

**Seminar on
Hong Kong into the 21st Century –
Maintaining Integrity in the Civil Service
On Thursday 21 May 1998**

**Presentation by
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**INTEGRITY WITH EMPOWERMENT
Challenges Facing Singapore in Combating Corruption in the 21st Century**

“Wherever corruption manifests itself, there are a hundred strategems to suck out the lifeblood of the people. How can one imagine that the wealth of the region would not be exhausted in the space of a few years?”

Xu Wenbi, 18th Century Magistrate in Sichuan province

Chief Secretary Mrs Anson Chan
Mr W K Lam, Secretary for the Civil Service
Commissioner Mrs Lily Yam
Friends
Ladies and Gentlemen:

I bring you greetings from my colleagues in Singapore. We are very happy with the regular exchange of visits at the Policy Secretary level which we have with you, the cross-appointment of senior officials on various boards and councils, and the cross-attachment of officials. The sharing of views and experience are, without a doubt, of mutual benefit. My colleagues welcome them.

2 Thank you for the invitation to speak to you this morning. I count it a real privilege and opportunity. When Mr Lam first invited me to speak, I readily agreed without being entirely clear what exactly I was supposed to speak about. When I learnt about this seminar and its focus on maintaining integrity in the civil service into the 21st century, I began to wonder whether it was the wisest of decisions on my part to volunteer to speak. Because looking into the future is not something that anyone sensible should want to stick his neck out on.

3 There is an Arab saying which goes: “He who predicts the future lies, even if he speaks the truth.” We face a world where the only constant is change, where the rate of change itself is increasing, where uncertainty and unpredictability rule the day, where the confluence of political, economic and technological driving forces continually threaten us with a loss of ability to control events and manage outcomes.

4 Clearly in Singapore’s case, our smallness dictates that we cannot expect to much influence what goes on around us. We have to submit ourselves to the vagaries of events beyond our control in the region and across the world, yet we have to be well prepared to meet the future in a way which can ensure our survival and success. Add to this the fact that we have a people used to economic success and social progress for more than 30 years, with good education and rising expectations, and we define some of the most important challenges Singapore faces for the 21st Century: a more demanding and critical population, an external environment more fluid and less predictable, a world more linked up by Information Technology yet more competitive as states drive for talent, investments and markets. What kind of a Civil Service do we require to face up to such challenges?

5 Before attempting to look at the kind of Civil Service we require for the 21st Century, it is well to look at what we have and we got here. Someone has analysed all fatal failures as the result of one or more of the following failures:

- A failure to learn from the past
- A failure to adapt to the present
- A failure to anticipate the future

Thus before dwelling on the future, I should spend some time looking at the past and describing the present.

6 Any discussion on corruption involves subjective considerations of politics, ethics and pragmatism. A country anti-corruption strategy ought to be part of its broader governance and capacity-building strategy. The issue of corruption in Singapore is inextricably woven with the issue of governance: What do we believe is the best way of running the country so that our citizens may have the best chances of a good life? Corruption is not simply a moral issue. Nor is it just a potential “non-tariff barrier” in world trade. Corruption is an important element for the formula which, in our view, offers the best chances for Singapore’s survival, security and success.

7 It is a fundamental tenet of governance in Singapore that every citizen must instinctively understand that “No one owes Singapore an existence” and “No one owes Singapore a living”. Singapore is a country devoid of natural resources: it survives and prospers because the people with the government strive to make it so. A critical foundational principle in the governance of Singapore is:

Reward for Work; Work for Reward

- Eschew nepotism and corruption
- Meritocracy for best use of talent
- Level the playing field with maximum investment in education

No one is to presume upon getting ahead on the basis of connection or favour.

8 Singapore’s corruption-free government and business environment has been a significant factor in the country’s economic and social progress. Syndicated corruption is rare and corruption in the public service, when it does occur, is isolated and largely confined to lower level officers. This corruption-free environment is a source of strategic competitive advantage for the country. A World Bank survey (World Development Report 1997: The State in a Changing World) of firms in 69 countries found “a strong correlation” between economic growth and private investment, and the credibility of governments. The latest empirical analysis also demonstrates that although the effects of corruption are complex and varied, it clearly exerts a negative impact upon social development (The Asian Development Bank, Anti-Corruption Policy, Working Paper, 1998).

9 In terms of social progress, Singaporeans have grown up under a Government which places the greatest emphasis on a corruption-free leadership, and have come to expect that the strictest measures against corruption will continue to be enforced in all aspects of life in Singapore. Meritocracy, and not nepotism or patronage, underpins social mobility. With none but human resource as our only resource, maximum investment in education is the primary mechanism for “leveling the playing field of opportunity” in a Singapore run on strict principles of meritocracy.

