serious indeed. That disturbed me a great deal. I wanted to find out more immediately. I know that DPM (Deputy Prime Minister) Teo Chee Hean was going to hold a press conference... must have been about one am, or something in the morning. After discussing with him, I get this... This is a very unusual situation in Singapore, because you start a riot, there must be some racial elements to it. I should come up with a statement in order to calm people down, tell them don't take the law into your own hands; work with the authority, preserve our multi-racial harmony. Now, the challenge there is how to do it, in the time zone... six hours difference from Singapore? It was about nine pm, it seemed. It was two, three am here. To craft a statement within one or two hours, get it back to Singapore, so that it could be on the news cycle because I thought it was very important that when the press reported the news the next day before the comments from the minister, DPM Teo, that my statement should be there. If you missed the cycle, then it's not the same. It was quite a scramble, but we managed to do it. I think it was Singapore about four, five am in the morning. Fortunately, they were able to get it in time for the press the next day. I hope that it made a difference, because everything comes to be stabilized after that. But it shows the different type of world, the time scale has shrunk, and to be relevant now, you have to work with these new circumstances. If you miss the news cycle, then it is no longer news anymore.

00:11:55

Martin

You mentioned this whole change in the time scale of the last five decades really, politics have changed significantly since you entered the Government in 1979, to where it is today. What do you think, apart from social media, apart from the speed of information, what do you think has changed in Singapore politics in your opinion, both as an observer, as well as an active player?

00:12:28

[Tony Tan](#)

We have a different population now, the population who is much more aware of the world today. We have a population who have different aspirations. I joined politics even in '79, particularly in the earlier years when we were in the '60s, '70s, '80s... People's aspirations were... in a sense, more straightforward. Get education, get a job, get a home, provide for your family, and make sure your children are well-educated. So, it's fairly straightforward. These are concrete items, and as a Member of Parliament in Sembawang when I go, these are the things which people talk to me about... day-to-day problems. Sometimes you can help them. I tried to do as much as I can, it's understandable. But I think today it's different. People now want not only... their aspirations have changed. Everybody travels nowadays, particularly with these low-cost flights. Then they are aware of what's happening. Singapore is an open society. They look at television. They look at YouTube to see what'd happened. It's a more varied structure today. Relating to this, I think it's much more difficult for the MPs (Members of Parliament), the ministers today. Because it's dealing with constantly changing sets of circumstances and framework. It's also much more demanding because it's sort of a twenty-four hour, seven-day job. As I said, sometimes there is not enough time to think through all the consequences, but you have to adapt to it. I'm afraid I don't see these changing. Technology today is such that anybody can put anything they like on Internet, and some of these go viral, and it may be fake news, but it has an impact on people. How to correct that is very, very difficult indeed? But it's something which is necessary. Every time you say something, people may misconstrue it. Also, with the mainstream press, at least, when it is published, it's edited. Somebody reads it, somebody makes sure it's right. With the Internet, everybody is his own producer and distributor. There is no filter. Yet it has the potential to reach everyone, and sometimes it can be very widespread indeed. That's very difficult to... sometimes can be quite dangerous indeed.

00:15:34

[Martin](#)

Was it difficult for you back then to consider politics? You must have some time being asked to mull over, and make your decision, whether to join the PAP (People's Action Party) back then, as well as to contest. If I can bring you all the way back to 1979, prior to

1979, was it a difficult decision for you? Can you share with us a little bit about how your thought was?

00:015:59

[Tony Tan](#)

Of course, it was difficult. At that time, I was working happily in OCBC (Oversea-Chinese Banking Corporation). I had joined OCBC in '69, and worked my way up. I was a general manager. It was a job, which was very fulfilling, and suited me well. I liked the people I was working with, and prospects were very good. So, when I was asked to join politics, first thing was... I don't have the skills. I could speak some Malay, but not Chinese. I had never done public speaking on any scale, neither had I gone round doing community work to that extent. So, completely new world. So, obviously you don't jump into a situation like that, which could be disastrous. Mr Hon Sui Sen spoke to me, and Mr Lee Kuan Yew spoke to me. After some months of thinking through it, I decided that's something which I had to do, even though I was not a natural politician, even today. It was a whole new world for me, going around, meeting community. It was a very different setting from what I was used to. I was thirty-nine years old at that time. I have to get used to a new lifestyle, get used to new circumstances, working with people. But it turned out well. I was a Member of Parliament in Sembawang, worked for a long time, over twenty-five years. In the end, I worked well with the people there. I got to know them, not only them but their children. I watched their children growing up, and there was a bond between myself and them. After a while, you feel an affection for them. So, it was something which enrich my life. I hope I have done something for Sembawang, even up to today I still keep in connection with some of the people there as well.

