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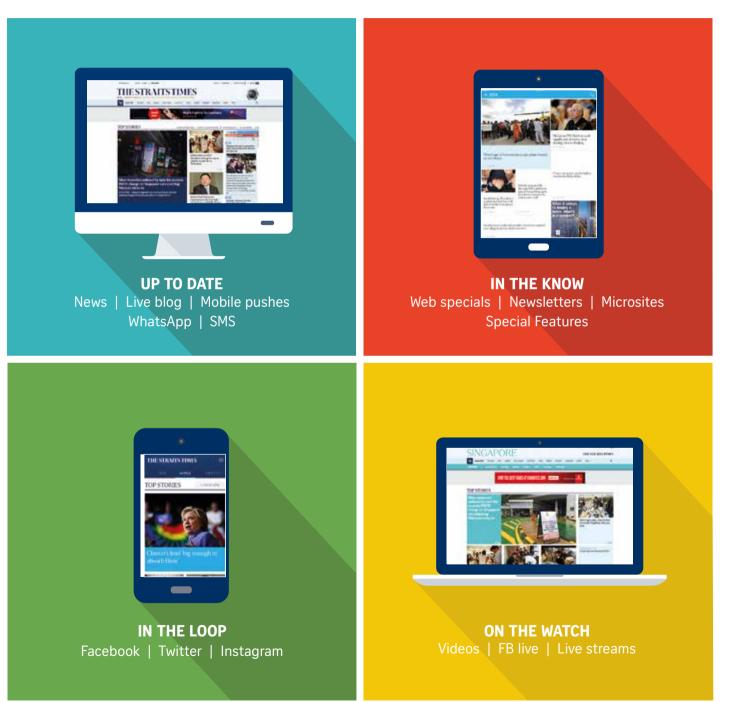
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ST writers look to the decade ahead, with their hopes, wishes and the challenges that they believe the world will face.

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Rise of women leaders

Taiwan President Tsai Ing-wen's win has drawn attention to the growing number of women world leaders. Singapore boasts President Halimah Yacob, while, in the Asia-Pacific, New Zealand's President Jacenda Ardern has been drawing attention to her leadership style since the Christchurch bombings.

Elsewhere, last year Sanna Marin became the

Katrin Jakobsdottir

Prime Minister, Iceland Assumed office: 2017 Jakobsdottir wants to make Iceland a leader in climate action. with an ambitious plan to make the country carbon neutral by 2040

Mette Frederikson

Prime Minister, Denmark Assumed office: 2019 Frederikson won elections by supporting tough

restrictions on immigrants in Denmark

Sophie Wilmes

Prime Minister, Belgium Assumed office: 2019 Belgium's first female person to become the head of government, she replaced former Prime Minister Charles Michel after a coalition he headed collapsed.

Angela Merkel

Chancellor, Germany Assumed office: 2005 The politician has topped Forbes' most powerful women list nine times and boosted Germany's economy, even despite

the global financial crisis.

Ana Brnabic

Prime Minister, Serbia Assumed office: 2017 Brnabic is the first female and first openly gay Prime Minister of traditionally conservative Serbia.

Sahle-Work Zewde President, Ethiopia Assumed office: 2018

Prior to her appointment as Ethiopia's first female president, Sahle-Work Zewde was the UN's top official at the African Union.

Zuzana Caputova President, Slovakia

Assumed office: 2019 Despite being a political newcomer with close to no political experience, Caputova won Slovakia's elections last year with a campaign focusing on a struggle for justice.

Erna Solberg Prime Minister,

Norway Assumed office: 2013 Ms Solberg won over a re-election in 2017 by spending huge amounts of oil wealth to support Norway's economy after she assumed office in 2013.

Saara Kuugongelwa-Amadhila

Prime Minister, Namibia Assumed office: 2015 After coming back from exile. Kuugongelwa-Amadhila is the first woman to serve as Prime Minister of Namibia



Assumed office: 2015 Bhandari's political career began from a Leftist student union.







Kersti Kaljulaid

government has been focusing on promoting gender equality in Finland.

The world's youngest female head of

world's youngest serving prime minister when she

was sworn in on Dec 10. And earlier, in 2019, Sophie

Wilmes became the first woman Prime Minister of

Belgium while Zuzana Caputová took charge as the

positions to make a difference to their commu-

Sanna Marin

PrimeMinister, Finland Sworn-in Dec 10

Here's a look at women leaders using their

first female president of Slovakia.

nities in the political world. S

Kolinda Grabar-Kitarovic

President, Croatia Assumed office: 2015 Currently running for a presidential re-election this year, Ms Grabar-Kitarovic is a former assistant secretary-general of Nato.

Tsai Ing-wen

President, Taiwan Assumed office: 2016



Re-elected President Tsai Ing-wen is known for her pro-independence rhetoric towards Taiwan's relationship with mainland China

Halimah Yacob

Assumed office: 2017

President, Singapore



President Halimah Yacob is Singapore's first female president after running for presidency in the 2017 presidential elections.

Jacinda Ardern

Prime Minister, New Zealand Assumed office: 2017



Youngest leader of New Zealand Jacinda Ardern almost single-handedly brought her Labour party to government after taking over its leadership.

Sheikh Hasina Waied Prime Minister, Bangladesh



1996 - 2001, Assumed office: 2009 Sheikh Hasina is the longest serving prime minister in the history of Bangladesh. An ongoing struggle of Hasina has been establishing a firm democracy in Bangladesh.