10 When Singapore attained internal self-government in 1959, we inherited from the British an efficient but corrupt public service. Corruption was rife and permeated all sectors of society. Syndicated corruption was common especially among law enforcement officers.

11 Singapore is a successful example of an economy that experienced serious problems with rampant corruption, but was able to transform itself within one or two decades to the point where incidents of corruption are relatively rare. This was due in large part to the fact that we confronted corruption, especially in the public service, as a matter of urgency, and as a prelude to our economic growth and social development.

12 Moving more specifically to the factors that make for a corruption-free civil service, I would list seven factors and key anti-corruption initiatives. Broadly, these initiatives are not just concerned with countering corruption *per se*, but with reversing its negative impact on development and society as a whole. They make up what I call a National Integrity System.

The 7 Components of a National Integrity System

- Strong Political Will and Example of Political Leaders
- Public Service Characteristics and Ethos
- Reduced Opportunities and Incentives for Corruption:
Administrative Measures to Increase Transparency and Predictability
- Changing the Way Government Does Its Business:
Streamlining Operations to Improve Efficiency and Effectiveness
- Enhanced Likelihood of Detection
Institutional Capacity and Bureaucratic Independence of Anti-Corruption Agencies
- Swift and Severe Punishment
- Strong Public Support

I shall deal with each of these factors in turn, as they are so critical even for the future.

A. Strong Political Will and Example of Political Leaders

13 The People's Action Party (PAP) came into power in 1959 on a strong anti-corruption platform, at a time when the ordinary citizen had difficulties dealing with the abuses of the government then. "*Stay clean: dismiss the venal*" remains a key basic principle that guided, and continues to guide the PAP Government in office. The senior political leaders are willing to submit themselves to scrutiny over their honesty and integrity; showed leadership, conviction, commitment, stamina, and tenacity in fighting corruption; and demonstrated strong will to reject graft and political patronage. Personal example is critical in establishing the moral authority to root out corruption. It sets a climate of honesty and integrity. The Government has never hesitated to prosecute government ministers and civil servants at all levels for corruption. Incorruptibility remains a key prerequisite of legitimacy for anyone who aspires to political relevance in Singapore.

B. Public Service Characteristics & Ethos

14 Corruption by public servants is not to be tolerated at all costs, as this is tantamount to abusing the officer's position as custodian and steward of public resources and public trust.

... "*Only by upholding the integrity of the administration can the economy work in a way which enables Singaporeans to clearly see the nexus between hard work and high rewards*"

Lee Kuan Yew (1979), then Prime Minister of Singapore

- 15 It is critical that Singapore have a clean and effective Public Service:
- Committed to the values of meritocracy and freedom from corruption and nepotism
 - Judging effectiveness by results achieved through pragmatism and a sense of urgency
 - Continuously driving for efficiency in execution which is responsive and economic

The test is not minimalist government, but effective government. In Singapore, effective government (high economic growth, improving welfare and social conditions, internal and external security) is invariably linked with the idea of clean government.

16 Meritocracy is important not “merely” because it ensures the best use of our human resources. Rather, meritocracy is a key part of our nation building efforts. Meritocracy sends out a signal that Singapore is for everyone. Talent and hard work, rather than connections and privilege, are the paths to success, and thus the rewards of success would be accessible to anyone according to his contributions. There is no room for “free-riders”.

17 Nepotism, the obverse of meritocracy, is corrosive of trust and confidence in the effectiveness and impartiality of public institutions, and gnaws away at the sense of public ownership which is so important to national consciousness. It distorts decision making by encouraging favouritism, and drags down efficiency both by putting incompetent people in public position, and by sapping the morale of the competent.

C. Reduced Opportunities and Incentives for Corruption –
Administrative Measures to Increase Transparency and Predictability

18 This principle is straightforward: “Prevention is better than cure”. We ought to remove opportunity for corruption through clear work procedures and decision rules. And we should improve transparency and accountability wherever we can, so the public knows what they can expect, and may complain when they do not get it. Also, have clear rules in the government Instruction Manual on issues like:

- a public officer cannot borrow money from any person who has official dealings with him,
- a public officer cannot use any official information to further his private interest,
- a public officer is required to declare his assets at his first appointment and also annually, and
- a public officer cannot receive entertainment or presents in any form from members of the public.