00:18:21

[Martin](#)

But it's an important story, an important legacy. We are talking about change and there are something that we need to look at, which does not change. There are some policies, which Singaporeans looked back and said, "Well, I'm glad it changed." One of those controversial policy was during your time when you were the Minister of State. You were just actually replaced Dr Goh Keng Swee as Education Minister in 1984. We are talking really about the Graduate Mother Scheme. It was something that both Mr Lee Kuan Yew and Dr Goh had a hand in it. It was controversial back then. When you took over as Education Minister, one of your earlier policies was to reverse that. How was that like, knowing that the very policy is reversing something that your predecessor, as well as Mr Lee, had a hand in it? Was it difficult?

00:19:17

[Tony Tan](#)

Of course, it was difficult. This so-called Graduate Mother Scheme was introduced by Dr Goh Keng Swee and Mr Lee Kuan Yew for good intentions. We were always been worried about our low birth rate particularly among the graduate mothers. This is a big effort to persuade the graduate mothers to have more children. One of them was to give priority to their children in choosing schools. It was a controversial policy, because people felt that it's not fair. This is something you visiting on young children through no faults on their own, something which parents may or may not have done. So, it was not popular. But Mr Lee and Dr Goh felt that it was necessary in view of our birth statistics. Even the graduate mothers, who would benefit from this policy, were unhappy about it. So, when I took over as the Education Minister, I decided to review the policy. I took a few months to look at it. Does it work? I knew the intensions, what were the results? It was quite clear to me that it was not working at all. Whatever be, the objectives, or the merits of the policy, the results were negative. I thought that if the results were negative, and it's not working, then it is better to take the bull by the horns, and change it. It is better to do it fairly quickly, because once it is settled down, then it is very difficult. Once you are in the new ministry... and the people with objections. I thought about it quite carefully over several months. I explained my reasons. Dr Goh, by the time had retired from the Government. So, I told Mr Lee Kuan Yew, the Prime Minister, that this was not working, "I'm going to reverse it." And he was a great man. Basically, what he said was, "You're in charge now. You have to do what you think is right." So, I explained in Parliament about why I did it. I think it was a right policy, because after that people were... we changed it. There were different ways of doing it, other schemes. To me, it was something that had to be done fairly quickly. I'm glad it went out well.

00:22:26

[Martin](#)

In 1985 where we had our major, one of our first back then major recession, before that Mr Lee had always insisted that no one touches the CPF (Central Provident Fund), because that was for him, almost the holy grail for our workers for Singapore. But 1985 was not an ordinary recession. It was a major recession. You were back then the Trade and Industry Minister, concurrently you were the Minister of Finance.

00:22:52

[Tony Tan](#)

No, I was not Minister of Finance, it was after that. Trade and Industry Minister, I'm not sure, I could have been. '83 I was the Minister of Finance, '85... that's right.

00:23:05

[Martin](#)

So, I remember it was concurrently, it was a difficult time for Singapore.

00:23:10

[Tony Tan](#)

Difficult, very difficult.

00:23:11

Martin

Could you share with us your own recollection of that episode, and you were a key actor in that, how? What did you have to do?

00:23:20

Tony Tan

That's a long story [Both laugh]. In '85 recession... we have always had ups and downs in the Singapore economy. Up to '85, we have been used to fairly high rate of growth, seven, eight percent, and the country was doing well. Some years a bit slow, but nevertheless, we always had positive growth. But in '85, a series of combination of worldwide situations, slowdown in our part of the world came about in the first half of 1985. Our economy went down very rapidly within a matter of months. Companies were closing down, people were being retrenched. Jobless rate was going up. That in a sense puzzled me and my colleagues in the Ministry of Trade and Industry. We knew that it was going to slow down, but why did it slow down so fast? Why with such wide spread consequences? It cannot be just economic factor, or trade factor alone. There must be some other reasons. We discussed it. We brought it some experts. We talked about it. Then eventually we came to the conclusion, together with discussion with my colleagues and people. What happened was that we had pushed up our CPF way too high. Technically, what happened was when you push up your CPF, you're extracting money from the economy, and in a sense, sterilizing it by putting it in into common bond. In addition to normal spin-off of economy, monetary policy has a part to play with it. This was due to the fact that our CPF rate was actually far too high. So again, I thought about it for quite some time. I discussed with my colleagues. I came to the conclusion that if we don't do something about it by CPF rate, this thing could go on and it will get even worst. By that time our economy has slowed down to zero growth, which had never happened before. We have gone down to four, five percent, but never zero. So, it did puzzle me a great deal. In the end, I said that, "We have to reduce our CPF rate." How much to reduce, that's a separate issue, which we can discuss later. But the main principle is that, we cannot keep our CPF saving rate so high, and extract more money from our economy. So again, we went to Cabinet. I explained my reasons. Mr Lee had been very much vocal, he said, "You should not touch it." But then he accepted the logic of the situation. I made a speech I remember, in late 1985, saying that we should reconsider the level of our CPF rate because this is the situation, we need to in a sense, technically, re-establish the supply of money back into the economy in order to aid the recovery. It was accepted, after that we consider how much to reduce. Different people had different ideas. Mr Lee was very good. He advocated a very large reduction in the CPF rate. That changed the whole situation. So