NOTE: Aung San Suu Kyi is Myanmar's de facto leader but her official role is that of State Counsellor (similar to Prime Minister) Source: AFP PHOTOS: AFP, ST PHOTO KHALID BABA TEXT: DOMINIQUE NELSON STRAITS TIMES GRAPHICS

Warren Fernandez

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DESIGN

Peter Williams Head, Visual, EMTM & Art Editor, The Straits Times

Chng Choon Hiong Cover illustration Marlone Rubio **Executive Artist**

Gareth Chung Senior Executive Artist Anil Kumar

Graphic Artist

EDITORIAL DESK **Ronald Kow**

Sub-editor, The Straits Times Dominique Nelson Journalist, The Straits Times

CIRCULATION

Eric Ng Head, Circulation Marketing Tommy Ong Senior Manager (Circulation)

REACH OUT TO US:

For advertising enquiries: Mandy Wong Head - Customer Action Teams/Jobs mandyw@sph.com.sg

Circulation & subscription: Sofia Wang Executive sofwang@sph.com.sg

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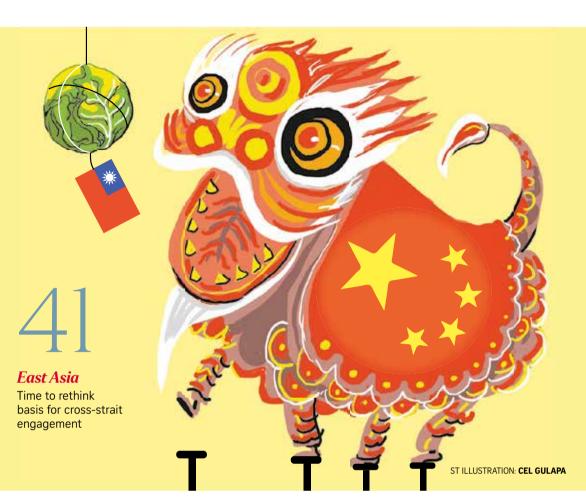
stasiareport@sph.com.sg

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Rediscovering our common humanity in a divided world

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Cover Story

Rediscovering our common humanity in a divided world

WARREN FERNANDEZ Editor-in-Chief



🖂 warren@sph.com.sg

From climate change to smartphone addiction, fake news to the workplace revolution, ST writers lay out the new decade's challenges and their hopes and wishes

THREE CHALLENGES

1. CHINA-US RIFT SPLITS WORLD

Decoupling – that icy, or perhaps worse, a fiery, splitting up between two who are inherently inseparable, with all the nasty side effects that entails. This ugly word, I fear, could become the leitmotif of the decade just begun, writ large on the world stage.

Ordinarily, the re-emergence of China, shaking off at last the poverty and isolation of the past, should be something that everyone might celebrate.

But alas, a deep ideological divide has emerged – some would say, is being stoked – between China and the United States and those who share a belief in the liberal global order that has given the world so much peace and prosperity since World War II. That puts the two rival powers potentially at odds,

and fundamentally so. The sunny lands once pointed to by Sino-US leaders, of a more integrated world, now look ever more distant indeed.

It will take much wisdom all round to navigate this tricky transition, and avoid an unfortunate divide. The trouble is, wisdom seems to be in worryingly short supply at this time of rising populist pulls and pressures. The signs of the decoupling everyone dreads appear to be taking hold.

2. TOO HOT TO HANDLE

A divided world will make tackling the growing climate crisis even more difficult. Countries which should be working together to address this global challenge will be too distracted by ideological, geopolitical, economic and military considerations to put the longer-term needs of future generations ahead of more immediate concerns of who's up and who's down.

So, if the recent heatwaves and floods all seem to have become more extreme by the year, we might have to brace ourselves for worse to come, going by the consensus among climate scientists, who have been warning of this for some time now. A vicious climate change circle might thus emerge: As the world heats up, and the window closes for curbing the greenhouse gases that are contributing to that, the scale of the response that might be needed grows ever larger, making it harder and harder to win the public support needed for action.

3. TECH WE NEVER DREAMED OF

New technologies, however, might yet be found to tackle some of our pressing challenges, including the climate one.

Not so long ago, phones were neither mobile nor smart. Computers were neither cheap nor ubiquitous and equipped with the sort of processing power we carry around in our pockets today. If anyone had painted a scenario of people going about their everyday lives glued to their smartphones, checking their e-mail and social-media feeds constantly, forming relations with posts, swipes and tweets, it would have been seen as either comic or dystopian. Yet that is the (virtual) reality of today.

Similarly, as our information and data-processing powers grow, new technologies we have yet to imagine will no doubt emerge, giving rise to new products and processes, as well as social and political challenges to come. The pace of technological change – and economic disruption – is likely to accelerate, with upsides and downsides that communities will have to grapple with.

THREE HOPES

1. BECOMING MORE HUMAN

As technology evolves and spreads, and shapes our lives in untold ways, my greatest hope is that our societies come to rediscover our common humanity, and learn to appreciate ever more what makes us human. If we can learn to appreciate the joys of being, treasure the humanity we share, find commonalities in our hopes and dreams, perhaps the challenges mentioned above might yet be surmountable.

2. THINK, READ... IN ORDER TO BE

What makes us human stems from our ability to think for ourselves, even if machines might do it more efficiently. What helps us to think is our readiness to read, to gather information and insights for ourselves, even if algorithms might serve these up more readily. Yes, doing so will take more time, and effort – and perhaps not always yield as much immediate pleasure – but being ready, able and willing to exercise our minds makes us who we are, with the capacity to reflect, react and respond.

