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Asia report

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- Xi Jinping and China's new era
- Japan Emperor's enthronement
- WeWork's debacle

US-CHINA TRADE WAR

Uneasy truce

A partial trade deal is on the anvil for the world's two leading superpowers. Will it be the breakthrough for global trade? Or, will hostilities prevail?



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Airlines' emissions rising faster than predicted

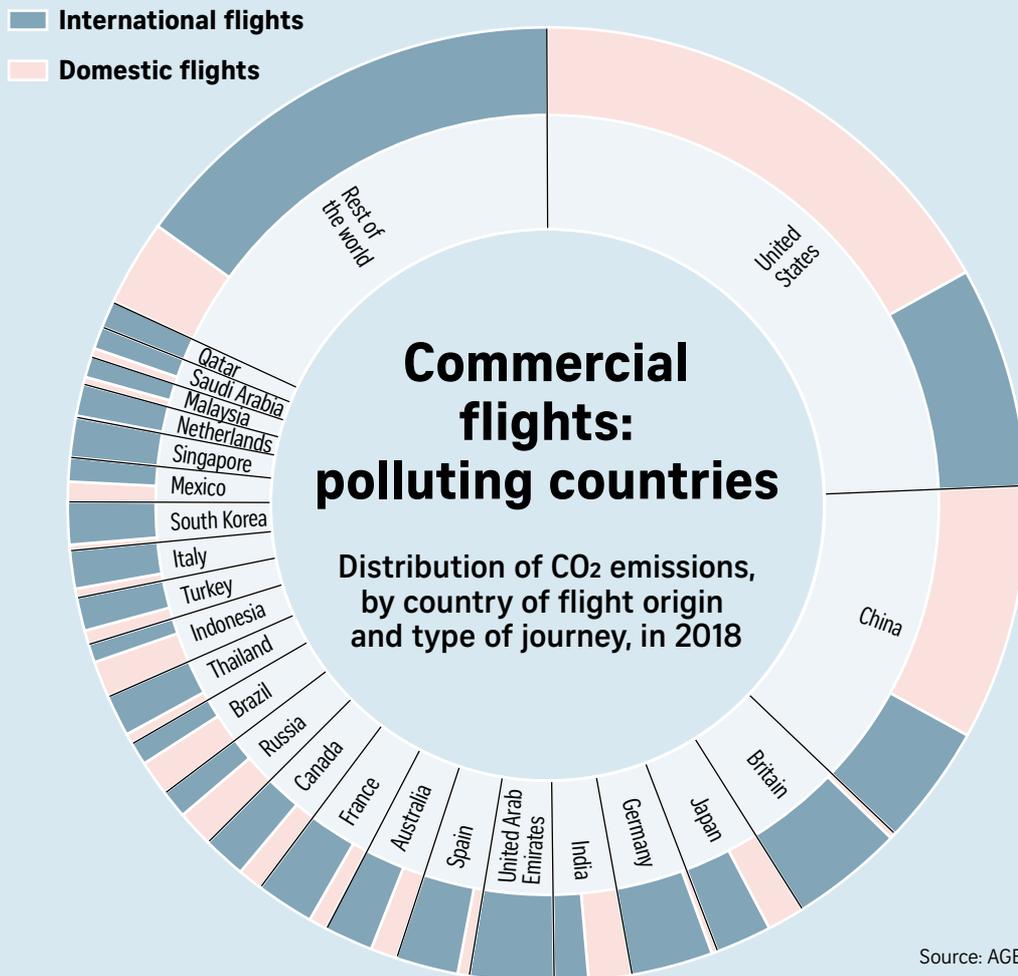
FLYING FREQUENTLY IS DAMAGING THE environment at a rate far higher than estimated, says a new report by the United Nations' International Civil Aviation Organisation (ICAO).

Greenhouse gas emissions from commercial aviation totalled 918 million tonnes last year, accounting for 2.4 per cent of global CO2 emissions from fossil fuel use and a 32 per cent increase over the past five years.

This emissions growth rate is 70 per cent higher than assumed under current ICAO projections, says the report. And, under a business-as usual

trajectory, aviation emissions could roughly triple by 2050, by which time aviation emissions might account for 25 per cent of the global carbon budget, it adds.

Flights within the Asia-Pacific region emitted the largest share of passenger transport-related CO2 at 25 per cent of the global total. The leading countries in this list are China, Japan, India and Australia. In comparison, intra-north America flights – US domestic, Canada domestic and trans-border flights – emitted nearly 18 per cent of global passenger CO2 emissions. [ST](#)



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PHOTO: REUTERS

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Cover Story

US-China trade war:

Questions still arise whether the two sides will now come to their senses and, if a pact is finally signed, whether Trump will do an about-turn

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TRADE CAN BE AN INSTRUMENT OF PEACE.
Or war.

Right now, the state of ties between the United States and China is pointing to a somewhat uneasy truce, after two days of negotiations between the trade representatives of both countries led US President Donald Trump to state, on Oct 11, that a deal could be in the offing.

China's top trade representative, Vice-Premier Liu He, who led a delegation for trade talks with US Treasury Secretary Steven Mnuchin and US Trade Representative Robert Lighthizer, sat across the desk from Mr Trump at the Oval office in Washington, as the US President made the announcement.

Few details of the deal were actually revealed. But it is believed that there was agreement on China importing US farm goods worth between US\$40 billion (\$54.4 billion) and US\$50 billion a year and that Washington agreed to defer plans to raise tariffs from 25 per cent to 30 per cent on US\$250 billion worth of Chinese goods, that was to take effect on Oct 15.

The pact to be signed would address issues such as China's treatment of foreign intellectual property, forced technology transfer and improved access for American financial services firms to China's market, The New York Times reports.

It would go beyond commitments that China has already made in recent changes to its foreign investment laws and allow for an enforcement mechanism that would include dispute settlement offices in both countries, it adds.

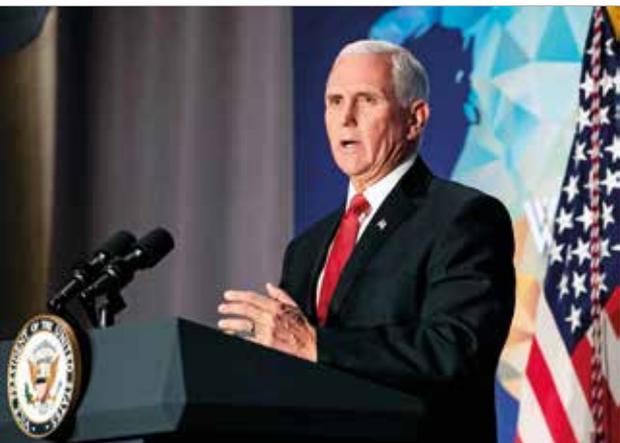
"There was a lot of friction between the United States and China, and now it's a love-fest. That's a good thing," Mr Trump said.

But not everyone has been in agreement or heaved a sigh of relief. And market experts and trade watchers say that the first phase of the agreement, once it is signed, could be an important step forward in the trade war between the two countries that began in July last year. But not one that might lead to much better bilateral trade relations, that existed before the trade war commenced.

In Washington, the ifs and buts about the agreement continue to be spoken about with Mr



Will it be a deal?



Vice-President Mike Pence's hawkish China speech in October and the recent US Bill to support pro-democracy protesters in Hong Kong have played their own part, to add to the uneasiness in ties between the two countries.

PHOTO: AGENCE FRANCE-PRESSE

Trump's detractors highlighting that issues such as reforms in the Chinese economy and technology transfers seem to have been left out.

Among those who've called into question the progress that has been made is Jude Blanchette, a fellow at the Centre for Strategic and International Studies. Tougher issues, such as China's industrial policy, subsidies for state-owned enterprises and forced technology transfers had been deferred, he notes.

"The can has been kicked down to a phase two or phase three, but we're really just wondering if we're going to get through phase one," he told media.

In Beijing, the reaction can be best described as subdued. The 16-month-long trade war has had a gruelling impact on its economy leading to a growth rate of only 6 per cent at the end of the third quarter, a 30-year low. There is also the feeling that Mr Trump's unpredictability might surface as time lapses.

"While the negotiations do appear to have produced a fundamental understanding on the key issues and the broader benefits of friendly relations, the champagne should probably be kept on ice, at least until the two presidents put pen to paper," said China Daily in its editorial, soon after Mr Trump's announcement.

"As based on its past practice, there is always the possibility that Washington may decide to cancel the deal if it thinks that doing so will better serve its interests," it said.

Beijing officials have long been demanding that tariffs on US\$360 billion worth of Chinese imports should be withdrawn. But there's no word that might happen.

Also, differences over technology matters that have been kept





ST ILLUSTRATION: MIEL

out of this round of negotiations are set to surface again in November.

Reports say that the US telecommunications regulator – the Federal Communications Commission (FCC) – plans to vote on designating China’s Huawei and ZTE as national security risks. At a meeting set for Nov 19, the FCC plans to ask carriers the cost to remove and replace Huawei and ZTE from existing networks, in a move that will upset China further.

Given the prevailing sentiment, it is anyone’s guess if the partial trade deal, even when signed, will progress as per plan.

Already, there are signs pointing that it may not be the case. On the agricultural imports front, for instance, Chinese negotiators have reportedly said that agricultural purchases must be based on market demand.

Also, the sum of US\$50 billion is double the historic peak of agricultural purchases made by China previously, the Wall Street Journal reports. To be able to make the purchases, Beijing will have to eliminate some of the retaliatory tariffs on US imports. But it may hesitate to do so without further concessions.

Chile has withdrawn as the host of Nov 16-17 Apec summit, at which the United States and China had been expected to sign a deal to ease a trade war that has hurt the global economy, as raging street protests gripped the South American country.
PHOTO: AGENCE FRANCE-PRESSE

National Review, a conservative magazine in the US, quoted an Illinois-based agricultural commodities trader as saying that farmers are not celebrating, until a deal is finalised.

Bates Commodities owner Curt Kimmel said grain futures have see-sawed over the past year and a half because “President Trump gets real excited about things that are said, then he makes it public, then the Chinese take a step back and say, ‘Wait a minute’”

Also, in the month leading up to the negotiations, China bought American soya beans nearly every day as a gesture of goodwill, propelling soya-bean futures to a three-month high. But, since the announcement, no sizeable soya-bean orders have come from China, the magazine reports.

Chile’s cancellation of the Nov 16-17 Apec Economic Cooperation Summit has complicated matters further and the search continues for a new venue for a meeting between Mr Trump and Chinese President Xi Jinping for the deal to be signed.

Meanwhile, Vice-President Mike Pence’s hawkish China speech in October and the recent US Bill to support pro-democracy protesters in Hong Kong have played their own part, to add to the uneasiness in ties between the two countries.

Making a policy speech on China, Mr Pence praised Taiwan as a beacon of democracy and slammed China for its treatment of Muslim Uighurs in the Xinjiang region, although he did mention that the US did not want confrontation or to “de-couple” from China.

Experts worry that if the rift between the two economies continues to fester, growth will slow further – already the bruising trade war has led to supply chains getting disrupted, stock markets getting roiled and global economic growth slowing down, worryingly. Read that to mean fewer new jobs getting created and perhaps more people sliding into poverty, in dependent-on-trade-with-China economies.

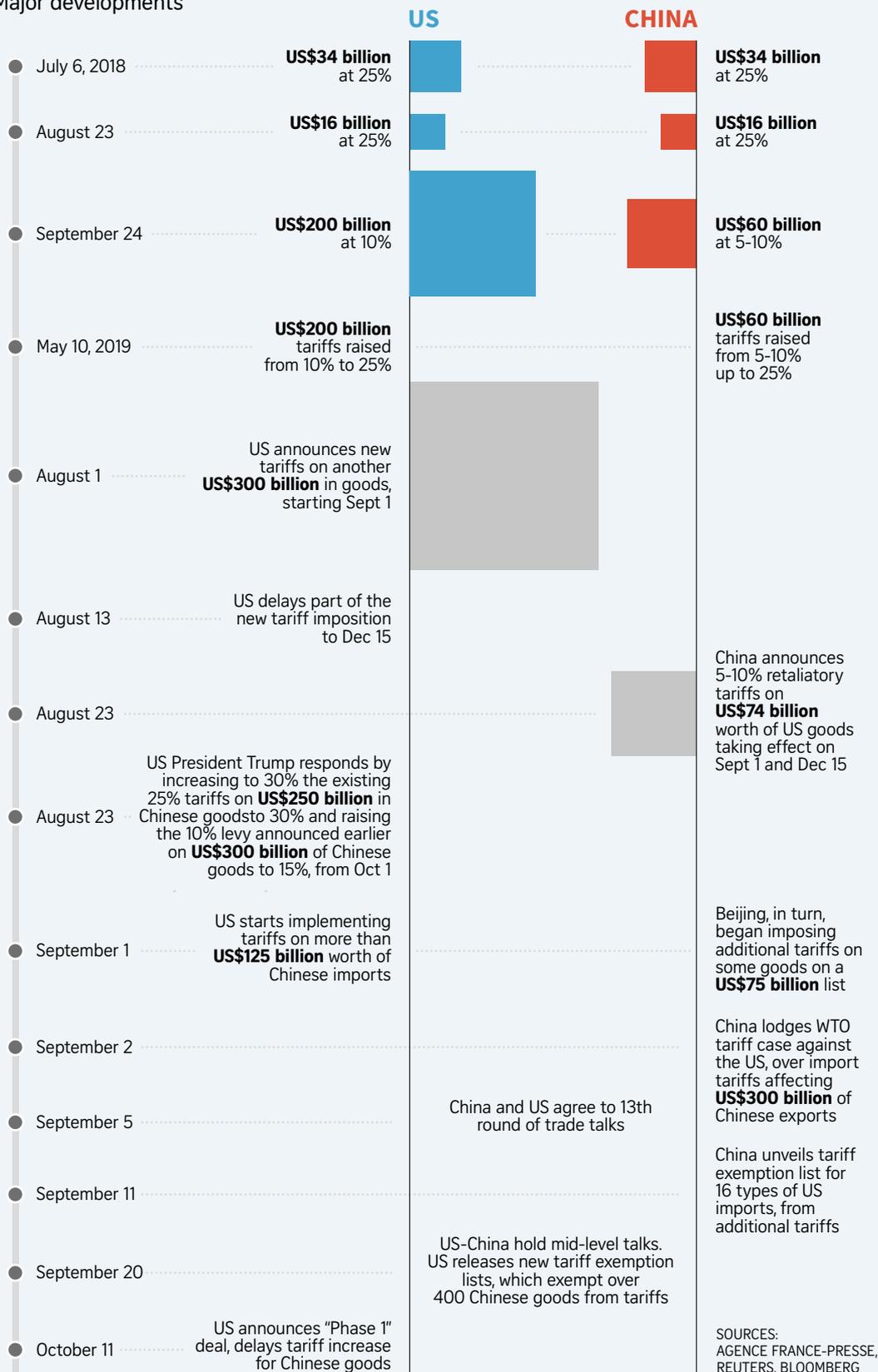
Financial Times Brussels Correspondent Alan Beattie writes: “Not even Trump, master of the hyperbolic oversell, pretends this is anything more than ‘phase one’ of a wider deal.

“Whether phase two ever arrives remains unclear,” he adds. **ST**



US-China tariff hikes

Major developments



Experts worry that if the rift between the two economies continues to fester, growth will slow further – already the bruising trade war has led to supply chains getting disrupted, stock markets getting roiled and global economic growth slowing down, worryingly.



SOURCES:
AGENCE FRANCE-PRESSE,
REUTERS, BLOMBERG

IMF cuts Singapore, Asia growth forecasts

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Singapore figures slashed to 0.5% from 2.3% estimate in April, along with downward revision for most Asian economies

THE INTERNATIONAL MONETARY FUND (IMF) has slashed GDP growth forecasts for Singapore as well as most other Asian economies for this year and next year relative to its estimates in April.

In its latest Regional Economic Outlook released on Oct 23, IMF projects Singapore's growth for this year to be 0.5 per cent, sharply down from the 2.3 per cent it had forecast in its World Economic Outlook in April. The Singapore Government expects growth to come in between 0 per cent and 1 per cent this year.

Some private economists predict the number will be at the lower end of that range. Singapore's growth last year was 3.1 per cent.

For next year, the IMF estimates Singapore's growth at 1 per cent, compared with its prediction of 2.4 per cent in April.

The IMF forecasts that China's growth will fall to 6.1 per cent this year, and then further to 5.8 per cent next year, from 6.6 per cent last year. India is also projected to grow at 6.1 per cent this year, down from 6.8 per cent last year.

Among Asian economies, Hong Kong is expected

to experience the sharpest slowdown, with gross domestic product growth slowing to 0.3 per cent this year, compared with 3 per cent last year. In its April projections, which were made before the political turmoil in the territory intensified, the IMF had forecast that Hong Kong would grow at 2.7 per cent.

Taken together, Asian economies will grow at 5 per cent this year, according to the IMF, their slowest expansion since the global financial crisis of 2008. However, Asia will remain the world's fastest-growing region, contributing more than two-thirds to global growth.

Asia's economies are faced with "a likely prolonged period of heightened global policy uncertainty", according to the IMF.

It noted that while the region's strong trade and financial integration is a sign of its economic success, it can also be a source of vulnerability.

One major risk is a possible escalation of the United States-China trade dispute. The IMF's baseline forecasts assumed the continuation of all US tariffs imposed or announced before October.

However, the US and China struck a mini-trade

IMPACT OF THE US-CHINA TRADE WAR ON REGIONAL ECONOMIES

SOUTH KOREA

The trade-reliant economy has been among those worst-hit by cooling global demand. A months-long trade spat with Japan has also added to strains on Korean exporters. The Bank of Korea's advance estimates showed on Oct 24 that the economy grew 0.4 per cent during the July-September period on-quarter, down from a 1.0 per cent rise in the second quarter and just missing a 0.5 per cent gain forecast in a Reuters survey of 26 economists.

JAPAN

Japan's exports dropped for a 10th month in September as the global slowdown continues to batter manufacturers with overseas markets.

Shipments abroad fell 5.2 per cent to extend the longest declining streak since 2016, according to a report released by the Ministry of Finance on Oct 21. The median estimate of economists was for a 3.7 per cent decrease.

TAIWAN

Going by the Taiwanese government's growth forecast for this year, the island is set to outperform the other Asian tigers, buoyed by an improving domestic economy. In October, it stuck by its August forecast of 2.46 per cent growth for this year, which, bucking the regional trend, is an upward revision of its May prediction of 2.19 per cent. The decline in Taiwan's exports as a result of the trade war is milder than in other Asian trading



deal early in the month under which the US agreed to hold off on increasing tariffs on US\$250 billion (\$341 billion) worth of Chinese goods from 25 per cent to 30 per cent, scheduled to take effect on Oct 15. China also agreed to step up its purchases of US farm goods.

While acknowledging the possibility of such upside surprises, the IMF pointed out that the path to durable trade agreements “remains subject to protracted and difficult negotiations”, adding that new setbacks could weigh on confidence, weakening trade, investment and growth.

