

BY INVITATION

# Big Idea No. 1: A 'less-car' Singapore

Singaporeans should follow current trends in the West and give up the dream of car ownership

By Kishore Mahbubani, For The Straits Times

In my January 2014 column, I said that Singaporeans should use 2014 to think of new Big Ideas to guide us for the next 50 years. Here is Big Idea No.1 for debate and discussion.

Singapore will never be car-less, but it can and should have fewer cars. On reading this, the reader could be forgiven for thinking: "Here goes Kishore again on his campaign to improve public transport in Singapore."

However, this big idea is not about improving transportation. It is about improving the happiness of the Singapore population.

## Unhappy Singaporeans

IT IS a well-known fact that the Singaporean population is not the happiest in the world. Singaporeans gripe, naturally and effortlessly. One good example of this was provided by a Straits Times article written after the Prime Minister had spoken to a group of students at the Nanyang Technological University on Jan 30. The article began with the following line: "Nine out of 15 interviewed were concerned they won't be able to buy a flat and a car."

The aspiration of the young for a flat is perfectly reasonable. But the aspiration of nine out of 15 for a car is not reasonable. Why not? The simple, direct and blunt answer is that if Singapore tries to squeeze the American dream - designed for a huge, almost boundless continent - into one of the tiniest countries in the world, it will effectively condemn its population to perpetual unhappiness.

## High car ownership

ONE little known fact about Singapore is that it has one of the highest car ownership populations in the world for a city. (Repeat: For a city, and not for a country.)

Mr Charles Chow, who blogs on transportation issues, says the following: "There are roughly 550,000 to 600,000 private vehicles in Singapore. Forty-five per cent of households in Singapore own at least one car. This implies that out of the approximate 1.25 million households in Singapore, about 560,000 households have at least one car. There are 200,000 private dwellings in Singapore and slightly more than one million Housing and Development Board (HDB) flats. My simple back-of-the-envelope calculation therefore shows that more than 300,000 HDB or public housing dwellings own at least one car. Since HDB dwellings are heavily subsidised, the fact that they are also given abundant and cheap residential HDB carparks represent a further subsidy."

Mr Chow also notes the contrast between Singapore and other cities: "From London to Hong Kong, only the top 10 to 20 per cent of household dwellings come with carparks. Without a carpark, residents just simply cannot buy a car. In Singapore, the Government has so generously provided abundant and cheap residential carparking in the HDB estates over the years. From New York to Tokyo, office buildings are deliberately built with few or no carparks.

"In Singapore, that is not the case. Even middle managers can drive their cars to work and park their cars in office building carparks for the whole day."

Having lived in New York for 10 years, I can only agree with Mr Chow when he says: "Anyone who has lived in New York or Tokyo would know that even managing directors of companies, senior bankers

and lawyers take public transportation to work. In Singapore, even middle-level executives working in Raffles Place drive to work. Is the Singaporean middle-level executive better paid than a senior banker in New York?"

#### Car ownership encouraged

IN SHORT, in a country that has designed public policies to restrict car ownership (from the compulsory certificate of entitlement to high import taxes), Singapore has paradoxically ended up creating an environment that actually encourages rather than discourages car ownership. There are three ways in which Singapore encourages car ownership.

Firstly, as the world's only city state, the Singapore Government wisely decided in its early years that the country would strangle itself to death as an economy if it allowed Bangkok-style traffic jams to clog our streets. But while Singapore has succeeded in creating free-flowing traffic, this has paradoxically made it rational to own a car.

This is also why I own a car. I can get from my home in Siglap to my school in Bukit Timah in less than 20 minutes by driving. Any combination of public transport would take at least an hour each way. I save 80 minutes a day by driving. This provides a huge incentive to own a car. (My ultimate dream, however, is to forego owning a car. Instead, I would like to have a driverless electric vehicle - similar to the one the National University of Singapore is testing - appear at my home within 30 minutes of calling. As I learnt in Davos last month, I will be able to achieve this dream in my lifetime.)

Secondly, by ensuring that car prices are among the highest in the world, Singapore has made the car one of the most important status symbols in Singapore. This explains the attraction of European car brands in Singapore.

In most cases, a Japanese or Korean car can do the job of transportation equally well. But it will not enhance one's status. A European brand does. This is how we try to keep up with "the Joneses" in Singapore.

Thirdly, as Mr Chow says, our subsidy of carparks in HDB estates makes it much easier and cheaper to own and park a car than it would be in New York, London, Tokyo or Paris. Since this subsidy has become entrenched in our society, it cannot be taken away. Any government that tries to take back perks that a population has become accustomed to is a government that wants to commit political suicide. It would be unfair to ask any government to do this.

#### Bottom-up approach

ALL this brings me to the most important point that I want to make in this article. Singapore has succeeded in its first 50 years because it had a government that thought carefully over the long term and crafted policies that would enhance the long-term interests of Singapore. This is why Singapore has free-flowing traffic. However, over the next 50 years, a new paradigm will be needed: What is needed now is a society where the people think carefully and advocate policies that are good for Singapore's long-term interests. In short, a bottom-up instead of a top-down approach is needed to solve the car problem of Singapore.

In the first 50 years, Singapore had a government designing various policies to temper the desire for Singaporeans to own cars. Now, society needs to decide that since Singapore is one of the tiniest countries in the world, people should gradually give up the desire to own cars. Most Singaporeans reading this article would scoff at this notion. Let me share some good news here. In most developed countries, people are already using cars less, not more.

#### Trend towards fewer cars

AN ARTICLE from The Economist on Sept 22, 2012, provides some encouraging statistics. In the leading economies in the world (Japan, France, Germany, the United Kingdom and the United States) "total vehicle kilometres travelled began to plateau in 2004 and fall from 2007; measured per person, growth flatlined sooner, after 2000, and dropped after 2004 before recovering somewhat".

According to World Bank data, passenger cars per 1,000 people in the US have been gradually declining since at least 2003, a trend which accelerated somewhat after the onset of the recession in 2008. Equally encouragingly, young people in the developed world are getting driver's licences later in

life (or not at all).

This is good news for congestion because, according to a study conducted in the UK, people who learn to drive in their late 20s drive less than if they had learnt in their late teens.

Singaporeans are proud of the fact that the country has gone from "Third World to First World" faster than any other nation in human history. Now, for the next 50 years, Singapore has to catch up with the First World in terms of moving away from car ownership as a dream.

In my next article - Big Idea No.2 - I hope to demonstrate it is possible to make Singapore No.1 in the world when it comes to public transportation.

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