Technology is making our lives more convenient. Yet, something is lost if pilots can't fly planes without autopilot, drivers can't navigate to their destinations without GPS, leaders can't lead or decide without checking the polls, while families and friends – even lovers – sit around the dinner table but are focused on their phones.

3. MORE PURPOSE, LESS PROFITS

In a world of facts and alternative facts, fake news and deepfakes, things are not always what they seem. That sets the stage for politicians who seek to whip up populist sentiments – offering quickfix, soundbite solutions – and facilitate efforts by players abroad to sway voters and shape democratic outcomes far afield.

The answer to this is, of course, to foster more trust – building and reinforcing our institutions, giving them the support they need, politically as well as financially, to survive and thrive. This ranges from government and the civil service, to the courts and our schools, and even the media. If we assume these can be had on the cheap – or worse, for free – we will end up paying a heavy price ultimately, when these trusted pillars of our society are chipped at and whittled down over time.

To safeguard our institutions, we need leaders and societies to focus less on short-term politics and profits, and have their minds fixed instead on the longer term and larger purpose of their enterprise, both in business and politics.

THREE WISHES

That Singapore will be fortunate enough to have another smooth political transition to a new generation of capable, honest and dedicated leaders, just as the two previous ones have been, thankfully.

To treasure that one totally non-renewable resource – time – and find ways to make more of this precious gift, to nurture family and friendships, and savour the poetry and music in our Everyday Life, as Coldplay's Chris Martin says.

To be alive, fit and healthy, thus able to revel in the celebrations to mark the 200th anniversary of The Straits Times on July 15, 2045. 3

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From the Asian dragon to the Tiger of the golf links

RAVI VELLOOR Associate Editor



🖂 velloor@sph.com.sg

Living in the centre of Asia. with tensions swirling to the north-east and to the west. there'd be no greater prayer than to have a China acting as benevolent overlord rather than regional bully, sticking its finger in eye after Asian eye.

"

THREE CHALLENGES

1. STAYING ON THE RIGHT SIDE OF THE GREAT DECOUPLING

There is little question that the United States and China, having arrived at a key fork in the road of history, have decided to travel in separate directions.

This places severe challenges before every Asian state because China is a close neighbour that is not only a top trading partner for most, but increasingly, an investor too. On the other hand, the US-led West is a geographical construct.

China initially thrived as a manufacturer of the wonderful goods being innovated in the West. Now, it needs to do more of its own innovation. The jury is still out on whether China can stand on its own legs as an innovation-and research-driven powerhouse. For the rest of Asia, negotiating these currents is likely to be the central challenge of our times.

2. KEEPING YOUR HEAD WHEN ALL ABOUT ARE LOSING THEIRS

If tuberculosis and malaria were the key health challenges of the 19th and 20th centuries, mental health will likely emerge as the key health issue of the decade in Asia. The breakup of joint families, the swift march of forces including automation and artificial intelligence, combined with the fear of losing jobs even as you need to stay employed longer because of lengthening lifespans, are causing a tornado of doubt and despair to rise in people's minds. Sociologists call this a state of anomie. Keeping a cool head in these troubling times may prove to be one of the central challenges of the day.

3. TIME MANAGEMENT

If you thought the hectivities of life are keeping you from being more active on social media – Facebook, LinkedIn, Twitter and more – and doing enough of your favourite sport, and sleep, well – too bad. It's going to get worse.

There's never been a better time to be a couch potato, with streaming services offering a wide range of entertainment and investing more and more in what are broadly themed Originals.

A resurgent Disney is now vigorously taking on Netflix, expecting to add 25 million viewers by March this year.

It is a matter of time before you get more Asian content on these platforms with locales and plots set in Pakistan, China, the Philippines and Vietnam.



Finding time – for work, play and family – amid the streaming wars (and social media) is going to be a major challenge.

THREE HOPES

1. CHINA MODERATES ITS ASSERTIVENESS

Living in the centre of Asia, with tensions swirling to the north-east and to the west, there'd be no greater prayer than to have a China acting as benevolent overlord rather than regional bully, sticking its finger in eye after Asian eye.

At the same time, it would do wonders if China – and to its credit, it already has begun to do so – tweaked its Belt and Road Initiative plans to benefit the recipient countries more than itself, and what is more, added a public healthcare component to it.

Still, while China may make some tactical adjustments as it rounds to see off the US challenge to its regional dominance, the long-term trajectory is less promising and that means tensions with Japan and India, and now, Indonesia, are unlikely to go away.

2. CLAMPDOWN ON PLASTICS

The widespread use of plastics has resulted in a frightening environmental problem. More than 80 per cent of the water that is drunk apparently contains plastic fibre and, annually, some 8 million tonnes of plastic is flung into the ocean. Yet, only one in seven of the plastic packaging that we use is recycled.

Hopefully, governments will act to curb this menace and penalise the polluters and companies, and those that lend to them will walk the talk on promoting sustainability.

A related hope: Governments de-emphasise gross domestic product growth and focus on standard of living and quality of life. The good news: Millennials are very sensitive to environmental issues and keenest about leaving the planet a better place than they found it.

3. MAY NEWSPAPERS NEVER DIE

With digital platforms slicing and dicing audiences, and serving niche communities of interest, there never has been a more important time for general-interest newspapers, aggregating a variety of news for all ages, economic strata and professions, to thrive.

A well-curated newspaper reflects the broad world in all its glory and warts, and is the medium where the community, church and state find confluence. Here's hoping that societies rediscover the merits of having strong newspapers.