For Asia, they could trigger shifts in supply chains out of China.

This process has begun, with more than 50 companies having announced plans to move production out of China to avoid the risk of tariffs, including major manufacturers such as Apple, Samsung, HP, Dell and Nintendo. Most are considering relocating operations to South-east Asia and Mexico, in particular.

Among other risks, the IMF flagged the possibility of tighter financial conditions in Asia as a result of abrupt changes in investors’ risk appetite, arising from either new trade restrictions or a reassessment of valuations.

Capital outflows, coupled with a rise of the US dollar and higher costs of dollar financing, could lead to slower growth in the region.

A faster-than-expected slowdown in China could add to the problem, given the close trade links between Asian economies and China, as well as the integration of these economies in global value chains.

A more volatile Chinese currency could also lead to financial spillovers, according to the IMF.

Other risks for Asian economies include higher oil prices arising from supply-side shocks such as the drone attack on a Saudi oil refinery in September; an escalation of the trade dispute between Japan and South Korea, which would affect technology supply chains; and socio-political risks in territories such as Hong Kong and Kashmir, which may have economic repercussions.

To cushion the economic slowdown, the IMF recommended that Asian economies pursue accommodative monetary policies, which most are already doing.

India should revive the flow of bank credit through a faster cleanup of bank and corporate balance sheets. The IMF also called for expansionary fiscal policies in countries which have fiscal space, such as China, South Korea and Thailand.

For the medium term, the IMF proposed that Asian countries should lay the groundwork for strong, sustainable and inclusive growth through further trade integration, including in services.

They should also reform their product markets – for example, through pro-competition policies – as well as labour markets, by upgrading skills, taking measures to increase labour supply in countries where there are shortages, improving access to education, and promoting the participation of women and the elderly in the workforce.

Such measures “would not only help offset the demand shock from slower global trade but also facilitate adjustment to realigning global supply chains”, the IMF said. [SI](#)



hubs because of the transfer of orders from China to the island. Taiwan's exports to the US grew by 19 per cent year on year in the first eight months of this year.

VIETNAM

Vietnam has emerged as one of the largest beneficiaries of the trade spat between Washington and Beijing. Exports to the United States were up 21.5 per cent in the first eight months of this year, and several companies including Google parent Alphabet Inc and Nintendo have announced new plans to open facilities in the country. Hanoi's trade deals, including its recently signed free trade agreement with the European Union, have also become a draw.

INDONESIA

The first three months of 2019 saw a sharp fall in Indonesia's foreign direct investment, from US\$10.5 billion at the end of December 2018 to US\$5.4 billion at the end of March this year. However, Indonesia's economy is projected to expand at its fastest pace in seven years in 2020, despite the deteriorating global outlook and rising risks of recession abroad, as President Joko Widodo is set to boost spending to a record level to bolster growth in South-east Asia's largest economy. Government spending will rise to 2,540.4 trillion rupiah (S\$249 billion) in 2020 while he has pledged reforms aimed at attracting foreign investment and reversing a persistent trade deficit.

Source: Reuters, Bloomberg, South China Morning Post



Commentary

US-China ties: A world where events ‘ebb and flow’

WARREN FERNANDEZ
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Drawing straight lines from today into the future often misses how history makes twists and turns

A RUN ALONG THE SCENIC CHARLES RIVER IN Cambridge, Massachusetts, is a good way to get a sense of perspective.

The river runs through the heart of the university town where the Ivy League college of Harvard is located, twisting and winding its way along.

Look ahead and you might spot lovely spires rising on the horizon, seemingly just ahead.

But as you make your way forward, it soon becomes clear that this is an illusion. Those buildings lie deceptively around a bend in the river, farther afield.

So, too, it often is with life and affairs of the world, with simplistic straight-line projections into the future often being confounded, amid the ebb and flow of events.

Take, for example, the seemingly unstoppable rise of Japan in the 1980s that sparked much consternation in the United States, or the much-trumpeted End of History idea in the 1990s, which predicted the eventual and inevitable rise of liberal democracies everywhere.

Both ended in ways that were not foreseen, with events turning out quite differently from what was anticipated.

So, pondering the future calls for what I term “ebb and flow” thinking, rather than charting lines from where we are today to where we must be, going by current trends.

In my view, there is nothing inevitable about the rise of China, the decline of the US, or an eventual clash between the two.



PHOTO ILLUSTRATION: ISTOCK, CHNG CHOON HIONG

Nor is the present global world order cast in stone. Rather, such geopolitical trends are likely to ebb and flow over time, with events that might take us by surprise and even be beyond the control of key players.

Indeed, even the recent sudden turn in Sino-US ties over their trade dispute, or wider contest for global influence, was not something that many had envisaged not so long ago.

Many Western commentators had asserted with great certainty that with economic reforms would come political liberalisation in China, making it “more like us.” Their dismay that this has not happened now explains some of the angst about the rise of China in Washington circles.

Some commentators in China take this further, noting that the present world order was framed by Western powers when China was weak. But, as with all things in life, such an order is impermanent and not fixed in time.

Certainly, a reordering of global rules and reform of some of its key institutions is called for, as China rises and takes its rightful place among the great powers of the world.

But less clear is just what this new global order and its institutions might look like. The G-8 or G-20 groupings seem outmoded to some, with suggestions that these might be replaced by a G-2

world, in which the US and China might work together to sort out the world’s challenges, such as climate change.

In today’s world, this, however, is unlikely to be accepted by other key countries such as Japan, India, Russia or Asean, all of which will want a say in global decisions that affect them.

MUDDLING THROUGH?

Time magazine’s editor-at-large Ian Bremmer has argued instead that we now live in a G-Zero world, in which no country or alliance of nations is able, or willing, to step up to take charge and bear the political, financial and military burden of global leadership.

More likely, he contends, the world will muddle through or leave major issues unattended for lack of a consensus.

In a recent discussion with him, I offered another view. Rather, my sense is that we have moved into a rather fluid, even volatile, G-x world, where x represents a variable.

Differing coalitions or networks might emerge to address specific issues, balancing interests and shifting over time. For example, just when everyone thought that the Trans-Pacific Partnership agreement was dead, a coalition of countries, led by Japan, emerged to give the pact a renewed push.

Then there is the US-led Free and Open Indo-Pacific idea, which has emerged partly in response to the unease in several countries in Asia over China’s more muscular assertions of power in this part of the world.

The idea of G-x also recognises that the world can no longer be dominated by just one or two countries. While China hawks might wish to see Beijing reassert itself as the dominant player in Asia, others such as Japan and India are unlikely to accept such a regional hierarchy.

Agreeing with this view, Mr Bremmer notes: “In North America, it is still mostly G-1, with the US dominating. In the Middle East, it is G-x, with several countries competing, which hate each other. In Asia, it is increasingly G-1, which is getting more and more uncomfortable for some.”

Similarly, those in Washington who would like to see a “decoupling” between the West and China, or are promoting the idea of a “clash of civilisations”, might also face a push-back.

Rather than the old Cold War idea of alliances or blocs seeking a traditional balance of power, the future might more likely be one of shifting G-x networks, with like-minded countries coming together to tackle pressing common challenges, even if they also compete on other fronts.

The challenge then will be to create the conditions and mental frameworks to make such shifting G-x alliances more durable, and stable enough to allow for a world that, as former US president John F. Kennedy once put it, is “safe for diversity.” 

A reordering of global rules and reform of some of its key institutions is called for, as China rises and takes its rightful place among the great powers of the world. But less clear is just what this new global order and its institutions might look like.

”



China

China stood up and became rich. Now, will it be strong again?

People waving Communist Party flags during a military parade in Tiananmen Square in Beijing.
PHOTO: AFP

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As China marked the 70th anniversary of the founding of the People's Republic of China on Oct 1, The Straits Times China bureau looks at how far the country has come and the challenges it faces as it moves ahead.

MADAM WANG JING, 73, NEVER ENJOYED THE fruits of the early New China when the Communist Party swept into power in 1949 after a bitter civil war with the Nationalist Party.

She was barred from attending university and later had difficulty landing a job, all because she had the wrong political pedigree.

Her grandfather was one of millions of landlords executed in the early days of the People's Republic of China (PRC), their land redistributed to poor peasants.

Her father was purged and died during Chairman Mao Zedong's chaotic 1966-76 Cultural Revolution, accused of being a foreign spy because he spoke four languages. He told her to disown him but she refused, consigning herself to discrimination under Mao's China where the approved social classes were

workers, farmers and soldiers.

Yet, looking back over 70 years of communist rule, Madam Wang, a retired factory worker, chooses to see only the good.

"The sufferings my generation went through are difficult to imagine," she says, referring to the first 30 years of the founding of the PRC, which were marked by poverty, hunger and chaos.

But she still reveres Mao despite what her family went through.

"Without Chairman Mao, there would be no New China," she says.

Many Chinese such as Madam Wang worship the PRC's founding father as a demi-god who freed the nation from the shackles of imperialism and a century of humiliation.

After Mao's death in 1976, China under patriarch

Deng Xiaoping went on an ambitious reform drive, opening up to the world and mending its broken economy.

“The difference is like between heaven and earth,” says Madam Wang of China’s remarkable transformation in the past four decades, as she sits in the living room of her three-storey home in suburban Beijing.

The New China’s tumultuous transformation from poverty to power culminates in an unprecedented country-wide celebration on Oct 1 as the country marked the 70th anniversary of its “liberation”.

In a show of force, it trotted out an arsenal of advanced China-made weaponry in its biggest military parade at Tiananmen Square. Other carefully choreographed events, from a commemorative exhibition to the opening of a massive airport in Beijing, are also all aimed at putting the focus squarely on the country’s achievements in its recent history.

Yet, the nation is also facing a multitude of problems: a slowing economy, a biting trade and tech war with the United States and continuing political unrest in its territory of Hong Kong.

Even reunification with what it considers the renegade province of Taiwan – a problem created 70 years ago – now looks more elusive than ever.

Some of these problems at least are seen as consequences of China’s inevitable rise.

“The US fears China will overtake it one day and is determined to contain us,” says Mr Zhang Ye, a 53-year-old businessman in education and healthcare, echoing the views of many Chinese.

“They fear us because we are rich and strong now. They don’t understand us and see us as a threat,” he adds with pride. “The US will never admit it, but it admires, envies and hates us.”

HARD TIMES

Born three years before the communists took power in the 1949 revolution, Madam Wang’s life personifies the 70 years of ups and downs under communist rule.

Mao’s China was cut off from most of the outside world while he turned the world’s most populous nation into a puritan, egalitarian society, aiming to eradicate corruption, drugs, prostitution and crime.

Life was tough. Madam Wang and her family endured years of hunger after the 1958 Great Leap Forward, Mao’s disastrous campaign “to surpass England (economically), catch up with the United States”.

Up to 45 million died in the man-made famine after fanatic farmers heeded Mao’s call to abandon their fields and make steel in their backyard furnaces. The steel turned out to be substandard.

“Food was scarce. Firewood, rice, (cooking) oil and salt were rationed,” Madam Wang recalls, adding that government-issued coupons were also required to buy coal to keep warm during winter, and for meat, flour, sugar and matches.

Permits were needed to travel to nearby cities. Marriage, divorce and birth required state approval.

Women could be purged for having permed hair, and for wearing make-up, jewellery, high-heel shoes and colourful dresses. Drab Mao suits – navy blue or grey – were the norm. And women could not date foreigners.

Yet, when China joined the exclusive nuclear-power club in 1964, alongside the US, Russia, Britain and France, Madam Wang and fellow Chinese cheered the news, just as they did when Beijing joined the United Nations in 1971, ousting rival Taipei and ending decades of diplomatic isolation.

In contrast, the visit of US President Richard Nixon in 1972, kicking off rapprochement, was baffling.

“Growing up, I was taught that the US was an evil imperialist power,” she says.

Like most Chinese, she wept when Mao died and was shocked when Mao’s widow, Jiang Qing, and other members of her notorious Gang of Four were arrested. Jiang Qing was jailed for life for counter-revolutionary crimes and committed suicide in 1991.

REFORM AND OPENING UP

Despite their reverence for the man, Madam Wang and many Chinese welcomed the reversal of Mao’s policies. Deng introduced “reform and opening up” that transformed China from an economic backwater into the world’s second-biggest economy today.

Smiling, Madam Wang recalls the day when she and her husband happily bought a bicycle and, years later, a black-and-white television set with their meagre salaries working at a state-owned factory.

“My dream (then) was to own a bicycle,” says Madam Wang, who has since swapped her two-wheeled Flying Pigeon for an Audi sport utility vehicle. “Years later, my dream would be a TV and eventually a (home) phone,” she says.

During the days of state planning, ordinary people had to wait for months, if not years, to be issued coupons to buy such luxury items.

Chinese soldiers marching with the national flag (centre), flanked by the flags of the Communist Party of China (right) and the People’s Liberation Army (left).
PHOTO: AFP





Chinese President Xi Jinping (centre) at a military parade with former presidents Hu Jintao (left) and Jiang Zemin in Tiananmen Square in Beijing.

PHOTO: AFP

Today, a TV set and a phone are necessities. About 900 million Chinese own a mobile phone.

Mindful of her father's and grandfather's fate, Madam Wang ordered her three children not to take part in student-led demonstrations for democracy in their home town in Xi'an in 1989, which later led to a military crackdown that killed hundreds and possibly thousands in Beijing.

HONG KONG AND THE NEW ERA

Even younger Chinese like 25-year-old marketing executive Shan Tong, who have not lived through the bloody history of the Tiananmen Square protests in 1989, have difficulty understanding why fellow youth in the former British colony of Hong Kong are agitating for greater freedom.

"Why do they hate mainlanders and the motherland so much?" he asks. "It will be a disaster if 1.4 billion people also hate Hong Kong," he adds, referring to China's population.

Demonstrations against a Bill that would have allowed the extradition of fugitives from Hong Kong to the mainland have morphed into calls for democracy and independence. Hong Kong has, for the past 30 years, held one of the largest Tiananmen vigils in the world annually, with a record turnout this year as Hong Kongers grow increasingly wary of Beijing's grip over the territory despite its promise of a "one country, two systems" model.

"Independence is unrealistic. If Hong Kong became independent, where would their water and quality affordable food come from?" says Mr Shan, who is from the north-eastern province of Jilin and now lives in Beijing.

While the winds of democracy in Hong Kong have not blown towards China, in part because of the Chinese authorities' censorship and control of the protest movement's narrative on the mainland, not everyone buys into President Xi Jinping's ideology of a "Chinese dream"

The strongman leader, who has described his rule as the nation's "new era", has vowed to restore the country to greatness - by making China a "moderately prosperous society" by 2021, and for

it to become a "fully developed, rich and powerful nation" by 2049.

These two centennial goals - 2021 marks 100 years since the founding of the Chinese Communist Party (CCP), and 2049, the centenary of the founding of PRC - have been Mr Xi's overarching vision since he took power in 2012.

In a political system void of direct Western-style democratic elections, the Communist Party's legitimacy hangs on these two centennial goals, says Professor Zheng Yongnian of the East Asian Institute in Singapore.

When it realises the first goal and shifts its focus to the second, it will reinforce the idea of being a party with a mission.

"It gives the party itself a sense of pressure to move ahead, and it also gives the people an expectation of their future," says Prof Zheng.

Political scientist and historian Steve Tsang believes that President Xi will use all the resources at hand to ensure that the party continues its monopoly of power.

"The only chance for change is if the top leadership should split and turn against Xi," says Professor Tsang, director of the SOAS China Institute in London.

The state of the economy and any stumbling by the party on major policies could affect its longevity.

"The CCP has a remarkable record of not having made one major policy mistake that could have destabilised the system for nearly three decades, after the 1989 military crackdown. This was due largely to an ever increasing scope for internal policy debates at the upper echelon of power," says Prof Tsang.

But President Xi has since overturned this, shrinking the sphere of such debates internally and exposing the party to making potential missteps, he adds.

"This is the biggest risk to Xi's ambition."

At the same time that he has promised to improve people's living conditions, Mr Xi's authoritarian style has also created a climate of fear and control that has unnerved and silenced scholars, activists and dissidents.

As the country gears up to put on its mightiest show of achievements yet, the Chinese leadership is convinced that its days of being weak, bullied and humiliated are over.

Many challenges lie ahead, including a mountain of bad debt, keeping inflation and joblessness in check, an ageing population, food security, water scarcity, and a restive Tibet and Xinjiang.

Beijing's increasing diplomatic assertiveness in the South and East China Seas has also ruffled feathers.

And while China denies any ambitions to supplant the US to become the world's top superpower, most Chinese look forward to the day when their nation regains recognition, respect and what they perceive to be its rightful place in the world. **ST**



East Asia

Japan's Emperor Naruhito proclaims his enthronement in august ceremony

New monarch hopes his country contributes to peace and friendship as he sets tone for Reiwa era

JAPAN'S EMPEROR NARUHITO LAST MONTH proclaimed his enthronement at the Imperial Palace in an august ceremony steeped in ritual, vowing to fulfil his duty as the symbol of the state and of the unity of the people as spelt out in the Constitution.

In doing so, he said he will "always wish for the happiness of the people and the peace of the world,

turning my thoughts to the people and standing by them."

"I sincerely hope that our country, through our people's wisdom and unceasing efforts, achieves further development and contributes to the friendship and peace of the international community and the welfare and prosperity of humankind," the 59-year-old monarch added, reading from an unfolded script.

Emperor Naruhito ascended the Chrysanthemum Throne on May 1, one day after his father Akihito, 85, abdicated to become Emperor Emeritus.

The formal declaration, a ritual that dates back to the Nara period (710-784), is part of a year-long

Emperor Naruhito and Empress Masako receiving "banzai" cheers during the enthronement ceremony.
PHOTO: AFP

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Guests watching the cultural performance during the banquet for newly enthroned Emperor Naruhito, hosted by Prime Minister Shinzo Abe and his wife.
PHOTO: REUTERS

series of ceremonies that will end in April next year.

It was attended by 2,000 domestic and foreign guests from about 180 countries who observed the ceremony in the prestigious Matsu no Ma (Pine Room) from 30 monitors set up in other rooms around the courtyard.

Among the foreign leaders at the ceremony were Singapore President Halimah Yacob, Chinese Vice-President Wang Qishan, South Korean Prime Minister Lee Nak-yeon and embattled Hong Kong leader Carrie Lam. Royals, including Malaysia's King Abdullah Ri'ayatuddin, Belgium's King Philippe and Britain's Prince Charles were also present.

Crown Prince Akishino and other adult imperial

family members were present, although Emperor Emeritus Akihito and Empress Emerita Michiko, 85, retired from public duties, did not attend.

The Emperor's remarks were to set the tone for his reign of the Reiwa (beautiful harmony) era.

But the 126th monarch in the world's oldest hereditary imperial bloodline also reflected on his father's reign as he spoke from the platform of the 6.5m-tall Takamikura throne, wearing the dark-orange Gosokutai ceremonial court dress reserved for emperors.