D. Changing the Way Government Does Its Business: Streamlining Operations to Improve Efficiency and Effectiveness

19 This principle is also straightforward. Seek continuous improvement in public service delivery. There is no rent available for the corrupt officer to collect if effective and efficient services can be available without bribes. Thus fostering excellence in public service—slashing red tape, streamlining procedures, minimising delays—is an anti-corruption measure in itself. Other measures like nametags, posted fee schedules, Quality Circles (or what we call Work Improvement Teams in Singapore), Suggestions Schemes, help attune public servants towards superior customer service, and make them activists for change and improvement. While not explicitly connected with preventing corruption, the attitudes they foster work against corruption.

E. Enhanced Likelihood of Detection: Institutional Capacity and Bureaucratic Independence of Anti-Corruption Agencies

20 I need say very little on this principle, for you have your ICAC what we have with our Corrupt Practices Investigation Bureau (CPIB). Our CPIB reports directly to our Prime Minister but, under a provision in our Constitution, may yet proceed with its investigations despite any direction from the Prime Minister. Over the years, the CPIB has brought corruption charges against a number of senior Government officials, including ministers, members of parliament, civil servants and agency CEOs.

F. Swift and Severe Punishment

“There are several good protections against temptations, but the surest is cowardice.”

*Mark Twain (“Pudd’nhead Wilson’s New Calendar”,
Following the Equator (1897))*

21 The high penalties in our laws deter corruption by making it a “high risk, low profit” undertaking. They deter those who bribe as well as those who receive. The penalties go beyond fines and jail sentences. Public shaming through publicity of the case is an integral part of the punishment, so that the officer not only suffers personally but also brings disgrace to his family.

G. Strong Public Support

22 The press plays an active role in publishing examples of corrupt cases involving senior civil servants or politicians, and in providing complete details of the offences and punishment meted out. This both informs the public about the consequences of corruption, as well as fosters a climate that is less tolerant of corruption.

23 There is also strong public support against corruption because of their confidence in the CPIB to deal fairly, thoroughly and confidentially with the complaints they lodge with the CPIB. The public believes they will receive a fair and impartial hearing, and will be protected from harassment and retaliation. It is a trust very difficult to regain if lost. This in itself is a check on the CPIB to always act in a way which reinforces, rather than detracts, from public trust.

24 I have described the past and the present concerning corruption in the Civil Service. Allow me now to turn to the future. The first question must be: What will the future be like? As I mentioned early in this address,

- It is a future of a more demanding and critical public, an external environment more fluid and less predictable, a world more linked up by Information Technology yet more competitive as states drive for talent, investments and markets.
- It is a future not only of change, but of change at an increasing pace.
- It is a future of information, but information so voluminous and overwhelming that the problem is extracting the most relevant and putting them together in a way which allows good decisions to be made.
- It is a future of opportunity, but opportunity so many and varied that the difficulty is sorting out what opportunities to pursue and what to leave alone.
- It is a future of market economies, where more than ever before the private sector must be an engine of growth, yet their capacity to move fast and move right must depend on a public service which facilitates rather than controls.
- It is a future of uncertainty and unpredictability, yet we must find a way to be in time for such a future.

- 25 What kind of Civil Service do we need for such a future?
- It is a Civil Service which must have a good share of some of the nation's best talent, for it is a world of increasing complexity that requires good minds to make good sense out of all the bewildering array of knowledge and information.
 - It is a Civil Service that must understand the needs and concerns of the private sector and help them with efficient and effective government, but never losing sight of the public good and the long-term interests of the country.
 - It is a Civil Service that must be comfortable with change and uncertainty, finding means for anticipating the future, but always living in the present with nimbleness, flexibility and adaptability.
- 26 How will such a Civil Service be different from the present? I guess as follows:
- First, the change will be evolutionary, but a Civil Service that anticipates and plans well will not allow itself to be overtaken by events or opportunity.
 - Secondly, it will be a Civil Service with much more interaction with the private sector in order to understand their needs and concerns well, yet must be able to do this without compromising its values, standards and ethos.
 - Thirdly, it will be a Civil Service itself driven to change continually "be in time for the future", a Civil Service that sees itself as a catalyst for change, a pace setter and a standard bearer for thinking about the future and service to the public.
 - Fourthly, it will be a Civil Service that makes good use of its people, most particularly the newer employees who come in better educated, IT competent, looking for challenge, hungry for interesting work, wanting to exercise authority, willing to accept responsibility. Here is the challenge and opportunity for us all! The talents and abilities of our people will make it possible to achieve the speed and responsiveness demanded by the opportunities in a fast-moving world, yet contain the potential for corruption and misdirection that come with allowing initiative and discretion.

And thus at long last I come to the title of my talk: **Integrity with Empowerment**. How do we achieve that?