THREE WISHES

1. MODI DROPS HINDUTVA LINE

Six years ago, as Mr Narendra Modi took power in India, the hope was that the South Asian giant would finally hit its stride and become a global pillar of growth. Today, that hope is turning to despair and steadily lowering growth projections. Worse, the Modi government seems to be hell-bent on projecting vast and diverse India as a nation of Hindus, potentially setting back 70 years of nationbuilding and triggering intense insecurity within the minorities, particularly the 180 million Muslims of the country. An India in decline would be a setback not only to Asia, but the world too.

2. U.N. TO THE FORE

As strategic competition intensifies, space is the next frontier of jostling and it is imperative that just like Unclos for the oceans, you need to set commonly accepted rules of the road in space and its use. Without it, space would be like a highway where one side of the road is lit up while traffic in the other lane moves in darkness. Let's hope the United Nations steps in!

3. TIGER, BURNING BRIGHT

Settling into middle age, golf legend Tiger Woods has only so many years left to compete at the apex of his sport. So, here's hoping that in the next three years Tiger wins three more major championships to draw level with his boyhood idol, Jack Nicklaus. To achieve that, he will need his famously laser focus. Here's a tip, champ: Keep your eye on the ball. **S**

Trade peace still a distance away

AS WE ENTER 2020, WE NEED TO BRACE OURSELVES for another year of trade tensions. The United States and China are enjoying a truce, but the chances are this will be temporary.

Any trade disputes between the two – and there is a long list – will need to be sorted out bilaterally, because the body that normally handles such disputes, the World Trade Organisation (WTO), has been marginalised, which is another problem.

In Europe, we have greater clarity on Brexit, a near certainty now after Britain's pro-Brexit Conservative Party's resounding electoral victory in December.

But the terms for Britain's departure from the European Union (EU) – supposedly by the end of this year – are still up in the air.

It's not all doom and gloom. On the positive side, Asian countries will push on with the negotiations on the Regional Comprehensive Economic Partnership which will create the world's largest trade bloc; the EU will explore free-trade deals with Asean countries following its landmark FTA with Singapore, which took effect from Nov 21; and China, Japan and South Korea may move ahead with a trilateral trade agreement.

But the trade dispute involving the world's two largest economies will continue to cast a shadow on the global economy. The so-called "phase one" trade agreement between the US and China was a nice Christmas present for the markets and looks promising on paper.

If all goes well, the two sides could move on to negotiating a "phase two" trade deal.

But there are at least two reasons to believe that the phase one truce is fragile. For a start, and with its economy slowing, China's import commitments are demanding.

To fulfil them, it might need to give preferential treatment to US products at the expense of those from other countries, which would be a violation of WTO rules.

Second, although the measures China has pledged are in its own interest, its progress in implementing them – many of which will be open to subjective judgment – will be assessed not by any independent or impartial body like the WTO, as should be the case, but by the US. So, a party to the trade dispute will also be the judge.

US Trade Representative Robert Lighthizer has stressed that China would need to meet its commitments "right down to every detail".

Any perceived slippage could be met by a reimposition of tariffs, which could unravel the phase one agreement.

During a US election year, with anti-China sentiment running high – both among Democrats

VIKRAM KHANNA Associate Editor



🖂 vikram@sph.com.sg

and Republicans – trade policy will be driven by politics even more than usual.

THE TRADE LAW OF THE JUNGLE

Another risk to the global trading system is that the WTO is in a state of crisis. Since Dec 11, its appellate body, the equivalent of its "supreme court" which hears appeals against decisions taken by dispute settlement panels – the equivalent of lower courts – has been rendered dysfunctional.

Whereas a minimum of three judges are needed to hear appeals, there is now only one judge left on the appellate body, because the US has, since 2017, been blocking the appointment of new judges.

So any appeal to decisions taken by dispute settlement panels can no longer be heard.

This means that trade disputes will be impossible to resolve, if any party to them lodges an appeal. This opens the way for countries to resort to unilateral measures not sanctioned by international law to address trade grievances.

In short, what we now have is the trade law of the jungle, which works in favour of powerful countries – although disputes between them, too, would be in danger of spiralling out of control as unilateral actions are met with retaliation and counterretaliation, as we have seen last year between the US and China, and the US and the EU.

The EU and some countries are trying to set up a parallel body to adjudicate on disputes that would mimic the WTO's appellate process, but unless countries agree to abide by its rulings – and the US, at least, is unlikely to do so – the effectiveness of any parallel body would be limited.

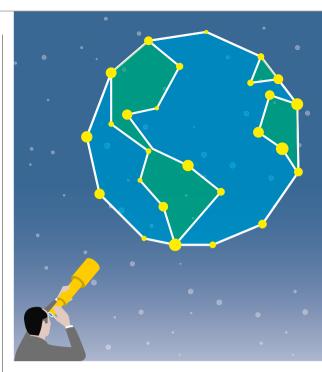
NEW BREXIT UNCERTAINTIES

With Prime Minister Boris Johnson's withdrawal agreement (WA) with the EU having been passed by the British Parliament, the stage was set for Brexit to happen on Jan 31. While the markets initially read this as good news – there was finally clarity on whether Brexit will happen – a closer look at Mr Johnson's WA raised serious concerns.

The main issue relates to the transition period, during which Britain will remain in the EU's customs union – retaining its existing trade privileges – pending a trade agreement between the two. The new WA prohibits extending the transition period beyond one year. In other words, Britain will leave the EU on Dec 31, 2020, no matter what – whether there is a deal, a partial deal or no deal. Mr Johnson is gambling that this tight and rigid deadline will, as he put it, "strengthen our negotiating position."