"I deeply reflect anew that, for more than 30 years on the throne, His Majesty the Emperor Emeritus constantly prayed for the happiness of the people

HIGHLIGHTS FROM THE ENTHRONEMENT

THE THRONES

The two thrones used during the ceremony – known as Takamikura for the emperor, and Michodai for the empress – are usually stored at the Kyoto Imperial Palace. Each are made of thousands of small wood parts. The Takamikura throne is 6.5m tall while the Michodai is 5.7m. In preparation for the Oct 22 ceremony, the thrones were disassembled more than a year ago and shipped in trucks to Tokyo's Imperial Palace where craftsmen reconstructed them and touched up their lacquer coating.

THE ROBES

Emperor Naruhito was dressed in the Korozen no goho, a special brownish-orange robe with long wide sleeves. The complex attire is dyed using the bark of the Japanese wax tree and sappanwood, giving it a unique brown color tinged with yellow. Empress Masako, donned a junihitoe, which translates to 12-layered garment. Worn only by court ladies in Japan, it consists of "itsutsuginu," a

series of robes, "karaginu," a waist length Chinese-style jacket, and "mo," a long pleated skirt.

THE COST

Events marking Emperor Naruhito's enthronement are expected to cost 16.3 billion yen (\$204 million), up 30 per cent from Emperor Emeritus Akihito's accession, due mainly to an increase in the number of guests. According to the Japanese government, the accommodation bill for hosting the guests will be 4.1 billion yen more.

THE SECRET RITUAL

The Daijosai Great Thanksgiving ceremony, a purely Shinto religious rite, is set to be held on Nov 14. However, nobody knows what happens behind closed doors during the Daijosai, though theories abound that the Emperor enters into spiritual communion with his ancestors. The rite will set Japanese taxpayers back by 2.1 billion yen.

Sources: New York Times, Kyodo News, Japan Times

and world peace, always sharing in the joys and sorrows of the people, and showing compassion through his own bearing,” he said.

Emperor Naruhito’s wife, Empress Masako, 55, took the slightly shorter Michodai platform, wearing the On-itsutsuginu, a five-layered robe made of silk damask.

Japanese Prime Minister Shinzo Abe, standing at ground level and looking up at the Emperor, said: “We, the people... with a renewed spirit, will put our best efforts into creating an era where new culture will flourish as a peaceful, hopeful and proud Japan realises a bright future and the people come together in beautiful harmony.”

He then led domestic guests in three cheers of “banzai!” (long live the Emperor), as the Ground



Japan's Emperor Naruhito delivering his speech during his enthronement ceremony at the Imperial Palace in Tokyo. PHOTO: REUTERS



Japan's Empress Masako leaving after a ceremony to proclaim Emperor Naruhito's enthronement to the world, called Sokuirei-Seiden-no-gi. PHOTO: REUTERS

Self-Defence Force fired a gun salute.

The government also pardoned around 550,000 petty criminals to mark the occasion.

And a court banquet was held for foreign guests, who tucked into a banquet of traditional Japanese washoku cuisine.

On the menu were salt steamed abalone, grilled young sea bream, asparagus wrapped in beef, and a soup of Japanese spiny lobster and matsutake mushrooms. [ST](#)

Masako blossoms in role of Japan's Empress

Experts say former diplomat is back in her comfort zone, after years of stressful pressure

JAPAN'S EMPRESS MASAKO, HAVING LONG struggled with what the imperial household terms an “adjustment disorder”, has blossomed in the spotlight since her husband Naruhito became Emperor in May.

Brimming with newfound confidence, she has wowed the public, breaking free of the constraints placed on her by the rigid strictures of the palace, restrictions then-Crown Prince Naruhito lashed out at and described as “moves to deny Masako’s career and personality.”

Images in the media of the Empress, looking resplendent at her husband’s enthronement and wearing a bright smile as she chatted with foreign heads of state and royalty, set many abuzz.

A senior official of the Imperial Household Agency told Kyodo News: “The recovery of the

Empress’ health condition has supported the couple’s favourable performances.”

But experts said this “recovery” largely stems from how Empress Masako, 55, is now back in her comfort zone. The Harvard-educated Empress was a high-flying diplomat who grew up in Tokyo, Moscow and New York, and had also played a part in resolving trade disputes between the United States and Japan in the 1980s.

She is also a polyglot, being fluent in English, French and German.

Empress Masako set Twitter abuzz, with the trending term tsuyaku nashi (no interpreter), after chatting at ease with US President Donald Trump and French President Emmanuel Macron on their respective visits to Japan in May and June.

“Crown princesses have very little power within the imperial house but now that she’s Empress, she can definitely do some things that are different,” said Portland State University’s Japanese modern history expert Kenneth Ruoff.

The Empress, whose father is former vice-foreign minister Hisashi Owada, turned down then-Crown

The formal declaration, a ritual that dates back to the Nara period (710-784), is part of a year-long series of ceremonies that will end in April next year. It was attended by 2,000 domestic and foreign guests from about 180 countries who observed the ceremony in the prestigious Matsu no Ma (Pine Room) from 30 monitors set up in other rooms around the courtyard.

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Why GZERO world needs Japan more than ever



Empress Masako after the enthronement of her husband at the Imperial Palace in Tokyo on Oct 22. The Empress has long struggled with what the imperial household terms an “adjustment disorder”.

PHOTO: REUTERS

Prince Naruhito’s proposal twice, agonising over a decision that would mean giving up her career.

While he had vowed to “protect you with all my might for the rest of your life”, what eventually won her over was his confession that he did not know if he would ever live up to the gravity of his promise.

But, upon marrying, she immediately faced pressure to produce a male heir and was also not allowed to continue using her diplomatic and language skills. She has admitted that it took “a great effort to adjust” to not being able to travel.

What added to the stress was criticism from ultra-conservatives that she did not produce a male heir. The couple’s only child, Princess Aiko, was born in 2001, and Masako herself was diagnosed with “adjustment disorder” three years later.

She mostly stayed out of the spotlight after that, but has, in recent years, been returning to the public eye, with visits to welfare facilities.

She opened up to her insecurities at her birthday news conference last year, saying: “I sometimes feel uneasy about to what extent I will be able to be of service to people, but I will strive to do my best so I can contribute to their happiness.”

While it is premature to talk about Empress Masako’s legacy, observers believe her own suffering will allow her to better empathise with the disaster-stricken and less fortunate, while her diplomatic talent makes her a soft-power icon.

“It gives plenty of reassurance to the general public when they see Empress Masako carrying out her important duties,” said Dr Keiko Hongo of the Historiographical Institute at the University of Tokyo.

And Dr Ruoff said: “As Crown Princess, Masako did not appreciate in the least being treated as though her main worth as a human being was to serve as a womb for a male heir to the throne.

“She is someone who, from a young age, wanted to serve her country and, in that sense, the position of Empress aligns with her life goals.” **SI**

– Walter Sim, Japan Correspondent In Tokyo

WHEN I FIRST BEGAN WRITING ABOUT THE “GZERO” era of global politics nearly a decade ago (the G-8 and G-20 were constantly in headlines back then, hence the name), not many countries took the phenomenon seriously. Japan was the exception, and quick to realise the dangers of living in a world without true geopolitical leadership.

That foresight, paired with its unique geopolitical situation today, means Japan has both an opportunity and a responsibility to play a leading role in our current GZERO world.

It is not hyperbolic to say that Japan is the world’s healthiest major democracy this year. Some of that can be attributed to the wave of populism that has gripped the Western democracies that used to contend for that title, but much more of it has to do with the nature of Japan’s democracy itself.

Prime Minister Shinzo Abe is about to become the country’s longest-serving leader, a sign that where other countries’ people have given in to polarised politics, Japan’s people have avoided that impulse.

Yet the strength of Japan’s democracy goes beyond who leads the country. Among major industrialised markets, Japan can lay claim to being the most equal society in terms of income distribution, bolstered by institutions that have more legitimacy among their respective populace than anywhere else in the world.

Japan’s private sector is among the world’s most pioneering, which I’ve seen with my own eyes after years of regular travel there. And Japan takes that cutting-edge private sector and pairs it with social safety nets that actually work. If the rest of the West had such well-functioning social services, they’d be experiencing a lot less populism today. The world can learn plenty from today’s Japan.

This is not to say that Japan is without problems – public debt and the battle to keep it under control continue to challenge the country’s political leaders and technocrats.

Japan is also in the middle of a demographic decline, which must be proactively addressed – like most modern and complex economies in today’s world, Japan stands to gain from being more welcoming to both migrants and women into its workforce.

But neither of these issues overshadows the advantages Japan's stable democracy provides. And the world needs a country with those advantages now more than ever.

Mr Abe's recent outreach to private-and public-sector leaders in countries such as Germany, India, Iran and a variety of African nations was a step in the right direction, but Japan must go even further. That's particularly true given its proven ability to maintain stable relations with the Trump administration, making Japan a useful bridge between the United States and other countries that have had less success on that front.

While many of the current advantages Japan's democracy enjoys this year are unique to the country itself, it's also true that it did not get to this point without help.

Following World War II, the global community came together to rebuild itself and created an international system that enabled countries to flourish. Japan was one of the largest beneficiaries of that post-war system – which means it has an obligation and a right to help the world figure out what system should replace it.

And let's be clear – no matter who wins US elections next year, the old Pax Americana, the US-led world order, is not returning.

To Japan's credit, it has begun taking a more proactive approach. While the US and Britain – two of the critical pillars of the old world order – have spent the last few years mired in their own domestic political dramas, Japan has stepped into the void to help ensure major international crises and initiatives don't spin out of control (think Paris Agreement, the Iran nuclear deal, the Trans-Pacific Partnership, and so on) while the world, Japan included, figures out what comes next.

Japan has also started making more strategic decisions for its own benefit in areas where it has direct interests at stake, working towards an Indo-Pacific security framework, a data governance structure post-Osaka, and a US-Japan bilateral trade deal, among others.

The direction the world is moving in today will provide Japan with more opportunities for leadership going forward. Increasingly, we are seeing geopolitical competition in the field of technology (often referred to as "geotechnology"), where Japan's strong track record of innovation and willingness to deploy world-changing technologies early give it significant advantages.

And as the US-China tech cold war intensifies, Japan is in position to help spearhead tech leadership in the West.

Japan today has a decision to make. While it has serious domestic issues of its own to look after, it is also faced with the choice of whether to shoulder new global responsibilities. It should.

The country no longer has the luxury of letting others lead, or to ignore the many trends reshaping the rest of the world – while populism might not



be a problem in Japan, it does remain a problem for the Japanese, given the international system it is currently upending.

Japan's destiny will be more globally – and technologically – driven than ever before in its history. The Japanese people will be forced to look beyond their islands as they commit to helping uphold and then reshape a new global order – not just on the open seas for the free flow of goods and services, but also across the cyber and data domains.

This is why we are holding our GZERO summit in Tokyo, and we are committed to holding this forum every year to bring the world to Japan and to analyse the latest trends in geopolitics, geo-economics and geotechnology.

Japan's leading role in the GZERO world has never been more clear than it is today, and it is an opportunity it should seize, both for its own sake and for everyone else's. [ST](#)

Ian Bremmer is the president and founder of Eurasia Group and GZERO Media. He is also co-chairman of Eurasia Group's GZERO Summit, to be held in Tokyo on Nov 18.

Prime Minister Shinzo Abe and his government have a decision to make. Japan has serious domestic issues of its own to look after, but it should still shoulder new global responsibilities.

PHOTO: AFP

IAN BREMMER

For The Straits Times





Indonesian President Joko Widodo's new Cabinet comprises a motley mix of newcomers and old hands, technocrats and politicians, including opposition figures.
PHOTO: REUTERS

South-east Asia

Jokowi's 'gado-gado' Cabinet

Experts express dismay at compromise line-up of ministers

THE NEW 34-STRONG CABINET UNVEILED BY Indonesian President Joko Widodo on Oct 23 left some scratching their heads.

Comprising a motley mix of newcomers and old hands, technocrats and politicians, including opposition figures, some analysts have dubbed it the "Cabinet of compromise".

This is likely the outcome of intense jockeying for power by political parties as Mr Joko, or Jokowi as he is better known, tried to cobble together what he called his "Kabinet Indonesia Maju", or "Onward Indonesia Cabinet", of technocratic ministers.

"This is a 'gado-gado' Cabinet to make all parties happy," Ms Titi Anggraini, executive director of the Association for Elections and Democracy (Perludem), told The Straits Times.

Gado-gado is a local salad of assorted vegetables in peanut sauce, but it also literally means "mixing" in Bahasa Indonesia.

More than a third of first-term ministers have retained their posts, including Finance Minister Sri Mulyani Indrawati, a former World Bank managing director, and Law and Human Rights Minister Yasonna Laoly, a seasoned politician from the country's biggest political party, the Indonesian Democratic Party of Struggle (PDI-P).

Analysts say the re-appointment of the highly capable Dr Sri Mulyani would be a boost to the economic team and a stabilising figure to help Mr Joko lift growth, reform labour laws and boost investments in South-east Asia's largest economy.

Fresh faces with impressive credentials include

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the co-founder of ride-hailing company Gojek, Mr Nadiem Makarim, 35, who was appointed education and culture minister, and television veteran Wishnutama, 43, who got the post of tourism minister.

They could help Mr Joko realise his key priorities of upgrading the vocational skills of young workers and growing the tourism sector.

While the newcomers have yet to prove if they can withstand the pressures of bureaucracy, they bring to the table their expertise in their various fields.

Mr Nadiem, for instance, could draw from his experience of growing Gojek into Indonesia's first start-up unicorn to help improve the country's digital ecosystem, such as in the areas of licensing, infrastructure and taxation, said Institute for Development of Economics and Finance economist Bhima Yudhistira Adhinegara.

"Mr Nadiem's appointment demonstrated Jokowi's focus to grow the digital economy sector and create millions of new jobs," he told The Straits Times.

Indonesia has the fifth-largest number of Internet users in the world, and management consulting firm McKinsey has predicted that the country can grow its economy by US\$150 billion (S\$203 billion) by 2025 if it embraces digitalisation. That is equivalent to 10 per cent of Indonesia's gross domestic product.

However, analysts were less impressed by the appointment of Mr Prabowo Subianto as defence minister. Mr Prabowo, a former army general and chairman of opposition party Gerindra party, had fiercely challenged Mr Joko in the 2014 and 2019 presidential elections.

His inclusion, as well as that of other political appointees, showed compromise and the reality of political patronage, analysts said. While many Indonesians were disappointed, some believed it was a gesture of unity by Mr Joko.

"Democracy has lost a significant opposition force in Parliament," Indonesian Institute of Sciences (LIPI) political expert Syamsuddin Haris told ST.

"Embracing political opponents is certainly positive, but it should not be for the purpose of sharing power. The approach to embracing Gerindra party should be by letting it become a loyal opposition to the government," he added.

But analysts also recognised the need for Mr Joko to form new allies outside his ruling coalition to resist pressures from powerful elites, given that he holds no leadership position in his PDI-P.

"Jokowi's offer to Prabowo could also be read as his efforts to escape from being potentially held hostage to his coalition partners, and also to maintain a distance from PDI-P" and its chairman Megawati Sukarnoputri, said Professor Syamsuddin.

The Defence Ministry will receive the biggest state budget compared with the other 33 ministries next year. It will have 127.4 trillion rupiah (S\$12.5 billion) to disburse, slightly higher than a 120.2

Analysts say it is too early to judge how well the new Cabinet will perform and only time will tell if the ministers are worth their salt. The President, after all, is free at any time to replace underperforming ones.

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trillion rupiah budget for the Public Housing and Works Ministry, which has driven Mr Joko's massive infrastructure push that has been widely deemed a success in his first five-year term.

Mr Prabowo, the former son-in-law of the late president Suharto, was the chief of the army's elite Special Forces, or Kopassus.

But he was dismissed from military service after he was implicated in the abduction of pro-democracy activists in 1998.

Analysts say it is too early to judge how well the new Cabinet will perform and only time will tell if the ministers are worth their salt. The President, after all, is free at any time to replace underperforming ones.

"They will have to face the bureaucracy for the first time, which is, of course, not easy. They will also have to deal with the interests of the political parties. Some ministers are also party leaders. Of course, that will also affect their performance," said Ms Titi.

Agreeing, Dr Firman Noor, head of LIPI's Political Research Centre, said: "The quality of the government cannot be assessed yet. Whether or not it is solid, the potential is there." ST

Indonesians have expressed anger and disappointment over the news that Mr Prabowo Subianto (below, left) will be joining President Joko Widodo's (below, right) new Cabinet.
PHOTO: AFP





Education and Culture Minister Nadiem Makarim with Finance Minister Sri Mulyani Indrawati (left) and Foreign Minister Retno Marsudi before the Indonesian Cabinet's swearing-in ceremony at Merdeka Palace.

PHOTO: EPA-EFE

Gojek in safe hands as co-founder takes on new challenges

AS RUMOURS INTENSIFIED THAT HE WAS IN THE running for a Cabinet post, Mr Nadiem Makarim insisted that the talk was just speculation, and nothing was certain until it was announced.

And then it was announced.

On Oct 21, the co-founder of ride-hailing company Gojek told his colleagues, senior managers who in less than a decade had helped him build a national technology champion worth US\$10 billion (\$13.6 billion), that he was resigning.

Only the day before, President Joko Widodo had been inaugurated into his second five-year term. The next day, Mr Nadiem, 35, was invited to the presidential palace.

His appointment to serve as Education and Culture Minister comes at a delicate time for Gojek, which last year embarked on a US\$500 million expansion into Singapore, Thailand and Vietnam, hoping to steal a march on its arch-rival Grab.

For its part, Grab said in July it would pour US\$2 billion over five years into developing transport and health services in Indonesia, out of the US\$3 billion the Singapore-based company has raised from Japan's Softbank so far.

But even as Gojek fights on many fronts, insiders and industry watchers described a company with a devolved decision-making process and a collaborative corporate culture that can absorb the departure of even its most senior executive.

The company said the next day that Mr Kevin Aluwi, 33, Gojek's co-founder, and Mr Andre Soelistyo, 36, its fund-raising chief, would take over as co-chief executive officers.

Mr Kevin helped bring about blockbuster products including food delivery, and Mr Andre, who raised US\$4 billion from the likes of Chinese

Internet company Tencent and US private equity firm KKR, helped roll out Indonesia's biggest online payment portal, GoPay.

"I have nothing but support for and confidence in Kevin and Andre," said Mr Daniel Tumiwa, head of industry body Indonesian E-commerce Association. "With the resources of the company and the board behind them, I am not worried they won't be successful."

At stake for the pair, though, will be preventing Gojek from being boxed in by Grab. In March last year, Grab said it had snapped up Uber's ride-hailing and food delivery businesses throughout South-east Asia in return for a 27.5 per cent stake in the company.

Gojek risks losing customers to Grab if it cannot offer the same breadth of services across the region, Mr Daniel said.