by 1986, economy had turned around again. We have also an Economic Committee chaired by Mr Lee Hsien Loong. Everything worked out well.

00:27:27

[Martin](#)

After that you retired from Cabinet, and we went through a very different type of our use of overarching crisis, where we had our two deputy prime ministers fell ill, at almost a very similar time. You were asked to come back to Cabinet to take on the role of Deputy Prime Minister, and Defence Minister. You were back then, you were already back to the corporate world. You were still a Member of Parliament for Sembawang. You really didn't have to come back, but you did. Can you take us through that position?

00:28:08

[Tony Tan](#)

I left the Cabinet after the transition from Mr Lee Kuan Yew to Mr Goh Chok Tong in 1991. I have always had a great affection for OCBC, where I had worked previously. They asked me to come back at that time, because there were some transition problem there, and they didn't have anyone there to take over as the Chairman and CEO (Chief Executive Officer). So, they approached me, and I thought my job in the Government was over, it was possible for me to go back to the bank, which I did as the Chairman and CEO from 1992. But life changes and you can't plan for everything. Then out of the blue, two years later, turned out that both Ong Teng Cheong and Mr Lee Hsien Loong were stricken with cancers. It's very, very serious indeed.

In a sense, there were some... I won't say... confidence itself were shaken. People were uncertain. Why does it happen? Two deputy prime ministers [fell ill] at the same time. Cabinet, Mr Goh Chok Tong thought that we need to strengthen the Cabinet. So, I was asked to consider leaving the bank, back to take over as Deputy Prime Minister and Minister of Defence, which is a big responsibility. It was very difficult. Because I had settled down in my job. I liked the bank, I liked the work, and I didn't want to leave the bank. Difficult positions. I thought about it for several months indeed. But in the end, I felt that the future of the country is at stake. I cannot let my own personal feelings, or the prospects of the bank, to affect what could happen to the country. So, I agreed to rejoin the Cabinet in August, 1995. It was as I said, not an easy decision. By that time you had already settled down. '79 was thirty-nine years old. Now, I was fifty-five years old, not so easy to make the change at the time. But it turned out well. I joined the Cabinet became DPM, Minister of Defence, stayed for ten years, until 2005.

00:31:00

[Martin](#)

Was the sense of duty the reason why you ran for the Presidential Election in 2011?

00:31:05

[Tony Tan](#)

2011 was a bit of an unusual year. There was some unhappiness with the Government at the time. The election results... not so good. The Government lost the GRC (group representation constituency), some seats and so on. It was very uncertain. I was very worried. You never know what happened. This sort of thing can unravel quite quickly. I thought that the Government needed some stability in order to reconsider its policies, rebuild its engagements with the people. It's difficult there unless you have got somebody in the presidency who can provide stability, with whom the Government of the day can work with. I was Chairman of SPH (Singapore Press Holdings) as well as Executive Director of GIC (Government of Singapore Investment Corporation). It was very comfortable in those jobs. I loved those jobs. But the interest of the country has to take precedence. So, I decided to run the President Election as it was very close. Winning was very difficult. Things were very confused. Some of the candidates were making all types of endorsements, which were obviously they can't fulfill because the Elected President is not an Executive, he can't initiate the action. He is the check-and-balance, not the initiator. If these things were going on, who knows what will happen? Fortunately, things turned out well. It was quite close. In the end, I won. So, 2011 to 2017 I was President until August this year. It's a contribution which I could make, and I was happy to make.

00:33:30

[Martin](#)

On that note, Dr Tan, thank you so much.

00:33:33

[Tony Tan](#)

I hope this was useful.

00:33:35

[Martin](#)

It has been tremendously wonderful. Thank you very much.

00:33:37

[Tony Tan](#)

Thank you so much.

00:33:44