It's a hugely risky gamble.

The issues to be negotiated between Britain and the EU are vast and complex. They include not only the terms of market access for goods and services, but also competition rules, labour and environmental standards, state assistance to businesses, financial regulation, fishing rights, intellectual property rights and more.



It would be all but impossible to cover all these issues, plus get the agreement – if there is one – ratified by 27 EU member states within 12 months.

While a no-deal Brexit cannot be ruled out, the most likely scenario is a partial deal – the only question is how partial it will be.

Taken aback by Britain's rigid stance, the EU has indicated that it will have to prioritise. Its Director-General for Trade Sabine Weyand has said: "We have to look at those issues where failure to reach an agreement by end-2020 would lead to a cliff-edge situation" – in other words, only the most serious issues, from its own point of view.

The EU is determined to ensure that there will be no regulatory arbitrage and will try to prevent Britain from deviating far from the EU's regulatory standards and thereby gaining an unfair advantage over EU companies.

For Britain, services – which account for around 80 per cent of its GDP – will be top priority, but it may not get top priority in the negotiations.

The upshot of a partial trade deal will mean that this year, companies, farmers, bankers, fishermen and other workers in both Britain and the EU will be left guessing as to what their future will be. This is especially the case for those in Britain, which depends on the EU for almost half of its trade.

Mr Johnson's gamble on Brexit has created new uncertainties. The bitter debate in Britain will continue – this time, not so much on Brexit itself, but on its terms, and how people will be affected.

So trade tensions will persist, although taking different forms. While there is a good prognosis for intra-Asian trade in 2020, the same cannot be said of trade between the world's major economies – which will also affect Asia.

We are still far away from trade peace. ST

Another risk to the global trading system is that the WTO is in a state of crisis. Since Dec 11. its appellate body, the equivalent of its "supreme court" which hears appeals against decisions taken by dispute settlement panels - the equivalent of lower courts - has been rendered dysfunctional.

Opportunities on tech front, but also a bumpy ride

BY THE END OF 2019, THE TECH WORLD HAD learnt two things.

First, be prepared for a bumpy ride when standing on the shoulders of two warring giants.

Second, those who hold the keys to unlock the possibilities of bleeding-edge technologies like artificial intelligence (AI) and 5G hold the keys to the future and progress.

These lessons, which are also closely intertwined, will set the tone for 2020 and beyond.

AI and 5G technologies were in the spotlight when trade tensions between China and the United States escalated last year.

They will remain as bargaining chips as the dispute continues into 2020 – a momentary truce notwithstanding.

It's not hard to understand why AI and 5G were singled out – although on paper the concerns were of cyber espionage and human rights. AI and 5G are expected to stage the next industrial revolution which will welcome new realities like self-driving cars, remote surgery and smart cities complete with smart power grids, e-surveillance and payments by facial scans. Nations with the keys to these technologies hold the keys to the future.

As expected, top Chinese tech firms including facial recognition specialists SenseTime and Yitu, video surveillance tool maker Hikvision and 5G mobile equipment maker Huawei have been blocked from trading with the US in what some experts believe will momentarily slow down China's technological progress.

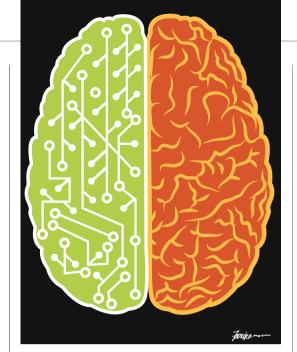
The tech sanctions created their first casualty: the Huawei Mate 30 smartphone launched globally late last year. It came without Google apps and services, but instead runs on Huawei's in-house developed operating system.

Nations may have to deal with a situation in which systems developed by US companies may not work with those created by Chinese firms – if the trade war leads to separate and incompatible technologies being developed.

A splintered tech world is not totally unfamiliar to most people. China has already created an alternate universe for apps and services behind its great firewall, designed to keep out foreign firms' influence on domestic tech consumption.

For instance, Baidu is the equivalent of Google for online search activities in China, while Weibo rivals micro-blogging platform Twitter. The Chinese have also created Renren, which is similar to Facebook.

If the events of 2019 taught China anything, it is to be self-reliant. As if heralding a future for an



ST ILLUSTRATION: MANNY FRANCISCO

alternate hardware universe with its own supply chain, Huawei has been ramping up production of 5G chips with integrated modems to wean itself off foreign third parties like Intel, Qualcomm, Xilinx and Broadcom.

In other words, expect another bumpy year in 2020. If the world ends up with two hardware and software ecosystems, connectivity and how business is transacted around the world could be affected.

But exciting times also lie ahead. Millions of dollars are being committed by governments in countries such as Canada, China, France, Israel, Germany, South Korea, Japan and Singapore to invest in AI research and talent.

What is to be expected are breakthroughs in fields like medicine, for instance, to interpret computed tomography scans or smartphone images to accurately predict one's likelihood of having lung cancer or eye diseases. Early detection allows for early intervention. Plus, AI allows for greater efficiency as analysis can be done at scale.

Just as Amazon, Airbnb and Uber disrupted the retail, hospitality and ride-hailing industries, respectively, it is hoped that medical AI will do the same for the healthcare sector by bringing down operational costs and widening its reach.