In its early years, Gojek, which was founded in 2010, was little more than a call centre, dispatching "ojek" motorcycle taxis that would otherwise wait at street corners for fares. "Ojek" drivers had an unsavoury reputation for fleecing customers with trumped-up fares.

But in 2014, Mr Nadiem and Mr Kevin won backing from NSI Ventures to develop their app, which used the spread of smartphones to organise and dispatch drivers, and to record and price routes online.

Mr Andre joined in 2015 to help corral investment dollars. The company said 400,000 vendors now sell their products and services through its mobile platform.

So integral to life in the big cities has Gojek become that when the transport minister tried to ban online taxis in 2016, he was overruled by Mr Joko the same day.

"Kevin, Andre and Nadiem changed the way people in Indonesia live their lives," said one former Gojek executive.

Senior executives said efforts were made in recent months to ease Mr Nadiem's day-to-day responsibilities so he could focus on strategy.

Current and former staff credit him with creating a supportive company that cultivates big ideas. "If you could prove an idea with data, the company would shift resources to help develop it," said a former employee.

In 2016, Mr Nadiem was named The Straits Times' Asian of the Year, along with Tencent Holdings founder Pony Ma and other disruptors, an acknowledgement of the influence these technopreneurs had in changing the lot of consumers and workers.

In an e-mail to staff on Oct 23, Mr Nadiem said Mr Joko had asked him to overhaul Indonesia's schools to graduate the workers that Gojek might hire. "Gojek thrives on talent," Mr Nadiem wrote. "The country's education system is going to have to undergo a transformation just like the one that began on the streets of Jakarta in 2010." **ST**

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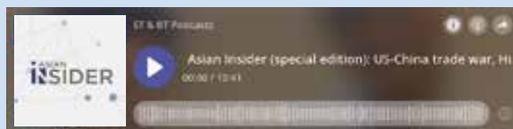
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Where will ‘Lao Ma’ lead Malaysia?

For non-Malays, PM Mahathir’s recent signals are discomfiting



Prime Minister Mahathir Mohamad giving his speech at the Malay Dignity Congress in Shah Alam on Oct 6. His standing among the Chinese has been on the decline since last year’s election victory.

PHOTO: THE STAR/ASIA NEWS NETWORK

JOCELINE TAN

For The Straits Times

THE CHINESE IN MALAYSIA OFTEN REFER TO Tun Dr Mahathir Mohamad as “lao ma”, or old horse.

The Prime Minister’s name rhymes with “ma”, which means horse, and, during the general election campaign last year, the then opposition Democratic Action Party (DAP) found itself urging Chinese voters to ride on “lao ma” to get to Putrajaya despite its misgivings about him.

Dr Mahathir’s relationship with the Chinese has not always been smooth. It is telling that, during a DAP campaign rally, one speaker sought to dispel Chinese voters’ apprehensions by alluding to Dr Mahathir’s age, suggesting that he made a likely “mahjong kaki” to Singapore’s founding father Lee Kuan Yew in the hereafter.

Well, “lao ma” is not into mahjong, and, at 94, he has shown little sign of slowing down or, for that matter, letting go.

Since the euphoric days of last year’s election victory by Pakatan Harapan (PH), Dr Mahathir’s standing among the Chinese has been on the decline, and it may have reached a new low after the recent Malay Dignity Congress, a gathering for Malay academics to air Malay concerns and press for greater rights.

The ultra Malay views expressed were not exactly

new; such Malay supremacy rhetoric has been out there in one form or another since the 1970s.

But this is supposed to be New Malaysia and many non-Malays watching were stunned and appalled, especially given that Dr Mahathir was the keynote speaker at the gathering. Non-Malays have often complained that they were made to feel like second-class citizens under the Barisan Nasional government and it felt like so much and yet so little has changed under the PH administration.

MALAY GRIEVANCES UNLEASHED

The unabashed assertion of Malay rights and demands by speakers, many of whom are academics, came across as the unbottling of the Malay discontent and sense of insecurity that had been building up since the change of government.

For instance, the speakers demanded, among other things, that only Malays be appointed to key Cabinet posts, including the finance minister post, as well as posts like the attorney-general and chief justice. They wanted stern action against those who insult Islam, the national language or the use of Jawi in government.

They also hit out as divisive Chinese vernacular schools, long considered the Chinese sacred cow.

They called for a single-stream school system by 2026 in order to unify the country, defined in their terms as the land of the Malays.

It was a rude awakening for the Chinese, of whom more than 90 per cent had voted for Pakatan in the general election in the belief that they were ushering a more egalitarian society.

“It was pretty much old Malaysia all over again. The fact that it had support from all these academics shows that there is a market for this type of race rhetoric,” said lawyer and political commentator Khaw Veon Szu.

On the non-Malay side, said Mr Khaw, there has been a combination of anger, frustration and helplessness. Non-Malays realise that the New Malaysia they had hoped for is not going to happen any time soon and they felt betrayed to see Dr Mahathir on the same stage as the Malay ultras.

In contrast, some Malays think that Dr Mahathir did not go far enough.

Businessman Wan Albakri Mohd Noor, who is from Terengganu, had gone to the congress hoping to be inspired.

Like many Malays, he believes that Malays are no longer in a dominant position in the government and he was looking for reassurance and direction from Dr Mahathir.

Datuk Wan Albakri was disappointed that the Prime Minister did not address or take a stand on the fiery points raised by the speakers.

“I wasted my time. I left the event feeling let down. I was expecting aspirational and big ideas. Instead, he talks about small things, scolding Malays for avoiding menial work and not taking up low-paying jobs,” he said.

Criticising the Malays has been a Mahathir trait even during his first round as Prime Minister and he was known to shoot from the hip.

However, he could walk on water back then because he was president of Umno, the biggest and most powerful political party in the country. People would swallow whatever he said and there was no social media to bite back.

STRONG LEADER NEEDED

Today, he is chairman of Parti Pribumi Bersatu Malaysia, a minor party in the ruling coalition and his words do not seem to carry the same weight. Moreover, social media does not kowtow to position and power.

“My sense is that Malays are looking for a strong leader to represent them and defend their rights. They went to listen and they got a scolding,” said Ms Rita Sim, director of Cense think-tank.

She pointed out that uncertainty about the future has a lot to do with the restless mood out there.

“The thing about this country is that Malays are the majority population and, if you are unable to settle Malay concerns, if they feel unsettled, then you are not going to have a stable country,” she said.

It also follows that the Prime Minister has to be



seen as a strong Malay leader if he is to be a strong Prime Minister.

But some are now wondering whether the purpose of the Malay congress was for the Malay ultras to thump their chest or whether it was also to provide a stage for Dr Mahathir to signal what lies ahead.

The event saw opposition party leaders from Umno and Parti Islam SeMalaysia (PAS) attending to lend their support, and they had posed on stage for the cameras.

There in a row, smiling broadly with their clasped hands held high were Dr Mahathir and, flanking him, PAS president Hadi Awang, Umno secretary-general Annuar Musa, Parti Keadilan Rakyat (PKR) deputy president Azmin Ali and the Perlis Mufti Mohd Asri Zainul Abidin.

What's one to make of this unusual photo of fierce political opponents standing together under the banner of Malay unity?

ANWAR'S ABSENCE

It's as good as Dr Mahathir saying he has the support of the key Malay leaders and political parties in the country.

It is also a signal to the non-Malays, especially the Chinese, that the Malays can come together on issues that affect their religion and rights.

The awkward part about the optics that day was the absence of Datuk Seri Anwar Ibrahim, the designated successor to Dr Mahathir.

Mr Anwar, who is PKR president, was not invited, although some claimed he received a late invitation and could not attend.

Some observers reading the tea leaves of Putrajaya politics find his absence an ominous sign of what lies ahead.

Malay politics is sometimes like the art of silat – lots of showy, distracting moves before the lethal strike. It would also be a mistake to underestimate Dr Mahathir just because he is an old horse.

As Mr Khaw noted: “There is a Chinese saying that the old horse knows the way.” [ST](#)

Malay politics is sometimes like the art of silat - lots of showy, distracting moves before the lethal strike. It would also be a mistake to underestimate Dr Mahathir just because he is an old horse.

PHOTO: CHEDET OFFICIAL / YOUTUBE

It was pretty much old Malaysia all over again. The fact that it had support from all these academics shows that there is a market for this type of race rhetoric.

”

– Mr Khaw Veon Szu
lawyer and political commentator.



Spotlight

Yeti of an issue in 'Abominable' movie

Dreamworks' latest release stokes anger in the region

Dreamworks' latest release *Abominable* is about a young Chinese girl who finds a Yeti on her roof and decides to help him return to his family in the Himalayas.

PHOTO: DREAMWORKS ANIMATION LLC

SOUTHEAST ASIAN COUNTRIES HAVE REACTED strongly to Dreamworks' animated movie *Abominable*, that shows a map with Beijing's disputed South China Sea claims.

Vietnam ordered a halt to its screening, the Philippines foreign secretary called for a boycott of all DreamWorks films while Malaysia's censors ordered the removal of the scene showing the map.

Abominable is about a young Chinese girl who discovers a yeti living on her roof and she decides to help him return to his home and family in the Himalayas.

China's unilaterally declared "nine-dash line" in the South China Sea is displayed on the main

character's map in the film.

The movie has been jointly produced by Shanghai-based Pearl Studio and Comcast-owned DreamWorks Animation and it has nothing to do with the South China Sea dispute between China and its regional neighbours. But the inclusion of the map has drawn attention to the issue, once again.

Here's how countries have responded:

In Vietnam: Officials ordered cinemas to halt screenings of the movie, as part of a wider crackdown on any depiction of the disputed territory. The country ordered an automobile importer to remove navigation apps that show maps reflecting Chinese territorial claims that are rejected



by Hanoi and news website VnExpress reported that the Saigontourist Travel company was slapped with a 50 million dong (\$\$2,980) fine for circulating tourism brochures issued by a Chinese city with the nine-dash line included.

In Malaysia: The country's film censorship board chief Mohamad Zamberi Abdul Aziz said that the movie - due for release on Nov 7 - could be screened in the country "with the condition that the map, which has become controversial, is removed". But, with the movie's distributor saying he wouldn't be able to comply with the orders, the movie will no longer be shown in the country.

In the Philippines: Not only has Abominable been cut from Philippine cinemas since Oct 15, top government official Foreign Secretary Teodoro Locsin called for a "universal boycott" of all films by Dreamworks. His response followed a tweet by a maritime-law professor calling for the movie to be banned in the country.

Territorial disputes in the South China Sea among several countries have been ongoing for decades but tension has been increasing in recent years.

Much of it is caused by what has been perceived as China's growing assertiveness in its claims, beginning in 2009 with its presentation of a map to the United Nations.

The map showed its claim over almost the entire South China Sea represented by a U-shaped, nine-dash line.

This put China in clear contention with all the other claimants - Taiwan and Asean member states Brunei, Malaysia, the Philippines and Vietnam. **ST**

Sources: *The Straits Times, Reuters, Philstar, Bloomberg*

A man at a cinema in Hanoi taking down a promotional poster for the DreamWorks film Abominable, which was being marketed in Vietnam as Everest: The Little Yeti. PHOTO: REUTERS

Disputed claims



Source: AFP STRAITS TIMES GRAPHICS

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Technology

Singapore plans four 5G networks to secure digital future

All four can be rolled out by next year, but nationwide coverage will take much longer

With 5G technology, consumers can enjoy surfing speeds 20 times faster than what 4G networks offer and be able to connect 1,000 times as many devices.

ST PHOTO: KELVIN CHNG

SINGAPORE HAS SET ITS SIGHTS ON UP TO FOUR 5G networks, instead of the two initially planned for, as it takes bolder steps to embrace a technology believed to be crucial to the nation's economic growth.

All four networks can be rolled out by next year, although nationwide coverage will take much longer and be limited to only two networks due to the scarcity of 5G airwaves for islandwide reach.

These scarce airwaves, that enable nationwide reach, will become available only in 2021, and wider coverage will start being rolled out in 2022. However, all four networks may offer localised coverage next year.

The Infocomm Media Development Authority's (IMDA) more aggressive push to have two extra smaller 5G networks factors in immediate industrial needs - for example, in smart ports and smart factories to remotely operate cranes or vehicles to move shipping containers or goods round the clock.

A public consultation completed in July elicited calls to involve all four telcos here - Singtel, StarHub,

M1 and TPG Telecom - to spur innovation.

The authority had originally planned to give out licences to operate only two 5G networks with nationwide coverage built with the most advanced technologies that do not piggyback on existing 4G technologies.

Announcing the decision on Oct 17, Minister for Communications and Information S. Iswaran said Singapore can accommodate two more localised 5G networks in addition to two nationwide ones to involve all four telcos here.

"IMDA expects the greater competition to benefit consumers and businesses, and bring about greater choice, more competitive prices and service innovation," he said. "Singapore's 5G ecosystem will be the backbone of our digital economy."

The IMDA's current position does not compromise Singapore's original intention to be among the front runners in the roll-out of next-frontier applications, possible only through a full-fledged 5G network.

The technology promises surfing speeds 20 times faster than what 4G networks offer and the ability to connect 1,000 times as many devices. A full-fledged

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Tech Editor



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5G network will also be able to support critical applications, such as driverless car navigation and remote surgery, that require a constant connection without lag.

Operators have been asked to submit detailed proposals by January next year, after which 5G airwaves will be assigned. Two networks will be earmarked for nationwide coverage.

The proposals will be assessed on factors such as network security design and ability to achieve 50 per cent islandwide coverage by end-2022.

Operators of the nationwide 5G network need to each offer at least \$55 million for the scarce 3.5GHz band of airwaves to provide nationwide coverage.

Meanwhile, operators of the two smaller 5G networks will pay only an annual utilisation fee and be given the millimetre wave (mmWave)

spectrum. They are allowed to piggyback on existing 4G technologies initially as 5G technologies for mmWave deployments are not available yet.

The race for 5G supremacy is linked to economic progress, and is at the centre of an ongoing trade war between the United States and China.

The US has also been trying to stop its allies from using 5G mobile systems supplied by Huawei, citing espionage concerns. It has said it will evaluate how to share intelligence with governments that have 5G networks using equipment from “untrusted vendors” referring to Huawei.

Mr Iswaran said that Singapore has not banned any vendors. He added: “We have emphasised the need for resilience and vendor diversity in our systems, and also that the systems meet our security requirements.” 

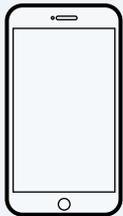
On the 5G fast track

A 5G network promises a surfing speed that is 20 times faster than that of a 4G network and the capacity for 1,000 times more devices.

HOW FAST IS 5G?

Just how fast does it take to download the movie *Star Wars: The Force Awakens* in high definition, which has a file size of nearly 4GB?

2010 to present
4G



2020 onwards
5G



Theoretical maximum speed:

1Gbps

Estimated download time:

30sec

Theoretical maximum speed:

20Gbps

Estimated download time:

1.5sec

WHAT POSSIBILITIES WILL 5G OPEN UP?

A full-fledged 5G network's ability to deliver a constant connection without lag will support mission-critical applications.



Telemedicine
Greater access to healthcare and surgery performed remotely



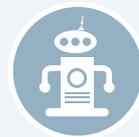
Autonomous vehicles
Safer cars due to better collision avoidance systems



Internet of Things
Real-time monitoring of places and processes



Autonomous drones
For building inspection and delivery of medical supplies

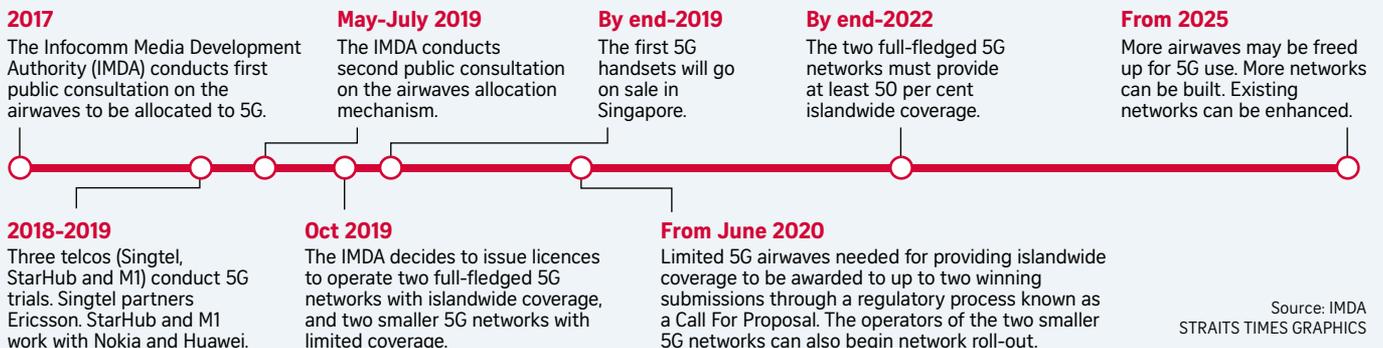


Industry automation
Robots that communicate with one another



Virtual/augmented reality
New modes of personal entertainment and professional training

5G DEVELOPMENT TIMELINE



Source: IMDA
STRAITS TIMES GRAPHICS

Racing to gain the edge with next-frontier 5G applications

SINGAPORE IS LOOKING TO DEVELOP NEXT-frontier 5G applications to support its ambition to lead the global digital economy. Several projects have qualified for a grant from a \$40 million fund set up by the National Research Foundation and the IMDA to accelerate this. The projects are in the following areas:



SMART MOBILITY

Real estate firm CapitaLand, map service provider Navinfo Datatech and telco TPG Telecom will be testing cloud-based driverless car navigation at Science Park 1 and 2 over a 5G connection.

By shifting the processing of traffic data from an in-vehicle system to the cloud, it is hoped that the cost of autonomous vehicles can be reduced.

The firms will also be testing how quickly data can be obtained from numerous sources such as sensors on road infrastructure and other vehicles for navigation purposes.



CLOUD GAMING

Gaming accessories firm Razer and telco Singtel will be testing how 5G networks should be designed in an urban environment to allow consumers to stream and play games with rich visual details using their mobile phones. The mobile connection must have minimal lag for enjoyable gameplay.

Environmental interference such as how buildings, street furniture, trees and wet weather affect gameplay will also be studied in what is the first consumer 5G application trial in Singapore.



SMART PORT

Port operator PSA International has appointed telcos Singtel and M1 to conduct trials in the third quarter of this year to explore the use of driverless vehicles to move shipping containers round the clock.

This will allow PSA to load and unload more containers and turn ships around faster.