27 The basics for maintaining integrity in the public service remain unchanged and must continue to be pursued with vigour and commitment:

- Political Will and Example of Political Leaders
- Ethos of Public Service
- Minimal Opportunities and Incentives for Corruption
- Streamlined Operations for Efficiency and Effectiveness
- High Likelihood of Being Caught
- Swift and Severe Punishment
- Strong Public Support

28 Even a relatively clean country like Singapore has some corruption. Corruption can never be entirely eliminated; it has existed in all of recorded history. Anti-corruption efforts can only be as strong as their weakest link. Thus first rate investigative and prosecutorial work can be undermined if the judiciary is subject to manipulation and interference; excellent legislation can be undermined by auditors who do not adequately understand laws surrounding evidence.

29 Laws and institutions have to address new issues and challenges. The answer cannot simply always be more rules. The implicit tradeoff in more rules is more bureaucracy. At the same time, staff who are increasingly better educated and better trained want to be granted more flexibility and discretion within certain parameters. A combination of strong and sustained commitment to the ultimate end, with flexibility and adaptiveness in the means, is essential.

30 If we are to envisage more discretion in decision-making in order to induce greater flexibility and responsiveness in decision-making, I believe more needs to be done to strengthen the civil servants' understanding of his role as protector of public interest and servant of public need. He needs to develop instincts about concerns and vulnerabilities of his country whether the threats be political, economic, social or

technological. And he needs to be able to perceive change as opportunity, uncertainty as challenge and corruption as disease. What we are doing in Singapore in this regard are:

- Public Service for the 21st Century (PS21). We are promoting future-oriented attitudes through a civil service reform initiative we call the Public Service for the 21st Century (PS21) programme. It is about inculcating instincts for service excellence, and about having every civil servant be an “activist for change”. It is also about getting civil servants to move beyond being regulators and controllers, to also be nurturers and facilitators. We want to empower civil managers to make decisions outside the bounds of civil service rules and Instruction Manuals. Ministries have been designated Autonomous Agencies, and are given wide-ranging autonomies on personnel and financial matters. Public servants are increasingly expected to exercise initiative and discretion in their work. As we grant public servants more flexibility and discretion, there will be areas that are not covered by established procedures. Public servants must learn to consistently function in a clean, transparent and effective manner. This applies not only to senior civil servants, who will increasingly have management autonomy over spending and hiring. It also applies down the line, to the front-line staff who deals directly with the public. In the spirit of service excellence, they will be expected to exercise flexibility and initiative, going beyond the book to serve their customer.
- Mission Statement – Compass not Road Map. The challenge we face now is how to maintain integrity and ethical bearings in our officers if they are to go beyond the book of rules. How do we allow empowerment and initiative yet ensure they do things in a transparent manner? In the past, organisational values are in many ways written into the rules and regulations. But if the rule book will no longer contain all the rules, we have somehow to get values to take on a central place in how we develop and train our civil servants. When you expect people to navigate without precise street directions, you should at least provide them with a good compass. One measure we have taken to make clear our expectations of our civil servants is to publicise, as part of our Corporate Mission Statement for example, the Civil Service’s commitment to “uphold justice and equality by the principles of incorruptibility, meritocracy and impartiality”.

- National Education. Another important initiative we are taking is what we call National Education. This is the process of communicating to our citizens Singapore's unique circumstances, and the values and principles which underlie the governance of Singapore. A key feature is an emphasis on how clean government is critical to Singapore's continued viability and success. Committed leadership plus a vigilant and educated public which cares about stopping corruption, will help build a lasting ethos of clean government.

Conclusion

“The acid test of a government’s sincerity in wiping out bureaucratic corruption hinges not only on the formulation of anti-corruption measures. Rather its credibility lies in the actual implementation of such measures and their effects on the behaviour of civil servants and the society at large.”

Dr Jon Quah (Bureaucratic Corruption in the ASEAN Countries: A Comparative Analysis of their Anti-Corruption Strategies, 1982)

31 Battling corruption is a long-term process which must not only be openly supported from the top, but one in which attitudes and conduct must be taught and reinforced at all levels. Fighting corruption ultimately depends on values. Values of the political leadership, values of the public service and, as an ultimate check, values of society as a whole.

32 If Empowerment is what the Civil Service needs for the country to do well in a fast changing world, can it be done while assuring Integrity? And if it is so essential to preserve Integrity, must we sacrifice Empowerment? In this, as in so many things in life, the solution must lie in striking a practical balance between 100% grant of Empowerment and 100% assurance of Integrity. And that point of balance will be one important factor influencing the competitiveness of nations and the competitiveness of economies.