Millions of dollars will also be poured into 5G network rollouts to allow ultra-fast, no-lag connectivity to be more widespread. This year, largescale 5G commercial launches can be expected in South Korea, Japan, China, the United States and Europe. The Tokyo 2020 Olympics will showcase new uses of 5G, with live broadcasts featuring 360-degree ultra-high definition footage of athletes' moves.

It is noteworthy that just a decade ago, technology was mostly relegated to a back-room function. The disruptive force of technology is more keenly felt today than ever before. There is no turning back. **S** IRENE THAM Senior Tech Correspondent



🖂 itham@sph.com.sg

Nations may have to deal with a situation in which systems developed by **US companies** may not work with those created by **Chinese firms** - if the trade war leads to separate and incompatible technologies being developed.

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Keeping roads and animals safe, and dementia at bay

SUMIKO TAN Executive Editor



🖂 sumiko@sph.com.sg

Will the team be able to demonstrate the leadership required in an increasingly messy and fractious world, yet also recognise that, more and more, Singaporeans want to have a big say in how Singapore is shaped, and can't bear being lectured to?

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THREE CHALLENGES

1. 4G AND SINGAPOREANS

Singapore has had only three prime ministers since self-governance in 1959. Within the next couple of years, it will see its fourth PM leading a fourth-generation (4G) team.

This being Singapore, political transition has been planned and orderly. The people expected to lead are known faces, as are their track records in government.

Still, the country is in for politically interesting times.

The style of the first generation of leaders was paternalistic – do as I say because I know what's best for you. In those early nation-building times, Singaporeans generally went along with what was decreed.

The second and third generations were more consensual in their style and sought more buy-in from the electorate.

What will history say of the 4G?

Will the team be able to demonstrate the leadership required in an increasingly messy and fractious world, yet also recognise that, more and more, Singaporeans want to have a big say in how Singapore is shaped, and can't bear being lectured to?

2. COPING WITH DISRUPTION

From self-driving cars to lab-grown meat, we're living in a period where science and technology are changing the way we know the world and at breakneck speed. It's exciting but also frightening.

In the area of work especially, jobs – our own jobs – will change or disappear because of automation and artificial intelligence.

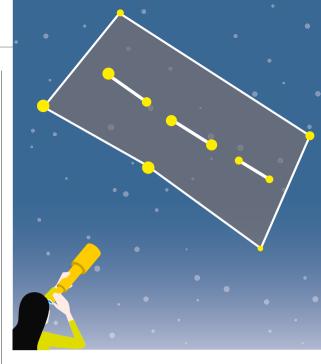
Workers will need to acquire new skills – a mantra easier said than done. How well this is managed will be one of the biggest challenges for Singapore.

3. BATTLING SMARTPHONE ADDICTION

Compulsive use of smartphones can affect our sleep, relationships, productivity and health – not to mention how it's downright dangerous to use your phone when you drive. (In the United States, cellphone use while driving reportedly leads to 1.6 million crashes each year.)

What can be done about this addiction?

France has tried to tackle the problem. In 2017, lawmakers gave people the legal right to disconnect



from work – no checking e-mail or taking calls – outside of working hours. In 2018, a ban on smartphones in schools was put in place.

Ultimately, as in other addictions, you can fight smartphone addiction only if you acknowledge it to be a problem and want to change. The choice is in our hands.

THREE HOPES

1. THAT WE BECOME A SOCIETY THAT TREATS FOREIGN WORKERS WELL

Singapore has more than 500,000 construction and domestic workers doing the physical work Singaporeans don't want to do.

Some of their living conditions leave much to be desired. I hope more can be done by their employers to make sure they are housed in better conditions and get more nutritious food. Might there also be a need to review the Employment of Foreign Manpower Act to ensure this happens?

2. THAT PEOPLE ARE MORE CAREFUL ON THE ROAD

Rarely a day goes by without a heartbreaking road accident posted on Facebook. While Singapore is low on the list of countries with the most road accident deaths – Libya, Thailand and Malawi topped one list I came across – my hope is that road users exercise greater care.

3. THAT JOSEPH SCHOOLING WINS ANOTHER OLYMPIC MEDAL

Who can forget the moment Joseph Schooling won gold for Singapore at the Rio Olympics in 2016. The pressure is on him in Tokyo this year. One also hopes that if things don't turn out his way, he will be gracious about it.

THREE WISHES

1. MORE HELP FOR ANIMAL SHELTERS

At last count, there are about 12 animal shelters here. It's difficult, unglamorous work and they face challenges like high cost and space constraints.

The groups rely mostly on donations and fundraising to do their good work.

I wish some benefactor/s will bequeath them dream-come-true sums, that the HDB relaxes its nocats policy (which might lead to fewer strays), and that more Singaporeans realise that senior animals are beautiful and worth adopting.

2. COOLER WEATHER

Wishing isn't going to do anything - maybe

climate change might – but how I wish for more days of cooler weather in Singapore, like the spate last month where temperatures dipped to 23 deg C.

3. LEARN AN INSTRUMENT

According to the Institute of Mental Health, one in 10 people aged above 60 here has dementia, and half of those above 85 are afflicted with it.

This means there were an estimated 82,000 patients in 2018, with the number expected to go beyond 100,000 by 2030.

Studies have found that stimulating the brain is one way to stave off dementia. By some accounts, learning to play a musical instrument does this.

I'd quit the piano when I was younger. In the name of holding off dementia, I intend to relearn it this year.

Uphill fight to fix fraying of trust, avoid polarisation

A TAX ON WHATSAPP CALLS.

A rise in metro fares.

Proposals to overhaul pensions.