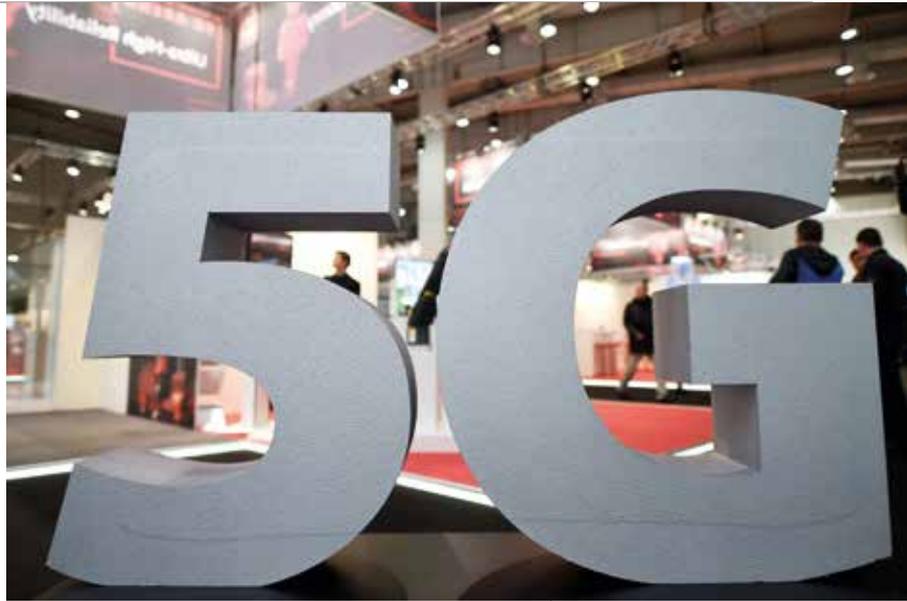
The telcos will also set up trials for the remote control of port equipment such as cranes. The trials will pave the way for the building of a state-of-the-art Tuas Port, expected to open from 2021 in stages, to reinforce Singapore's position as a leading port in the region.



SMART FACTORY

The Agency for Science, Technology and Research's (A*Star) Advanced Remanufacturing and Technology Centre has signed a memorandum of understanding with Singtel and industrial estate developer JTC Corporation to integrate 5G connectivity solutions into its smart Model Factory in Jurong.

The factory is a test-bed for advanced manufacturing tools, including smart sensors for tracking the location of driverless vehicles on factory floors. The trials will also explore the use of virtual reality teaching tools for training factory operators in, say, equipment maintenance. [ST](#)



Several 5G projects have qualified for a grant from a \$40 million fund set up to accelerate Singapore's ambition to lead the global digital economy.
PHOTO: REUTERS



Ministers and senior officials responsible for cyber security and information and communications technology from all 10 Asean Member States at the recent fourth Asean Ministerial Conference on Cybersecurity held in Singapore.
PHOTO: SINGAPORE INTERNATIONAL CYBER WEEK

Contributed Content

Strong global participation at SICW underscores increasing focus on cyber security

PARTNERSHIPS TO FOSTER TRUST AND confidence was the central theme of the Singapore International Cyber Week (SICW) held in early October. SICW 2019 included key events such as the Asean Ministerial Conference on Cybersecurity (AMCC), International Common Criteria Conference and GovernmentWare, and witnessed participation of 10,000 public and private-sector participants from 60 countries, up from 8,000 participants last year.

Opening the SICW conference, Singapore's Senior Minister and Coordinating Minister for National Security, Mr Teo Chee Hean, underlined the importance of building "more bridges and avenues for collaboration."

SM Teo said more dialogue and cooperation among countries, businesses and the people sector were needed to deal with sophisticated cyber threats, strengthen trust and confidence in the digital economy and secure our common cyber future. This theme of partnerships continued to underpin the discussions at SICW.

Speaking at the AMCC, Mr S Iswaran, Singapore's Minister for Communications and Information & Minister-in-Charge of Cybersecurity, reaffirmed Asean's progress in developing a secure and resilient cyberspace through close collaborations.

Mr Iswaran noted that the Asean-Singapore Cybersecurity Centre of Excellence (ASCCE) will be a key platform to raise cyber-security capabilities in the region, adding that it is important for Asean to sustain cooperation in the areas of capacity

building, regional cooperation and international cyber discussions.

The ASCCE will also facilitate Singapore's collaboration with the UN to conduct a norms workshop and a Senior Executive Cyber Fellowship next year, under the UN-Singapore Cyber Programme.

During the AMCC, Asean ministers also agreed to establish two committees, one to develop a coordinated response to cyber-security issues and the other to lay out a long-term regional action plan to ensure an effective and practical implementation of the 11 norms laid out in the 2015 United Nations Group of Governmental Experts (UNGGE) report.

Sharing how Asean is the first and only regional grouping to subscribe in-principle to the 11 UNGGE norms, Mr Iswaran said, "We did so because we recognised that this was an important part of building trust and confidence in cyberspace globally." Noting the progress by Asean, Under-Secretary-General and Special Adviser to the Secretary-General on the Preparations for the Commemoration of the Seventy-Fifth Anniversary of the United Nations, H.E Fabrizio Hochschild said, "The UN would really wish to commend Asean for having subscribed to the 11 norms of responsible State behaviour, adopted previously in 2015 by the UNGGE.

"These 11 norms are the basis for responsible state behaviour in the cyber sphere and their adoption by Asean lays the basis for improved security in the region."

Turning to the role that the private sector plays



SPONSORED

in building a safe and secure cyberspace, Mr Iswaran said, “If we want to ensure that this very important public good is preserved and enhanced, we will need a collaborative approach not just among nations, but also between public and private sectors”

Initiatives like the ASCCE will develop collaborations with the private sector to promote capacity building and bring best practices from both the private and public sectors to the fore.

Mr Eric Hoh, president of Asia Pacific, FireEye Inc said, “Everyone has a shared responsibility when it comes to cyber defence and this year’s SICW underlines this importance, particularly as it pertains to cyber security capability building.”

Mr Iswaran also spoke about the growing recognition towards cyber security as a global commons challenge and the importance of partnerships. He added: “Our interests are deeply intertwined and it is necessary that we work together as a team – whether it is at the national level, international level or within Asean to strengthen cyber security. Singapore and Asean – in collaboration with our international and dialogue partners – can make a meaningful contribution and difference to the lives of our citizens, in our own countries, in the region, and also to make an important contribution to the global community.”



Senior Minister and Coordinating Minister for National Security Teo Chee Hean delivering the SICW opening address. PHOTO: SINGAPORE INTERNATIONAL CYBER WEEK

Strengthening Singapore's cyber infrastructure

STRENGTHENING SINGAPORE'S CYBER infrastructure was also a key theme at this year's Singapore International Cyber Week (SICW).

To keep pace with digitalisation and the evolution of cyber threats, the Operational Technology (OT) Cybersecurity Masterplan was launched at SICW to address emerging threats that arise from the convergence of Information Technology and OT.

A Coordinating Committee for Cybersecurity will also be formed to coordinate the sharing of cyber-security information and will publish the first Cybersecurity Standards Roadmap next year to support Singapore's digital transformation efforts.

Speaking at the International Common Criteria Conference, Senior Minister of State (SMS), Ministry of Communications and Information & SMS-in-charge of Cybersecurity Dr Janil Puthucherry said, “As the scale and sophistication of cyber attacks increase, the demand for cyber-security services and certified products will also increase in tandem. We have to build up our local ecosystem. We have

to develop product labs and also need to attract global reputable evaluation laboratories to anchor their operations here to allow regional companies to have access to world-class product evaluation experts.”

This undergirds the importance of an environment that drives innovation and fosters partnerships in cyber security. The 2019 Cybersecurity Industry Call for Innovation is one such initiative, where cyber-security companies were invited to develop cutting-edge solutions to address specific cyber-security challenges faced by organisations.

The Cyber Security Agency of Singapore (CSA) and Nanyang Technological University also announced the establishment of the National Integrated Centre for Evaluation, a one-stop facility for product testing and evaluation.

The centre will develop competencies and evaluation techniques, build a pipeline of professional practitioners and community of practice, and seed a sustainable industry ecosystem for product evaluation and certification in Singapore.

Underpinning these initiatives and the discussions at SICW was a strong emphasis on the importance of partnerships between government, industry and academia to ensure that Singapore can thrive amid an evolving cyber landscape.

Mr Kevin O'Leary, Field Chief Security Officer, Asia Pacific, Palo Alto Networks, noted that SICW 2019's focus on partnerships is important in facilitating the exchange of knowledge between public and private sector players. “Open exchange and cooperation serve to strengthen the cyber-security posture of not only the country, but the entire region,” he said.

Mr David Koh, Chief Executive of CSA observed that the strong turnout at SICW 2019 shows that it has become a recognised platform to strengthen international networks, exchange best practices and build collaborations to further cyber-security efforts. “We are thankful for the support from all our partners and I look forward to advancing efforts to secure our common cyberspace together,” he said.

Singapore's No. 1 competitiveness ranking masks some weak spots

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Ease of hiring foreigners, future workforce, corporate governance and policies to promote environmental sustainability can be improved

SINGAPORE MADE HEADLINES AROUND THE world for topping the World Economic Forum's (WEF) Global Competitiveness Index, edging ahead of the United States, which was top last year.

It's a prestigious accolade from a credible organisation. The Geneva-based WEF, which is best known for being the convener of the annual jamboree of world leaders at Davos, has been ranking countries

on competitiveness since 1979 and follows a rigorous methodology, which it keeps updating.

In the latest version, which was introduced last year, it takes account of the fact that the Fourth Industrial Revolution is radically changing what it means to be competitive or "future ready." It's not just about having an open economy; it's also about innovation, the exchange of ideas, collaboration across borders, skills for the future, environmental policies and social protection for those who get left behind.

This year, the WEF ranked 141 economies across 12 broad areas: institutions, infrastructure, infocommunications technology adoption, macroeconomic stability, health, skills, product market, labour market, financial system, market size, business dynamism and innovation capability. Within each of the 12 areas, different metrics were measured.

For example, within the area of "business dynamism", the WEF report considered administrative enablers such as the time it takes to start a new business and the cost, as well as the entrepreneurial culture. In all, it covered 103 different metrics. Each economy was given a score out of 100, based on both hard data as well as executive surveys – so perceptions also counted.

The average score for the 141 countries was 61 out of 100. Singapore scored 84.8. It topped the field for the broad areas of infrastructure, health and the labour market, was ranked second for institutions, the efficiency of its product markets and the strength of its financial system, and made the top 15 in most other areas – a stellar performance on the whole.

ROOM FOR IMPROVEMENT

But there's still room for improvement and, to find out where, it's worth focusing on the areas where Singapore scored relatively low.

One example is the key area of the labour market. Despite being ranked first overall, when it came to the issue of the ease of hiring foreign workers, Singapore was ranked 93rd, which is not surprising, given the Government's tight policies on such hiring over the last decade.

Another interesting example is in the broad area of skills, where Singapore was ranked 19th. Here, there was a striking difference in its ranking for the skills of its current workforce, where it came in third, and the skills of its future workforce, for which it was ranked 28th.



ST ILLUSTRATION: CEL GULAPA

What dragged Singapore's ranking down were two things: first, the pupil-to-teacher ratio in primary education, where it was ranked 48th. Singapore has more than 15 pupils per teacher on average, while the top ranked countries had fewer than 10; and second, the encouragement of critical thinking in the education system, where Singapore ranked 21st.

The lowest ranking on any metric that Singapore got was for "press freedom", where it was ranked 124th out of 141. Drawing partly on the work of global media watchdog Reporters Without Borders, it was based on an expert opinion survey on issues that included pluralism, media independence, self-censorship and transparency. While media professionals, including myself, may dispute this ranking, whether we like it or not, it reflects perceptions of the media scene in Singapore.

Another controversial score relates to macroeconomic stability for which Singapore was surprisingly ranked 38th. It was penalised for its public debt to gross domestic product ratio, which was around 110 per cent at the end of last year. But this does not take account of the fact that, in Singapore's case, public debt is backed by assets.

The proceeds of the bonds that the Government issues, such as Singapore Government Securities, are not spent, as in most other indebted countries, but invested. What the WEF should have looked at is not gross debt - that is, liabilities - but net debt, which is liabilities minus assets, which is close to zero. Singapore deserved a higher rating for its macroeconomic stability.

When it comes to "business dynamism", an area in which Singapore was ranked 14th, two metrics are worth flagging. One is the attitude towards entrepreneurial risk, where Singapore was ranked 26th.

This was determined by a subjective response to the survey question: "In your country, to what extent do people have an appetite for entrepreneurial risk?" Singapore got a middling score of 59 out of 100. While this is an improvement over previous years, entrepreneurship is an area where Singapore has some catching up to do vis-a-vis other small, open economies such as Israel (which topped the field), Hong Kong (third) and Ireland (sixth).

LOW SCORES ON THE CORPORATE FRONT

Singapore lags further behind on its insolvency regulatory framework, which helps to rehabilitate viable firms and liquidate unviable ones. It was ranked a lowly 88th.

Over the years, too many indebted companies that could have survived and become viable have gone bust, mainly because creditors have had too much leverage over debtors.

In 2017, Singapore introduced reforms to its insolvency and restructuring laws by introducing some provisions from Chapter 11 of the US Bankruptcy Code. This enables indebted businesses to continue operating while restructuring their debts so that repayments can be spread over a longer period - which shifts the balance of power in favour of debtors and gives companies a better chance to survive hard times.

It is too early to pass a verdict on the success of

Most competitive global economies

Rank	Economy	Ranking last year
1	▲ Singapore	2
2	▼ United States	1
3	▲ Hong Kong	7
4	▲ The Netherlands	6
5	▼ Switzerland	4
6	▼ Japan	5
7	▼ Germany	3
8	▲ Sweden	9
9	▼ United Kingdom	8
10	Denmark	-

Source: WORLD ECONOMIC FORUM STRAITS TIMES GRAPHICS

this major reform, but there is a good chance that Singapore will be ranked higher on its insolvency regulations in future.

Better shareholder governance would also help and this is again an area where Singapore is ranked lower than it should be, at 37th.

This is perhaps not surprising. In recent years, there have been many cases where shareholders' rights were violated. Commodities trader Noble repeatedly wrote down massive debts that it claimed were serviceable when they were not, in the process wiping out many shareholders and bond holders; rig-builder Keppel was found guilty of having paid bribes to get contracts in Brazil; another blue chip, Singapore Post, failed to disclose conflicts of interest on its board. Financial irregularities have surfaced at several other smaller companies.

Corporate governance activists have pointed to many problems in company boards, including the lack of gender diversity, excessively long tenures of some directors as well as the prevalence of "group think", where board members tend to gravitate towards a singular view, discouraging dissent or alternative ideas - a syndrome that the 2018 Code on Corporate Governance has also warned against.

A RENEWABLE ENERGY DEFICIT

Finally, while Singapore scores high on the future orientation of its Government, eighth out of 141, there is one area within this broad metric on which it scores low and that is its policy towards renewable energies. It was ranked 62nd on renewable energy regulation, which refers to incentives and regulations to promote the use of renewable energies.

Singapore is also lowly ranked (119th) for the number of international environmental treaties to which it is a signatory. Of the 29 environment-related treaties in force, Singapore has signed up to 18.

While Singapore can take pride in being ranked the world's most competitive economy, it still has room for improvement in many areas.

As many of the rankings show, when it comes to competitiveness, perceptions are also important. It's not only about what we do, but it's also about what people think of what we do. **ST**

While Singapore can take pride in being ranked the world's most competitive economy, it still has room for improvement in many areas. As many of the rankings show, when it comes to competitiveness, perceptions are also important. It's not only about what we do, but it's also about what people think of what we do.





Country Report

Demonstrators staging another protest march in West Kowloon on Oct 20. Like a virulent virus that has mutated over time, what started as a civilian protest against an extradition law has now turned into something far more sinister.

PHOTO: BLOOMBERG

Hong Kong protests: When home lies in ruins and neighbour fights neighbour

TAN OOI BOON



Is it still freedom when bitterness is not just confined to the streets?

A SOCIAL MEDIA COMMENTATOR IN HONG KONG likened the current troubles there to an apocalypse. Using the trailer of the hit South Korean zombie movie *Train To Busan*, she replaced its scenes with videos of the street battles in Hong Kong.

One scene stood out from the rest.

It showed a large group of black-clad protesters chasing a cab that broke through their road barrier in an almost zombie-like frenzy. Ordinarily, this parody would be hilarious but the reality now is downright scary.

The madness hit a new peak on China's national day holiday, which saw riots erupting in 13 districts that led to the closure of most major shopping malls and more than half of the city's 91 MTR stations. Other parts that were not affected looked eerily like "ghost towns" as police cautioned residents to remain at home. How can Hong Kong, which always touted itself to be the safest city in Asia, descend so quickly to become a broken city held hostage by unruly mobs?

Like a virulent virus that has mutated over time, what started as a civilian protest against an extradition law has now turned into something far more sinister. In Hong Kong, it is no more just people versus the government and the police, but people versus people and families versus families.

Fresh videos of people quarrelling in the streets are appearing almost daily on social media, with some of these episodes ending in injuries. Sadly, the Hong Kong community has painfully split into two factions – those who support China and the government, and those who are staunchly against them.

This "civil war" is likely to drag on.

Can Hong Kong residents ever stand as one again when the two factions hate each other so much over their core belief? Instead of looking for ways to douse this flame of hatred, student groups are now conducting gladiator-like training camps to teach people how to fight and defend themselves with home-made shields, the *South China Morning Post* reported.

The raw videos from ground zero will send chills down the spines of any peace-loving people when they see how total strangers now go for one another's throats. In one ugly incident, a woman and her teenage son started filming a man who

was tearing away anti-government notices pasted on the public wall. Upset by the harassment, the man picked fights with them and other passers-by, who then ganged up on this “unruly” man. When the police arrived later, the man exclaimed loudly in Cantonese: “Hong Kong has become lawless and people can do whatever they want. I have nothing to lose because I am all alone. I am ready to die and take all these people with me!”

In another video, a middle-aged man who picked a fight with a protester ended up being the victim when a mob of more than 10 set upon him. They rained blows and hit him with metal rods and umbrellas. They didn’t stop even when the man was clearly hurt and defeated, with blood flowing down his face. A young girl wearing a face mask crept behind him and delivered the final blow by whacking his head with a piece of metal railing. Volunteer medics came to help him but he turned them away. “I don’t need help. Let me bleed and die,” he said. In response, a young man who was filming him shouted: “Why don’t you just commit suicide?”

The bitterness is not confined to the streets. Online, anti-government vigilantes are waging a terror campaign to defame any business – big or small – that supports the government, by flooding their Facebook pages and websites with vicious comments, such as complaints that their products were poor in quality and unhygienic. In some cases, the mobs even barged into neighbourhood grocery shops to trash the whole place.

Whatever noble intention might have sparked the initial peaceful protests, the scale of the unrest now is a clear sign that the “one country, two systems” policy is lost on many people in Hong Kong. While everyone is happy to support the “two systems”, many choose to ignore “one country”, judging by their blatant disrespect of all things Chinese, including the state flag.

This highlights the paramount importance of national education in nation-building. Veteran Hong Kong actor Natalis Chan, who is a vocal pro-government supporter, best summed it up when he was interviewed during a charity football match in China recently. When asked how youth in China differed from Hong Kong youth, he said: “They are luckier because they have learnt how to love their country.”

The concept of “country” is sacrosanct and that’s why since ancient times, the call that there will be no families without a country has been used to rally people in wars. Even the great American General Douglas MacArthur’s most famous quote was “duty, honour, country”.

In the past three decades, China has done more in improving the lives of its 1.4 billion people than most countries in the world. This probably explains why its young people are fiercely patriotic. While the current protest has shades of the Tiananmen pro-democracy movement, the Hong Kong protesters have ironically succeeded only in gaining not the support, but the strong condemnation from their Chinese compatriots for desecrating their state flag and emblem.

Singaporeans will probably feel the same way if our flag and national emblem are similarly treated.

We have another national value that has been shaped into our lives and that is racial harmony. This is why many foreigners continue to be amazed how various communities can coexist peacefully in Singapore.

In Hong Kong, expert commentators have said that housing is one of the key factors that sparked the current uproar. While a home is a critical need, it will take more than that to move people forward. Governments need to show that their systems not only can work, their people must also be given hope that lives will be better if they work hard and, yes, stick around.

South China Morning Post’s chief news editor Yonden Lhatoo, who has lived in Hong Kong for two decades, was in Singapore recently to attend a conference that was moved here due to the protest.

He later wrote in his column: “I couldn’t help feeling downright envious and borderline resentful about Singapore and its shiny, happy people. All those law-abiding folks skipping along spick and span streets, business booming in every shopping centre and street corner, uninterrupted commerce in gleaming office towers. I found it warm and welcoming there, and, above all, so peaceful.”

Critics often describe Singaporeans as people who are oppressed but the reality is that this peaceful, calm city is how we want home and life to be.

Yes, things can always be better but most people here know that if there is a problem, somehow, it will be fixed. Prime Minister Lee Hsien Loong recently unveiled plans to not only build a Greater Southern Waterfront; his Government has also launched a long-term battle plan to protect Singapore from the effects of climate change. While some of these plans will take effect only decades from now, it is still a great assurance for the current generation of Singaporeans. Those who are blessed with longevity do not have to worry that they will wake up one day to find themselves in wet marshlands due to rising sea levels.

Finally, freedom is what the protesters are fighting for and they wave American flags, because they want Hong Kong to be the “land of the free and a home of the brave”. If they study history, they should learn that America became great because of what the people had fought for. But the fight was not against their country, but for their country.

Inspired by the words of one of its greatest presidents, Americans did not ask their country for help. They just went ahead to create great things for their country, people and even the world. People have the tendency to interpret freedom as the right to say and do things against the government. Indeed, freedom must also mean the right to initiate good things to help the country and the people.

Freedom is not an unbridled right to break laws; just like freedom of speech is not a right to spread lies and inflammatory words to instigate trouble. Ultimately those who fight for freedom should first ask what is it that they want to achieve.

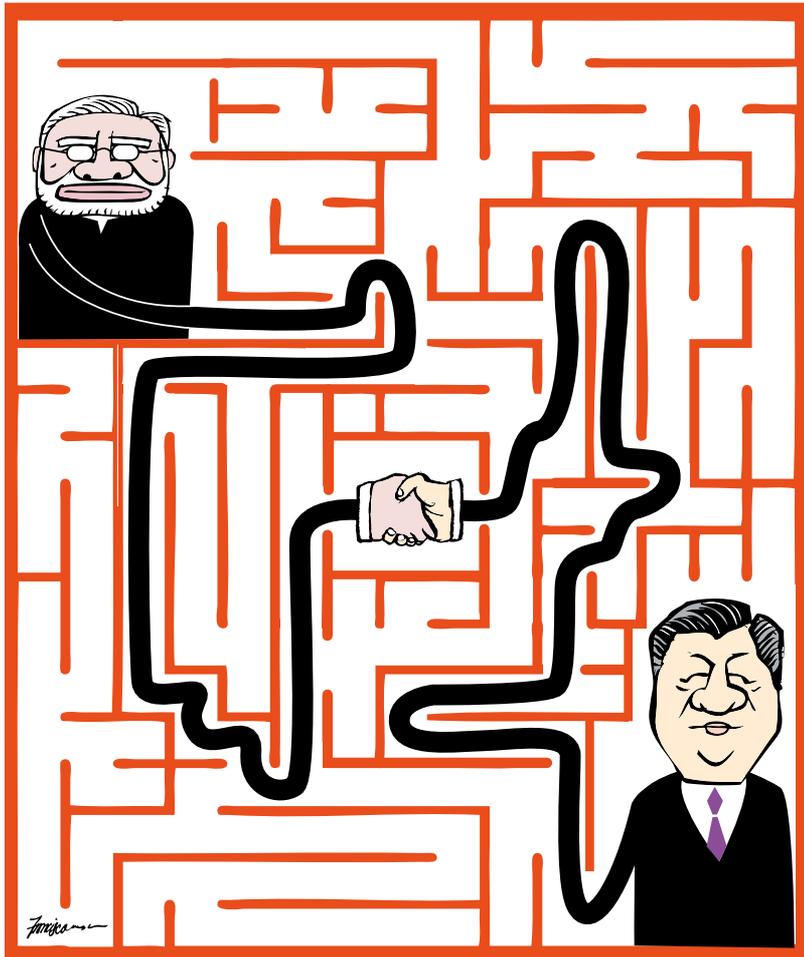
Is it still freedom when home is in ruins and families and neighbours are up in arms with each other? [ST](#)

Tan Ooi Boon, a former Straits Times journalist, is the general manager of Straits Times Press.

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China-India: That sinking feeling



ST ILLUSTRATION: MANNY FRANCISCO

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That the Modi-Xi meeting in southern India took place at all is a feat in itself in view of the issues bedeviling bilateral ties.

IT IS A SAFE BET THAT AFTER HIS TRIP TO southern India for an informal summit meeting with Prime Minister Narendra Modi, Chinese President Xi Jinping has a better appreciation of the Cholas and Pallavas that once ruled the region than most Indians outside Tamil Nadu state, seat of these erstwhile dynasties.

What's not clear is if he has taken away a better appreciation of India's strategic concerns vis-a-vis

his own giant nation. And crucially, whether he is inclined to do anything about it.

The Cholas ruled from the 9th century to the 13th century from their seat in what today is Tamil Nadu. The Pallavas held sway for 600 years before that. Indeed, there is recorded evidence of Chinese travellers arriving in the Pallava kingdom, and trade between the two regions starting as early as in the 7th century.

Mr Modi, keen to deliver a critical message of goodwill to his visitor, chose to hold the summit in the seaside town of Mamallapuram, facing the Bay of Bengal, rather than his initial choice Varanasi, the Gangetic city in the northern Indian heartland that he represents in Parliament.

He could not be faulted on optics. Schoolchildren were turned out to wave flags of welcome when Mr Xi arrived. Whereas on an earlier visit, an Indian government television announcer had mispronounced Mr Xi's name as "Eleven" Jinping, there was no such boo-boo this time round. Everything moved like clockwork, honed to the last detail. Mr Modi himself chose to shed his workday tunic and tight pyjamas to appear in the garb of Tamil gentry, and personally explained to Mr Xi the significance of the magnificent sculptures along the shoreline.

More importantly, the leaders of Asia's No. 1 and No. 3 economies spent six hours together, with additional time for key officials.

NO ORDINARY MEETING

When the leaders of Asia's two tectonic plates meet, it is no ordinary event, even if the two men have sat down together 18 times before. Yet, the remarkable thing about this summit, meant as the follow-up to last year's meeting between the two in Wuhan, was that it took place at all.

A host of issues bedeviling ties had muddied the waters in the run-up to the meeting, throwing doubts on it going through.

Since Aug 5, when the Modi government revoked the special status of Jammu and Kashmir state to integrate it even more tightly into the Indian Union, China's language on the issue has become ever more strident. It has called the Indian move "unacceptable" and forced closed-door negotiations in the United Nations.

Just before he travelled to see Mr Modi, the Chinese leader had assured Pakistan Prime Minister Imran Khan, in Beijing to enlist support to confront the Indian move, that China would help protect Pakistan's "core interest." Thus, he effectively put the Kashmir issue on a par with China's interests in Taiwan and Tibet - in essence, issues over which it would even consider going to war.

New Delhi has countered that the China-Pakistan Economic Corridor - the signature project of Mr Xi's Belt and Road Initiative - runs through an area of Pakistan-held Kashmir claimed by India. In its view, the corridor was announced without taking into account Indian sentiments on the issue. This, and the thousands of Chinese military troops deployed

inside Pakistan to secure the corridor, it says, are the more significant changes to the status quo in disputed Kashmir than its own actions.

At the same time, India was riled because China has stepped in frequently to thwart its attempts to embarrass Pakistan by having it placed on a global terror watch list. Infuriating the Indians further, it has more recently seemed to back Pakistani attempts to have an Indian engineer working on a civil project in Afghanistan listed under the UN Security Council's 1267 Sanctions Committee, also called the Al Qaeda Sanctions Committee, for alleged acts promoting terrorism.

There also has been a steady pinching of India's strategic space, including in India's immediate backyard. Mr Xi's next stop, upon leaving Tamil Nadu on Saturday, was Nepal, a country that has open borders with India. Large numbers of Nepalese Gurkha soldiers are regularly enlisted in the Indian Army.

Outclassed significantly in comprehensive national power, and alarmed by rising Chinese assertiveness since Mr Xi came to power, India has edged closer to an all-too-welcoming United States to counter the Chinese thrust.

QUAD MEETING

As he prepared to meet Mr Xi, Mr Modi travelled to Houston, US, to appear jointly with President Donald Trump at a public rally organised by overseas Indians, an increasingly influential minority in that country. Indeed, Mr Modi appeared to come close to endorsing Mr Trump's re-election bid at that event.

A few days later, in New York, his foreign minister significantly sat down with counterparts for the highest-level talks yet conducted by the four nations grouped under the Quadrilateral Dialogue – US, Japan, Australia and India – a group viewed with much suspicion in Beijing as a potential device of containment.

It is no secret that Washington would like to see the Quad develop swiftly into a security relationship. Also, that India is stalling in taking it in that direction, to assuage Chinese concerns. Interestingly, the Indian Ministry of External Affairs made no specific mention of the Quad meeting, clearly attempting to finesse the issue and walk a thin line between Washington and Beijing.

Until about five years ago, Beijing was convinced India would hold true to its tradition of non-alignment and independence in foreign policy. Increasingly, it seems resigned to seeing India as an American ally in the region, and potential cat's paw.

Under the circumstances, Mr Xi possibly figured that the trip to Tamil Nadu was probably worth the effort if it could slow the Indian strategic embrace of America and help his own slowing economy by gaining a measure of access to the vast and expanding Indian market for Chinese firms.

A Xinhua report quoted Mr Xi as saying that the two nations need to “correctly view each other's development and enhance strategic mutual trust.” Both should also “prudently deal” with each other's

core interests, and issues that cannot be resolved should be “properly managed and controlled.” Briefing the media, Mr Vijay Gokhale, the Indian foreign secretary, also noted that “both President Xi and Prime Minister emphasised the importance of both countries having an independent and autonomous foreign policy.”

SERVICES ISSUE

Those looking for tangible outcomes from the summit will clutch at the announcement of the finance ministerial level mechanism to be set up, to try to sort out thorny issues of trade, investment and services.

India's fear of being swamped by cheap Chinese exports – the trade balance is overwhelmingly in China's favour – is the key reason why it has steadfastly declined to consider a free trade agreement with its neighbour and put sand in the wheels of the ongoing talks for a Regional Comprehensive Economic Partnership (RCEP) agreement.

Even as the annual Asean summit approaches, six of the 20 chapters of the RCEP deal remain to be concluded and recent talks in Bangkok on the subject were rough, with India reportedly demanding a safety valve to safeguard its interests against at least 50 per cent of Chinese imports under RCEP.

China cannot be faulted for its ability to manufacture cheaply. It is the sclerotic Indian system of archaic tax rules, labour laws and poor infrastructure that holds back Indian manufacturing, not a shortage of demand. Likewise, the fragmented pattern of its land holdings deny its farm sector the benefit of meaningful economies of scale, making it vulnerable to exports from Australia and New Zealand, also RCEP participants.

On the other hand, New Delhi is justified in pointing out that its services exports – where it has a measure of competitiveness – is not given adequate access to some RCEP economies, particularly China. A reputed Indian software services firm, for instance, was reportedly not allowed to bid for the upgrading of the Shanghai Stock Exchange.

It will be a long while before these very real issues and suspicions dissipate sufficiently to make room for a full flowering of ties between these two giants. Perhaps it may not happen in our lifetimes.

Those of us who dreamt of an Asian century underscored by the ebbs and flows between the great corners of the continent – Japan, China, Indonesia and India – have had to moderate our expectations significantly in recent years.

Certainly, as far as China and India are concerned, people-to-people exchanges are far too thin. Of the more than 130 million Chinese that travel out every year, India gets barely a trickle. Asia's two great civilisations barely know each other – the reason why slips like “Eleven” Jinping take place.

Perhaps the best thing that can be said is that since the Wuhan informal summit in the middle of last year, the tensions on the border at least seem contained. In these troubled times we should perhaps be grateful for small mercies such as these. **ST**

Until about five years ago, Beijing was convinced that India would hold true to its tradition of non-alignment and independence in foreign policy. Increasingly, it seems resigned to seeing India as an American ally in the region, and potential cat's paw.

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Lunch with Sumiko

Former PepsiCo CEO Indra Nooyi on how 'immigrant's fear' made her succeed

Mrs Nooyi became PepsiCo's CEO in 2006, one of the few women heading a Fortune 500 company, and later chairman of the board as well. ST PHOTO: KEVIN LIM

SUMIKO TAN

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INDRA NOOYI JUST WANTS A FRESHLY SQUEEZED orange juice for lunch and you can feel the disappointment of the waiter.

Over the next one hour, he tries several times to tempt her to eat.

Mushroom? He asks at the start of our meal.

She shakes her head.

Beetroot?

She shakes it again.

“Nothing for you, ma’am?”

“Nothing,” she smiles at him. “I’m not hungry.”

Lamb? He tries when he comes round again.

“I’m a vegetarian,” she tells him.

“Oh sorry,” he says, crestfallen. “You are vegetarian.”

She asks him for his name and he says he’s Vikram, from New Delhi.

She puts Vikram out of his misery and says she will have a little piece of naan from the plate he’s holding.

He is delighted, then concerned.

“One only?”

She laughs. “You leave it here. You’re very persuasive.”

Lunch with the former CEO and chairman of PepsiCo is at the Tiffin Room in the newly refurbished Raffles Hotel.

The restaurant serves a North Indian buffet lunch. Waiters also go round the tables offering dishes.

Mrs Nooyi, 63, was in town in September for the Women’s Forum Asia.

In the world of C-suiters, she’s something of a legend and certainly an inspiration, not just to women and immigrants, but CEOs too.

She’s one of the rarefied few who have attained the fame – and salary – to match that of rock stars, actors and professional athletes.

She reportedly earned US\$31 million in 2017 alone. Her life has been exhaustively written about and she’s one CEO people want to take selfies with.

Born in Chennai in India, she went to the United States on a scholarship and stayed on to work.

In 1994, she joined PepsiCo, the American multinational food, snack and beverage giant behind brands like Pepsi, Lay’s potato chips and Gatorade.

She became its CEO in 2006, one of the few women heading a Fortune 500 company, and later chairman of the board as well.

She has consistently made it to lists like world’s best CEOs and 100 most powerful women.

When she retired in October last year, PepsiCo’s revenue had grown from US\$35 billion in 2006 to US\$63.5 billion in 2017.



She is also known for her visionary leadership. She spearheaded PepsiCo’s transition to a greener, more environmentally aware company, and stressed the shift towards healthier food to pre-empt the trend away from sugary drinks.

As CEO, she famously wrote more than 400 letters of thanks each year to the parents of her senior executives.

Mr Tan Chin Hwee, CEO Asia Pacific, of independent oil trader Trafigura, remembers how she gave the 2003 commencement speech at Yale School of Management which he attended.

“She encouraged us ‘to do well and to do good’ and reminded us of our moral obligation to society.”

EDUCATION WAS KEY

Lunch is at 12.30pm. I’m early and luckily so because she arrives 10 minutes ahead of time.

Joining us for lunch is her Washington-based adviser Juleanna Glover, CEO of consultancy Ridgely Walsh.

At 1.75m tall and with a luxuriant head of hair worn in a short style, Mrs Nooyi cuts a striking figure. She’s wearing a printed silk blouse over slim trousers and carries a dainty, silver mesh bag.

Mrs Indra Nooyi, who is known for her visionary leadership, says she relished the role of CEO as “supporter, coach, mentor” as she could teach others all the things she had learnt to get to where she was. ST PHOTO: KEVIN LIM

She has the self-assured air of someone who has known success for a long time and is comfortable in her own skin. But while her presence is commanding, her vibe is kindly and warm. She smiles a lot.

She's not eating because she had breakfast after a morning event. She urges Ms Glover and me to eat. "Go ahead, go get your meal, I'll watch all your things."

Retirement is suiting her well, she reports when we return with laden plates.

She lives in Greenwich, Connecticut, with her husband Raj K. Nooyi. They have two grown-up daughters, Preetha and Tara.

When not travelling, she plays tennis in the morning, then heads to a nearby office where the family business is conducted. She has a full-time assistant and several part-time staff and her husband manages the business.

She sits on boards like Amazon, teaches at West Point, is on the International Cricket Council, gives speeches around the world, helps the state of Connecticut attract businesses, reads a lot and is writing a book.

She is also learning ballroom dancing, which has always been on her bucket list.

It's all a long way from Chennai in Tamil Nadu, where she was born Indra Krishnamurthy in 1955.

She grew up in a big house with lots of uncles, aunts and cousins.

Education was a top priority in the family. Her paternal grandfather was a judge and maternal grandfather an advocate. Her father, who had a master's in mathematics, did internal audit in a

bank. Her mother didn't have the means to go to college but "has a PhD in her head... she is brilliant."

She remembers the adults helping the children with homework and preparing problem sheets for them to practise. "It was pretty much the world of education."

Her two siblings, who live in the US now, are also very successful. Her older sister Chandrika Tandon is a businesswoman, philanthropist and Grammy-nominated musician. Her younger brother runs a hedge fund.

Mrs Nooyi got an undergraduate degree majoring in chemistry at Madras Christian College and an MBA at the Indian Institute of Management in Calcutta.

She shares a childhood tidbit when I ask if she has always had short hair. She used to have two pigtails but one day while doing a chemistry experiment, one of the pigtails dipped into some acid and her hair was singed.

"I used that as an excuse to cut it off," she laughs. "Best thing I did. Easy to manage."

She worked for a while, including at Johnson & Johnson. In 1978, she applied to and was accepted by Yale University's Graduate School of Management to do her second master's in public and private management.

"The US at that time was the beacon of hope, beacon of all the great things happening in the world, and to come to the US was extremely aspirational."