Ordinarily, these measures might not have caused a stir.

But when they were introduced in Lebanon, Chile and France in recent months, amid a worsening economic climate, they fuelled nationwide protests that are set to persist well into this year.

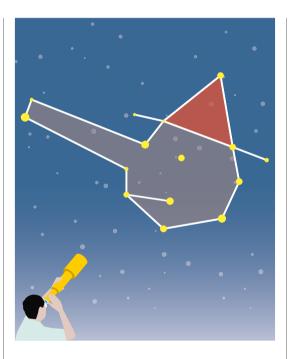
Concerns over the cost of living and retirement, and growing disaffection with unpopular policies and governments, have fuelled protests in many other societies, from Honduras to Hong Kong.

But underpinning these demonstrations is a more systemic development: Trust in elected politicians and institutions is fraying in many societies, as the compact between people and leaders, between workers and employers, and between groups in society, comes under strain.

Driving this disaffection is a cocktail of factors: The stagnation of incomes over the past decade or so, a sense that the benefits of growth are not being fairly shared, as well as widespread sentiment that inequality is growing and social mobility is declining.

Following the wave of Yellow Vest protests early last year, French President Emmanuel Macron embarked on his "Great National Debate", a consultative platform which included public forums for mayors and citizens to listen to one another and find common cause in a bid to build a new social contract.

The result included tax cuts, greater public



ZAKIR HUSSAIN News Editor



🔀 zakirh@sph.com.sg

participation in economic decision-making and decentralised public services.

But not all fiscal requests can be granted, and the recent breakdown of weeks of talks on pension reform saw a nationwide strike crippling transport networks and cities.

Mr Macron has stuck to his guns, vowing in his new year's address to carry out the pension overhaul that will raise the eligibility age for full pensions from 62 to 64.

However, he also called for the "path of a quick compromise" with unions, stressing the new system will be fairer to all and financially sustainable, and saying: "My only compass is our country's interest."

It will be an uphill task for him to regain citizens' trust this year.

Other societies have been watching these

Concerns over the cost of living and retirement. and growing disaffection with unpopular policies and aovernments, have fuelled protests in many other societies. from Honduras to Hona Kona. 77

developments with concern, and working on ways to avoid making similar missteps and renew the social contract with a new generation of voters.

In Singapore, in a speech in September, Deputy Prime Minister Heng Swee Keat noted that the country has so far been spared the full force of challenges such as widening inequality, a growing divide between generations, and deepening political polarisation. "But we are not immune to them," he cautioned.

Expect this year's Budget to continue the significant policy shifts Singapore has embarked on in recent years – heavy investments in pre-school education to give every child a good head start in life, topping up incomes of the bottom 30 per cent of workers to temper the harsh outcomes of the market, and ensuring some form of equity across the generations.

Expect, too, Singapore's fourth generation of political leaders to continue engaging citizens from different backgrounds and bringing them together to

shape policies under the Singapore Together effort.

A much harder challenge ahead, especially in an election year, is preventing and pushing back against political polarisation.

As in many societies elsewhere, some of this polarisation has been fuelled by the rapid spread of disinformation online, itself abetted by the likes of Facebook and Twitter.

The 2016 United States election was a prime target of attempts to sow discord through fake news, and voter polarisation will likely deepen ahead of November's vote.

It is a global concern.

In a recent article, political watcher Alison Goldsworthy of the Depolarisation Project and former British MP Julian Huppert suggest several ways to arrest polarisation.

One entails slowing down the pace of online news media, by finding ways to reduce the retweeting and sharing of social media posts.

There are no easy solutions. S

Out of the flames of climate change comes hope

DAVID FOGARTY Climate Change Editor



🖂 dfogarty@sph.com.sg

WELCOME TO 2020. THIS IS THE START of a decade that will determine how severe climate change will become. And 2020 will be the year that will make or break climate diplomacy.

It is likely to be a bumpy ride. Weather disasters are becoming more extreme and the world lacks unity in taking the urgent steps needed to tackle an escalating emergency.

The good news is that the bad news might finally prompt positive change in 2020.

Extreme weather, from fires to floods to droughts and storms, is affecting people in rich and poor nations. While the record bush-fire crisis in Australia isn't wholly caused by climate change, it has helped prime the conditions for the fires by fuelling a record drought and record temperatures.

Globally, climate protest movements came of age in 2019, driven by youth angry and frightened about the future. The youth movement looks set to grow in 2020, further pressuring businesses and policymakers.

Singapore held its first climate rally last September, leading the Government to recognise the importance of youth in driving change.

Governments and businesses need to band together to act quickly and decisively on the economic transformation needed to clean and green the global economy. More and more evidence is emerging of the economic benefits of cleaner, more efficient economies powered by renewable energy, electric transport and zero-polluting industry.

Change is happening, just not fast enough. More than 60 nations have pledged to become carbon neutral by 2050, green finance and investment in renewable energy are growing and nations are implementing steps to incentivise emissions cuts.

The past year is likely to have been the second or third warmest on record, according to provisional figures released by the World Meteorological Organisation (WMO). That would mean five of the

warmest years have occurred since 2015. The planet has already warmed, on average, 1.1 deg C since pre-industrial times, according to the WMO.

Prime Minister Lee Hsien Loong stressed the threat from rising sea levels in his National Day Rally speech last year.

The sea level around Singapore could rise by around 1m by the end of the century and protecting the nation could cost \$100 billion, possibly more.