She reportedly worked as an overnight receptionist to make ends meet while at Yale.

She met Mr Nooyi while working a summer job in Chicago in 1979. He was a year older, from the west coast of India and had furthered his studies in the US. Their family backgrounds were similar.

"I'd never dated anybody before. I don't believe he had dated anybody before. It just happened. We decided at the end of the summer we were going to get married." She took his surname.

Her much adored father died of cancer around that time. "He came to my wedding and it was wonderful that he was alive at my wedding. Year after, he passed away."

She pauses then adds: "I miss him even today."

She stayed on in the US, joined the Boston Consulting Group, and later, Motorola and Asea Brown Boveri in strategy roles before moving to PepsiCo.

She did corporate strategy, became part of senior management and was involved in the company's transformation.

PepsiCo had exited non-core business in the late 1990s to focus on its snack food and beverage lines. Those were exciting days with acquisitions like orange juice company Tropicana and a merger with Quaker Oats.

On the home front, her mother moved to the US to help look after her daughters. She is very close to her mum, who lives with her brother in New York.

Mrs Indra Nooyi is one CEO people want to take selfies with.
ST PHOTO: KEVIN LIM



Several times during the interview, she speaks about what a good man her husband is.

Mr Nooyi's background is in engineering and he was president of a custom e-solutions company. He now works with her in the family business.

"My husband gave up a lot to allow me to do what I was doing, so I'd always be grateful to him, always, always, always."

HARD WORK PAID OFF

I wonder if it was ambition that got her so far. "I don't know if it was ambition," she says.

What was always at the back of her mind was how she was an immigrant in the US.

"I wanted to work hard because as an immigrant, you always have an immigrant's fear," she says.

"I just wanted to work hard and do well because I wanted to make my family proud. And one thing led to another."

She adds: "It was never about how am I going to get the next two jobs. It was how do I keep the job I have and do it well."

At what point did she realise she was really successful? When she started getting those huge salaries?

"Sumiko," she laughs. "Anytime I got a salary, I thought it was huge, trust me. Because remember I came from nothing. So anytime I got a promotion and a big raise, I say: 'Wow, I got lots of money'... We were just grateful for what we have, always, always."

There must have been career setbacks, I say.

"Setbacks happen if you expect it to go a certain way and it doesn't go a certain way," she points out.

"I didn't have any expectations of it going anywhere. I just felt so long as I was doing a great job, everything would take care of itself"

She learnt along the way and had great mentors "who pulled me up"

Female mentors?

She says there weren't many senior women in the workplace then. "They were all men and they were wonderfully supportive."

How did she divide her roles as CEO?

"I would say 30 to 40 per cent of my brain was on talent and people, another 30 to 40 per cent on strategy in the future, about 30 to 40 per cent on the operations and 30 to 40 per cent on brand. So I have 200 per cent of my brain on the company," she laughs.

"There are days you only think about talent, there are days you only think about strategy, days you only think about operations. So you have to be able to zoom out, zoom in, zoom out, constantly."

She especially relished the role of CEO as "supporter, coach, mentor." "I'll teach them all the things that I learnt to get to where I was."

She speaks highly of her successor, Mr Ramon Laguarta, a long-time PepsiCo executive.

When I ask if she was disappointed she wasn't succeeded by a woman, she says Mr Laguarta was the best person for the job.



She believes that for a company to be successful, it must pick the best and the brightest men and women to work for it. The top job should go to the best person, regardless of gender.

But it is also important that companies have an environment where men and women have equal chances to succeed.

"We want to create a level playing field that both can be successful, and that's really what I tried to do at PepsiCo," she says. "It's good for the country, it's good for companies and it's good for women."

To get more women CEOs, the pipeline needs to be built. "You can't suddenly get a CEO, you have to build a CEO."

Ms Glover signals that we need to wrap up soon. I slip in the question I need to ask Mrs Nooyi.

Do you drink Coke?

"What's that?" she shoots back, laughing.

I suppose that's the reply you always give, I remark.

No, she says. "I always say the beverage industry is blessed with incredible, iconic brands, great tasting products. Theirs is a product, ours is a product, slightly different taste, and I happen to like our taste."

We have about enough time for dessert. Vikram returns with a sample plate and is pleased to see her help herself to laddu, a floury sweet.

Encouraged, he asks: "Fruit too?"

She smiles and declines.

"The wonderful thing is, now I can do only what I want to do, not what I have to do. It's a great place to be in," she says before she leaves.

"I want to help all kinds of people. I want to help women get to the next level. I'm much more focused on paying it forward."

Seeing her tall figure striding off, I think to myself that having the smarts, then working super hard at whatever job she was given, really paid off for her. **ST**

Mrs Indra Nooyi has consistently made it to lists like world's best CEOs and 100 most powerful women, and even called on Prime Minister Narendra Modi, in New Delhi on Dec 10, 2015. PHOTO: IANS

LOOKING AHEAD

The challenge of a CEO is to look around the bend and say where are the problems coming, how do you retool the company for the problems that could come, because once the problems hit you, it's too late to change.



- FORMER PEPSICO CEO INDRA NOOYI

WeWork – what did and didn't work



After WeWork's downfall from its IPO filing, co-founder Adam Neumann stepped down as chief executive under pressure from directors and investors.
PHOTO: REUTERS

It had clients such as Microsoft and IBM but The We Company was more of an 'I Company' to co-founder Adam Neumann, who earned a reputation for being notoriously lavish

FROM A US\$47 BILLION (S\$64 BILLION) valuation, to a failed initial public offering (IPO) and then, to talks of bankruptcy... in six weeks – that was how rapid WeWork's descent into the doldrums was after it filed its ill-fated S-1 registration for an IPO, disclosing massive losses and mismanagement by eccentric co-founder Adam Neumann.

Since then, the company has accepted a billion-dollar lifeline from SoftBank Group Corp, according to sources.

Here's a look at how the firm went from co-working giant to disgraced unicorn.

WEWORK'S RISE AND FALL

WeWork opened its first co-working space in the SoHo neighbourhood of New York City in 2010.

Unlike most earlier co-working spaces, WeWork provided operational services that included financial, legal, IT and other facilities that made it arduous to start and run a business.

The company earned its valuation by putting hipster touches on formerly drab spaces and positioned itself as a start-up incubator, charging sky-high rent, said a report by CB Insights.

What set WeWork apart was its branding not as an office provider, but as a community, with slogans such as "do what you love" covering the walls of rented WeWork office spaces and with beer taps in each space.

By 2016, Microsoft had moved 300 of its New York-based sales team into WeWork spaces and, in 2017, IBM signed a deal to take every desk in one WeWork office.

That very year, it became the third biggest start-up by valuation in the United States after Uber and Airbnb, and the largest in New York City.

Since then, the nine-year old company has rebranded itself as The We Company and expanded into other ventures, including the "conscious entrepreneurial school" WeGrow, among others.

In an effort to diversify its revenue streams, WeWork also got into residential real estate in 2016. Co-living subsidiary WeLive provides fully furnished micro-apartments.

So what happened?

WeWork suffered the same fate as ride-hailing companies Uber and Lyft. It was losing more money than it could make.

In March, the company announced losses of US\$1.9 billion last year, despite revenue doubling to US\$1.8 billion. It also lost US\$900 million in 2017 and more than US\$400 million in 2016.

This was revealed as it had to file documents

containing never-before-seen information with the US Securities and Exchange Commission in order to go public.

In its filing, WeWork's parent company, The We Company, revealed billions in losses and plans to continue spending aggressively.

Within 33 days, WeWork's valuation plummeted 70 per cent and new Co-CEOs Artie Minson and Sebastian Gunningham scrapped the IPO.

DUELLING RESCUE PACKAGES

WeWork was considering two competing packages before it reportedly runs out of cash in mid-November, according to Financial Times.

One was offered by Japanese technology giant SoftBank, and another from a financial consortium led by JPMorgan Chase.

JPMorgan's proposal consisted of several parts, including new bonds, some of which would carry high interest rates, according to The New York Times.

However, on Oct 22, Softbank announced that it would spend more than US\$10 billion to take over WeWork, reported Reuters, and giving a near US\$1.7 billion payoff to co-founder Adam Neumann to relinquish control.

The Wall Street Journal reported that Mr Neumann would have the option to sell nearly US\$1 billion of stock to SoftBank, step down as board chairman and receive a US\$185 million consulting fee as well as a US\$500 million credit line.

According to Bloomberg, dozens of employees have expressed indignation in interviews regarding the payoff and many of whom are still facing the prospect of mass job cuts and a corporate crisis.

On the other hand, the deal represents a stunning reversal of fortune for WeWork as well as its largest shareholder, SoftBank Group Corp, which has committed more than US\$13 billion in equity to a company that is now valued at just US\$8 billion.

The Japanese investor will own about 80 per cent of WeWork after the deal closes, said Business Insider.



A WeWork signboard outside a co-working space in New York City. WeWork suffered the same fate as ride-hailing companies Uber and Lyft. It was losing more money than it could make.

PHOTO: REUTERS

Shares in SoftBank dropped 2.5 per cent on Oct 23 in Tokyo, while the cost of default protection on the firm has risen, with the five-year credit default swap jumping 17.7 points in a week to the highest level since January.

WENOMOREWORK

In efforts to cut costs, the company is planning to slash as many as 4,000 jobs as part of the turnaround plan put in place by SoftBank, said The Financial Times.

The job cuts will amount to just under 30 per cent of WeWork's global workforce of around 14,000 people and about 1,000 of the cuts will hit employees such as cleaners, which WeWork is looking to move to an outsourcing company, the paper reported.

Major cuts had been expected but postponed, as the cash-strapped company, which lost US\$900 million in the six months to June, needed money to pay severance packages, according to the Wall Street Journal.

In a memo to staff posted by the CNBC, Softbank's chief operating officer Marcelo Claure, who was installed as WeWork's new chairman, said those affected by the cuts would be "treated with respect, dignity and fairness" "Yes, there will be layoffs - I don't know how many - and yes, we have to right-size the business to achieve positive free cash flow and profitability," Mr Claure wrote. "But I will promise you that those who leave us will be treated with respect, dignity and fairness. And for those that stay, we will ensure everyone is aligned and shares in future value creation." [SI](#)

- Compiled by Dominique Nelson

WeWork founder Adam Neumann: Billionaire no more

WeWork co-founder Adam Neumann reportedly shelled out money for a party featuring tequila shots and a member of Run-DMC, an American hip-hop group, minutes after talking about the necessity of cost-cutting layoffs, said Business Insider.

This was just one instance of how the 40-year-old former billionaire earned a reputation for being notoriously lavish and invited investor scrutiny over his behaviour.

His beginnings, however, are humbler.



WeWork co-founders (from left) Miguel McKelvey and Adam Neumann in a 2016 photo. The duo saw that the building they both worked in was partially vacant and got the idea to open a co-working space for other entrepreneurs in 2008.

PHOTO: WEWORK

Born in Israel, Mr Neumann served in the Israeli Navy before moving to New York to "get a great job, have tons of fun and make a lot of money", as he

put it in a 2017 TechCrunch interview, said the BBC.

One of the first businesses he started was Krawlers, which sold baby clothes with knee pads.

Mr Neumann and his co-founder Miguel McKelvey, who had been working in the same building as he was, saw that the building they both worked in was partially vacant and got the idea to open a co-working space for other entrepreneurs.

They opened the first floor of a start-up called Green Desk in 2008 with a focus on sustainable co-working spaces featuring recycled furniture.

Despite its taking off, they eventually sold the business to their landlord and began Wework in 2010.

Mr Neumann's colourful personality easily charmed investors, including Japanese investment giant Softbank, a major backer of WeWork.

According to Forbes, Softbank Chief Executive Masayoshi Son was reportedly convinced to invest in WeWork at a US\$20 billion valuation, after just a 12-minute tour of WeWork's New York offices.

WeWork's growth made Mr Neumann a billionaire, with an estimated net worth of US\$2.2 billion, according to Forbes.

His hard partying and glitzy lifestyle with wife Rebekah – the cousin of actress Gwyneth Paltrow – added to the buzz around the company

At its peak, he purchased a US\$60 million Gulfstream jet for WeWork, which flew around the globe to London, Panama, the Dominican Republic, Tokyo, Hong Kong and Hawaii.

However, the hubris of a high flyer eventually caught up with him when his arrogance incited anger from potential investors, noted a commentary by The Guardian.

SoftBank had been consistently frustrated with his tendency to brush off advice, from pushing forward with the IPO to using phrases in WeWork's S-1 such as "elevate the world's consciousness" – a phrase SoftBank urged him to eliminate but to no avail, sources previously told CNBC.

Neumann had also been the subject of eyebrow-raising behaviour including reportedly cashing out US\$700 million and reportedly owning stakes in properties the company rents, potentially posing a conflict of interest, said The Guardian.

After WeWork's downfall from its IPO filing, he stepped down as chief executive under pressure from directors and investors.

Despite stepping down, Neumann will be rewarded with as much as US\$1.2 billion (\$\$1.6 billion) after Softbank's takeover of Wework on Oct 22, said Bloomberg.

Almost a third of its offer of the US\$6.5 billion may be allocated to Mr Neumann, in addition to a consulting fee of about US\$185 million, a US\$500 million credit line and the ability to appoint two board members.

In exchange, Mr Neumann will step down from his role as chairman. [ST](#)

– Dominique Nelson

WeWork to expand to 12 locations in Singapore by year end despite global woes

WeWork's latest addition is located at MYP Centre Building in Battery Road in the heart of the CBD in Singapore.

PHOTO: WEWORK

CO-WORKING SPACE OPERATOR WEWORK HAS launched a new space in the Central Business District (CBD) and will add two more locations here in Singapore by the end of the year.

It will have a total of 12 locations in Singapore by this December, which will mark its two-year anniversary in the Republic.

The announcement on Oct 10 came despite reports that WeWork's parent company The We Company is considering layoffs as part of cost-cutting measures and its decision to withdraw its initial public offering filing with the US Securities and Exchange Commission amid difficulties in fundraising.

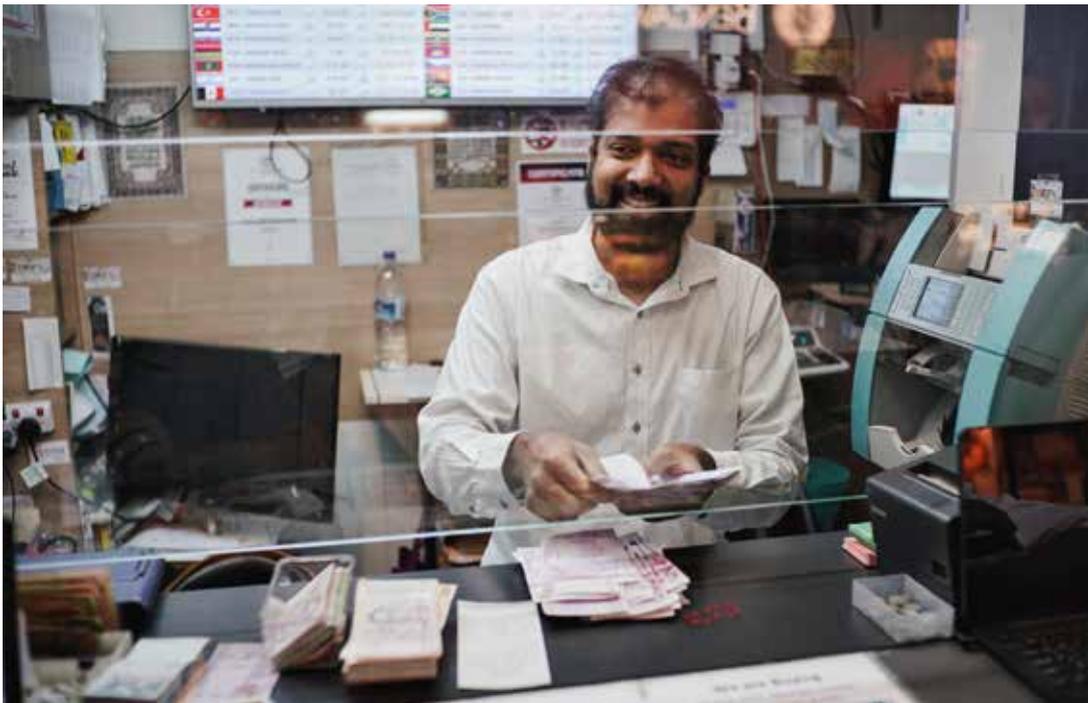
When contacted, a WeWork spokesman declined to comment on staff numbers here and the amount of investment that has been made in its Singapore locations.

It entered the South-east Asia region through the acquisition of Singapore-based co-working start-up Spacemob, which was part of its US\$500 million (\$\$680 million) investment in South-east Asia and South Korea then.

It currently has 25 locations across its South-east Asia markets, which include Indonesia and Thailand. [ST](#)

– Choo Yun Ting





Mr V.S. Tajdeen, whose family runs Aliffan Agency at Raffles Place, says he would have made a profit of \$1 to \$2 for every RM100 he sold 10 years ago. But now, when he sells RM1,000 (\$330), he makes just \$1 – if he's lucky. Aliffan is looking for ways to use fintech, maybe by publishing rates online. The company cannot just sit there and survive on conversion charges, says Mr Tajdeen.

ST PHOTO: ONG WEE KIAT

Business Trends

Days of old-school money changers may be numbered

Many are struggling to survive as rents, labour costs go up and high-tech rivals offer more value

MONEY CHANGERS SHUFFLING STACKS OF NOTES in their kiosks are a common sight around town. But their days are increasingly fraught with uncertainty as high-tech rivals muscle in on their turf.

"It's a losing fight," said Mr Barakath Ali, first vice-president of the Money Changers Association (Singapore).

Disruption is the name of the game for this new wave of fintech players, who see huge potential in a stodgy sector that has not changed much in decades.

They are going as far as to deliver currencies to customers' doorsteps with no fees and conversion rates, a far cry from the traditional way of queuing at a shop counter to exchange money.

Money changers The Straits Times spoke to said that operating out of a bricks-and-mortar store is becoming increasingly difficult, what with rising

rents and labour costs and high bank compliance fees, let alone the threat from high-tech rivals.

"More of our members are struggling to survive," said Mr Barakath, who is the managing director of Aramex International Exchange at High Street Centre.

He added that some operators will go to the wall as consumer demand falls, although cross-border e-payments are unlikely to replace cash entirely.

Still, Mr Barakath expects the association's 220-strong membership to be halved in five years: "We see very little light at the end of the tunnel."

He noted that, in the past, consumers travelling overseas had to choose between cost and convenience with money changers offering a cheaper alternative to the fees and conversion charges incurred on credit cards or at banks.

But fintech companies, which can offer multi-currency wallets that convert money close to wholesale prices, are giving consumers better value and providing them with more convenience.

Then there are cross-border payment options that have emerged in recent years like Singtel Dash, an e-wallet that allows Singapore users to pay by scanning QR codes when they are in Thailand and

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Japan, and YouTrip, a multi-currency wallet that allows users to convert currencies on their app.

Checks conducted by The Straits Times showed that these two payment options rivalled overall rates offered by old-school money changers. Also, both services did not charge additional fees that the usage of cards typically incurs.

IT consultant Daryl Ng said that he had ditched the habit of queueing to change money because of the convenience that fintech start-ups like YouTrip offers.

“The conversion is done instantly on my phone, and I do not need to wait in line for 20 minutes for a good rate because the conversion charges are competitive,” he said.

Mr Ng said that he can also withdraw cash at automated teller machines with the YouTrip card

Mr Alstone Tee (left) and Mr Tan Jin of local fintech start-up Thin Margin. Firms like theirs have a much wider reach.
ST PHOTO: DESMOND FOO

Many options for travellers



SPENDING MONEY OVERSEAS IS becoming more convenient for travellers with no end of options to choose from.

There is cash, of course, but that can mean queueing at counters to change notes. Credit and debit cards are another time-worn method, but the more tech-savvy can now opt for multi-currency wallets on their mobile phones.

Local start-up Thin Margin is helping travellers who think cash is king by delivering currencies to their door, saving them a trip to a traditional money changer. The minimum exchange is \$400.

The company, which won a prize at the FinTech Awards last year, started operations in January last year.

Thin Margin is one of a growing number of fintech start-ups in Singapore and worldwide providing more efficient ways for people to convert money.

The company also bundles cash deliveries with travel insurance and pocket WiFi services that allow travellers to use the Internet on their phone.

These added services allow the company to offer customers even better conversion rates, said co-founder and director Tan Jin.

Its online platform also has a wider reach compared with money changers who operate out of bricks-and-mortar stores – and the at times exorbitant rents that come with a physical outlet, he added.

The firm's transactions are also electronic, which helps banks track their origins, reducing the cost of compliance, he added.

Multi-currency wallet YouTrip is another fintech start-up trying to make life easier for those keen to convert money and spend cash when overseas.

Users download a virtual wallet onto their phones, transfer funds into it and then convert Singapore dollars into 10 different currencies, including the Japanese yen, the greenback and Australian dollar.

They pay for their purchases with a card that the company sends to registered users.

They can also use the YouTrip card to withdraw money from their accounts at automated teller machines around the world.

– Aw Cheng Wei

when he is overseas. The result has been a squeeze on margins of the incumbents.

Mr V.S. Tajdeen, whose family runs Aliffan Agency at Raffles Place, said 10 years ago he would have made between \$1 and \$2 profit for every RM100 he sold. “Now, (when) I sell RM1,000 (S\$330), maybe, if I am lucky, I can make \$1. Sometimes it's even lower,” he added.

Mr Tajdeen added that Aliffan is looking for ways to use fintech, maybe by publishing rates online: “We cannot just sit there and survive on conversion charges.”

Compliance training and fees that banks charge are another bugbear. He said training employees to ensure they know proper reporting procedures also takes time away from their work.

Mr Barakath said money changers have to pay fees of \$2,500 to \$3,000 every six months to maintain a bank account for their businesses as more compliance checks are involved, if they chose to open one. The fees also depend on services that the money changers require, such as note-counting and the amount of cash being handled for compliance purposes to ensure that the money is legitimate.

“All these factors are driving up costs. Margins are (already) very thin... It's more of a volume game now,” he added. As a result, profits have dived some 40 per cent in five years. “It used to be very, very good money,” Mr Barakath said.

Yet, Monetary Authority of Singapore data shows that the number of money changers increased from 382 in 2015 to 391 this year.

Mr Barakath attributes this to former employees starting their own businesses, thus creating even more competition for incumbents.

But not every money changer is pessimistic.

Mr Nabeel Ghaffar, chief executive of Exchange International at Collyer Quay, reckons there is still enough business to go around. “There will always be people, especially seniors, who prefer to use cash,” he added.

Also, he noted, many regional countries still rely heavily on cash transactions.

Tourists visiting countries such as Thailand, Malaysia and Indonesia may visit attractions like night markets that accept only cash. “It is very difficult to adapt to 100 per cent cashless payments in these countries, at least for now,” he said.

Local money-changing start-up Thin Margin is banking on the same hope, albeit with a technology twist. It delivers currencies that customers order online to their homes – along with other services such as travel insurance to diversify its revenue stream. Business has been brisk with transaction volume growing “several times” since operations started, said co-founder and director Tan Jin.

Meanwhile, Mr Barakath has started allowing customers to pay with PayNow, but he worries that it might not be enough.

But if he cannot beat the fintech firms, he will join them, he said. “(I'll) tell my son to get into technology.” **ST**



Lifestyle

Modern Dayaks keep culture alive through song and dance

While many have embraced an urban way of life, some still hold fast to timeless traditions

WEARING A VEST EMBROIDERED WITH TIGER motifs, and with brass weights dangling from long, pierced ears, 47-year-old Laing Along sits at his organ and plays the Christmas carol, Silent Night.

His soulful voice rings throughout his spacious brick house in the Dayak tribal village of Pampang in Samarinda, the provincial capital of East Kalimantan.

A television set, subwoofers, acoustic guitars, and even a Christmas tree sit among colourful sun hats decorated with images of gods with tendril-like ears and piled with roots of bajakah – a rare native plant known to help cure ailments – from rainforests.

Mr Laing calls himself a “modern” Dayak. The Dayaks are the indigenous people of Borneo, many of whom have moved to the city and embraced the urban way of life.

“Nobody is surprised to find these in a Dayak house because we have lived in the city for a long time. In fact, it would be more shocking if we had no TV,” said Mr Laing, who has been living in urban areas all his life.

There are over two million Dayaks in Borneo – the world’s third-largest island and which is shared between Indonesia, Malaysia and Brunei. Dayaks are further categorised into over 50 ethnic sub-groups who speak over a hundred different languages.

Dayaks subsist mainly on rice farming in the hilly villages. Fishing and hunting are subsidiary activities. While figures are unavailable, many young Dayak men and women in contemporary society leave home before they marry to study or work in urban areas.

In East Kalimantan, the Dayak people are primarily from the Kenyah tribe whose origins go back to the upstreams of rivers bordering south-eastern Sarawak.

The people of this tribe are particularly well known for their extensive tattoos. Designs representing snakes, birds and plants on their hands

Tourists joining in a traditional Dayak dance, in which huge sticks are used.
ST PHOTO: ARIFFIN JAMAR

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Law graduate Novianti Liq, 24, about to perform a traditional dance. She said dancing is her way of preserving her Dayak culture, customs and traditions.

ST PHOTO: ARIFFIN JAMAR

There are over two million Dayaks in Borneo – the world’s third-largest island and which is shared between Indonesia, Malaysia and Brunei. Dayaks are further categorised into over 50 ethnic sub-groups who speak over a hundred different languages.



and feet symbolise not only bravery, patience and beauty, but also reflect social class.

Tribe members also have long earlobes, which they stretch with heavy brass weights. They believe long ears distinguish humans from animals.

Mr Laing, who is from the Kenyah tribe, sports both tattoos and long ears.

Apart from these points of difference, modern Dayaks do not appear or behave too differently from regular Indonesians.

For instance, Mr Laing has a job as a security guard at a mining company, gets around on a motorcycle, wears blue jeans, and browses Facebook and YouTube videos on his mobile phone during his free time.

He is also a staunch Christian who attends Sunday mass regularly and plays hymns on his organ and guitar for friends and family.

Still, he remains fiercely proud of his heritage, traditions and native cultural identity.

Take his earlobes, which were pierced when he was a boy, and elongated with twigs and brass weights. He does, however, remove the brass weights for work, as they are heavy.

“We wear our ears long to show outsiders that we are also humans just like them, that we have brains, creativity and patience in life,” he told *The Straits Times*.

“I don’t have to tell people I am Dayak, they already know just by looking at my ears. I am not a fake Dayak, I’m real.”

TO DESCEND FROM THE MOUNTAINS

Defying his tribal elders, another Dayak, 79-year-old Ujang Laing (unrelated to Mr Laing Along) decided to “turun gunung” or “descend from the mountains” with his wife and two children in 1978 to seek a better life in the city.

“It was hard to live in the village. There was

little food, inadequate healthcare services and no proper schools,” said Mr Ujang, referring to the remote highland region of Apo Kayan bordering East Kalimantan province and Sarawak, in Malaysia.

In the 1970s and 1980s, many Dayaks worked as farmers in the city or in the village, but the cities were more attractive because there were schools and markets, and the Dayak could work for money instead of just food.

“We, the younger generation then, wanted progress but leaving the land is like breaking the family unity. We were considered rebels and would have had valuables taken away from us, such as mandau traditional swords, gongs, beads and tigers’ teeth,” Mr Ujang said.

But as the Dayaks valued family and kinship greatly, a “consultative meeting” with the elders was held before blessings and teary farewells were given.

Mr Ujang returned to the village once because he missed his extended family, and brought with him modern gifts such as salt and sugar.

To their enemies, however, Dayaks were less forgiving. These “outsiders” and “uninvited guests” could be anyone they believed was a threat to their livelihood, from early Chinese traders in search of rhinoceros horns and birds’ nest, to colonial superpowers.

The fierce warriors and headhunters were known to cut off the heads of their enemies for trophies, drink their blood and devour their hearts. According to ancestral beliefs, the heads of enemies hold supernatural powers to complete complex rituals, from getting plentiful rice harvests to building the foundation of a new longhouse.

Well-documented inter-ethnic violence took place in 2001 in the town of Sampit, in Central Kalimantan province. Known as the “Sampit conflict”, nearly 500 immigrant settlers from Madura island were killed by Borneo headhunters in what was said to be a campaign of ethnic cleansing. Many of the victims were decapitated and their heads paraded on sticks.

While Mr Ujang said he has no regrets leaving the village, he misses the old days of wearing a loincloth and hunting for wild boar, deer and monkeys with spears and blowpipes in the jungle.

Nowadays, young urban Dayaks have no farming and hunting skills, he noted. They are also becoming more selfish, unlike in the rural and communal

A performer in traditional clothes (below). At Pampang Cultural Village, tourists watch cultural performances and shop for Dayak handicrafts. ST PHOTO: ARIFFIN JAMAR



past where “everyone shares their loot such as salt, sugar and meat from their hunt such as bears, tigers and eagles”

Most Dayaks embraced Christianity by the early 21st century, leaving behind the ancestral practice of Kaharingan, a form of folk religion that blends animism and ancestor worship.

Ancient rituals have been abandoned, but the community continues to celebrate weddings and important festivals such as rice harvest parties with song and dance, Mr Ujang said.

But he fears the younger generations may forget their language and traditions, adding: “Those who are in their 20s, they don’t know how to farm or clear the land, unlike us at that age. They are lazy.

“When they face problems, they will report to the police when such issues could have been solved within the family and the community. There’s a sadness in my heart whenever I think about this.”

Nevertheless, Mr Ujang, who has five grown-up children, said life is somewhat better now.

“We don’t have to worry about getting salt, sugar or kerosene. My children have a good education. We have good relations with our family so it’s not a total loss. We have a house here and we have a home in the mountains.”

PRESERVING THE CULTURE

Young and outspoken Novianti Liq said she may not have the enviable farming, hunting or fishing skills of her Dayak ancestors, but at least she can perform the traditional dance.

“I can’t hunt and I don’t think I can be a farmer now - I can’t endure the hot weather. Perhaps I will just chill out at the farm,” the 24-year-old law graduate from the University of Widya Gama Mahakam, in East Kalimantan, told The Straits Times with a laugh.

She carefully put on a hornbill headdress, followed by a boar-tusk necklace and bangles, in preparation to perform the hornbill, the most well-known traditional Dayak dance where women hold hornbill feathers and flail their arms up and down to mimic flying. Male dancers hold a shield and a ritual knife.

For the Dayaks, birds with big casques, hooked beaks and black and white feathers are sacred animals that signify a godly spirit and good fortune.

Every Sunday, Ms Novianti performs traditional dances for visitors, mostly local tourists, at the Pampang Cultural Village. This is a designated venue within Pampang village for cultural performances and the sale of Dayak handicrafts. The village is 30 minutes’ drive from the bustling city centre of Samarinda.

Against the longhouse’s striking wall painted with motifs of tendrils and tigers in black, white and marigold, the dancers elegantly swirled and swayed to the tune of the sampe, a traditional lute which is a cross between a guitar and a Chinese harp.

The performances are a longstanding event, and have been taking place since 1991 on Sundays, as



Mr Ujang Laing, 79, who moved to the city with his wife and two children in 1978, still plays the sampe, a traditional lute.

ST PHOTO: ARIFFIN JAMAR

well as other important days such as Christmas and New Year.

To Ms Novianti, dancing is her way of preserving her culture, customs and traditions. In the past, dances were performed to greet returning warriors from successful headhunting expeditions.

“I am afraid my culture will vanish one day so I dance not only because I enjoy it as a hobby, but also to promote my culture,” she said.

But dancing is still a hobby, and Ms Novianti, who is currently unemployed, hopes to find work as a notary someday.

To pass her time, she dances and teaches the young Dayaks in the village their native language. She tells them to be proud of their culture, even if it may prompt fear and anxiety in others.

She recalled that during a study stint in Jakarta, her schoolmates would avoid getting too close to her. “They think Dayaks are scary because they think we eat people. But after a few weeks, after they got to know me better, they said ‘Hey, Dayak people are cool and exciting’,” she said.

While Ms Novianti might lack the survival skills of her forefathers, she certainly shares their appetite at the dining table. She enjoys eating wild cats, dogs, boar and snakes, she said, adding: “Between eating chicken and wild cat, I prefer cat. It’s more delicious.” [ST](#)

ABOUT THE DAYAKS

Thousands of the two million Dayaks are facing a possible loss of their ancestral lands as large areas of forests are cleared to make way for Indonesia’s new capital. This was after Indonesian President Joko Widodo announced on Aug 26 that he had picked East Kalimantan on Borneo island for the new location of the administrative capital. Indigenous Dayaks who live in Kalimantan have been caught up in a decades-long struggle to protect their traditional land and forests from logging, mining and oil palm plantations, according to advocacy group Minority Rights Group International (MRGI), said Reuters. They now stand to lose their lands and livelihoods as preparations for the shift begin.



Big Picture

PHOTO: AGENCE FRANCE-PRESSE

Wings clipped and grounded

GRAVEYARDS ARE RARELY THE HOTTEST tourist destination in a city.

But this one in Bangkok has become quite the draw for holidaymakers in recent years.

Located just off Ramkhamhaeng Road, the Thai capital's "Aeroplane Graveyard" is the final resting place of a Boeing 747 and two McDonnell Douglas MD-82 passenger jets.

While little is known of the origin of the planes, it is believed that the plot has been used to house junked planes since as long ago as January 2010.

Locals believe that the planes are owned by a local businessman who is selling off their parts for scrap.

Even junk can offer some hidden opportunities for crafty businessmen, as the new "owners" of the planes have shown.

A few local families have moved into the area and taken over the hollowed-out aircraft.

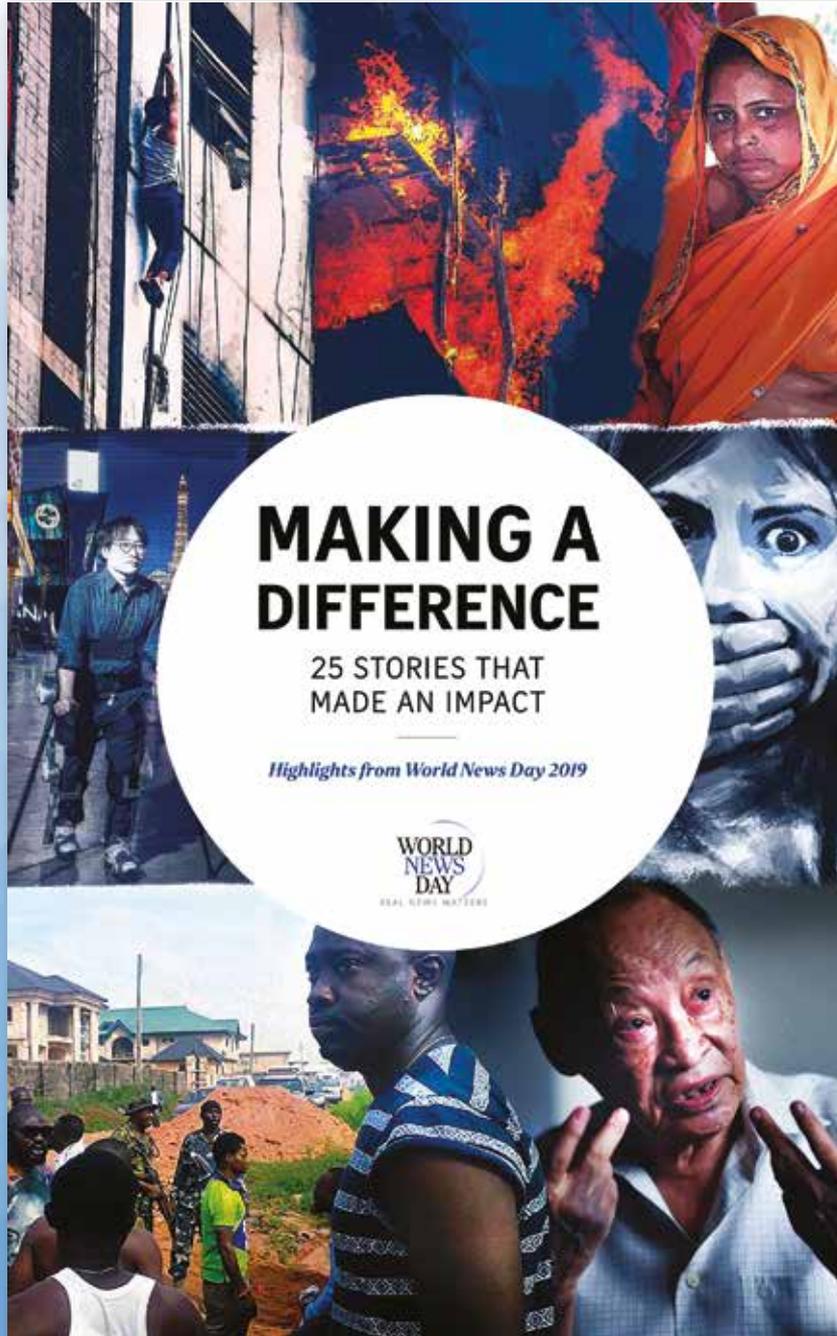
Not only do they live in the planes, but they also make money by charging an entry fee for visitors to explore the decommissioned jets. **ST**

WORLD NEWS DAY

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From an explosive expose that led to the fall of the ruling government in Germany to a report on the medical bill of a 84-year-old which shook up Singapore's health system, *Making A Difference: 25 Stories That Have Made An Impact*, pulls together some of the best stories showcased during World News Day 2019. From stories that expose corruption and hone policies to those that help fight injustice and inspire communities, this book serves as an important reminder that in today's fast-changing and complex world, good journalism matters more than ever.



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