The recent COP25 climate talks in Madrid failed to make decisions on key issues, leaving them for the next major talks in Glasgow towards the end of this year. By any measure the Glasgow gathering will be decisive in the global battle against climate change. It will be measured by two words: unity and ambition.

Failure in the Scottish city will set back global climate diplomacy for years. **31**

ST ILLUSTRATION: CEL GULAPA

Of unicorns, storks and embracing the joy of missing out

THREE CHALLENGES

1. UNICORNS TURFING OUT WORKHORSES

I hate to drive and used to embrace ride-hailing apps, even contemplating selling my car. No longer.

Now I worry about the Internet economy's preoccupation with chasing unicorns – start-ups valued at over US\$1 billion (S\$1.35 billion) – like mobile taxi app Uber, pumping them full of borrowed money, enabling them to undercut market rates, monopolise key industries, then jack prices back up.

Such disruption, aided by artificially low prices subsidised by venture capital, has led to increased traffic congestion, inflated rents and a growing underclass of permanent gig workers. Fund raising has become the main metric of success.

By the time the unicorns – many of them moneylosing – are all spent, I fear the trusty workhorses that provide essential daily services for communities like transport, food and delivery, but at unsubsidised hence less competitive prices, may have died along the wayside.

2. WORKISM WIPING OUT BABIES

Fertility rates are free-falling around the world, even in former baby-friendly bastions that boast gender equality and extensive support for women to combine work and family.

Red flags of a shrinking workforce: slower economic growth, growing public debt, less stable public finances and greater inter-generational conflict.

This is despite the fact that an estimated one-third of the world's countries have tried to counter the dip with pro-natalist policies, backed by subsidised childcare, tax rebates and parental leave, for decades now.

But this has barely made a dent in the baby shortfall because pro-natalism runs into direct conflict with what The Atlantic writer Derek Thompson calls "workism" – an increasingly entrenched belief that work is the "source and summit" of our lives.

3. WHAT IS WORTH LEARNING?

In an age when Siri has all the answers, are schools teaching what matters, in a significant way, in our children's lives? Is the conventional curriculum, which is all about mastery of a large body of information and high-stakes testing, still the best return on investment?

Can we let go of the past and overhaul education - in time - for the future?



THREE HOPES

1. VALUE VERSUS VALUATION

My hope is that the new decade will see a redefinition of value. That value, the true worth of a thing, will once again trump valuation, an estimate of its worth.

2. GENDER RE-REVOLUTION

The above hope on redefining value applies, too, for investing in our personal lives.

What is needed to make more babies, which most economies and companies say they cannot afford, is a radical revolution in gender attitudes and work norms.

3. PREPARING FOR THE UNKNOWN

Historically, education has been focused on preparing for the known, not the unknown. Futurist and business influencer Bernard Marr notes that education currently serves to prepare people to take on a job or discipline to do something. "As we move further into the future, education will need to support children to develop the skill set and mindset to do anything in their future, rather than a particular 'something'," he posits.

In his book Future Shock, the late American author Alvin Toffler predicted: "The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn, unlearn and relearn."

Beyond the educational arms race, I hope that parents forge their own learning and relational goals, to bring up resilient and kind children who are prepared for the many unknowns.

Wishes: I have only one personal wish, a culmination of all the above, which is that I will learn to quieten the fears of missing out by, finally, embracing the joy of missing out (Jomo).

SUSAN LONG Life and Lifestyle Editor



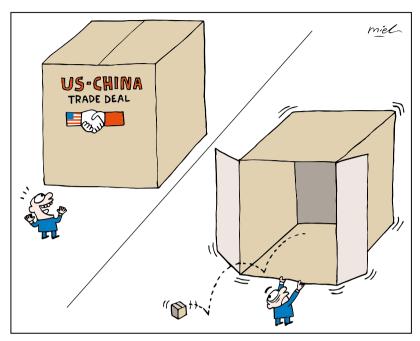
🖂 suelong@sph.com.sg

In his book Future Shock. the late American author Alvin Toffler predicted: "The illiterate of the 21st century will not be those who cannot read and write, but those who cannot learn. unlearn and relearn." This is fast playing out.

77

Trade Watch

US-China trade truce: Will it last?



ST ILLUSTRATION : MIEL

US-China trade deal: More optics than substance

It's a superficial deal riddled with flaw

VIKRAM KHANNA Associate Editor



🖂 vikram@sph.com.sg

THE SO-CALLED PHASE ONE TRADE DEAL, which was signed by US President Donald Trump and Chinese Vice-Premier Liu He, has been trumpeted in Washington, greeted with muted approval in Beijing, and viewed by many analysts as putting a floor on the long-running trade dispute between China and the United States.

Politically, it is seen as a masterstroke by Mr Trump, who can claim to have de-escalated trade tensions and secured concessions from China that would benefit large sections of his base, especially in US farm states; it serves also to boost his support among Republicans – and capture national attention – just when the Senate is beginning its impeachment hearings against him.

While a case can be made that some deal is better than no deal, a closer look at the economics of this particular agreement suggests that it is not only incomplete and superficial, but also impractical, unfair to other countries and potentially illegal in terms of compliance with World Trade Organisation (WTO) rules, all of which means it could easily unravel. In sum, the deal is long on optics and short on substance.

According to the US version (there is also a Chinese version), as part of the deal, China has agreed to buy at least US\$200 billion (S\$270 billion) worth of additional American goods compared with 2017 levels, including farm products, manufactured goods, energy and services. It will also strengthen intellectual property (IP) protection, open up its financial sector, stop forced technology transfers and refrain from manipulating its currency.

In return, the US agreed to cancel the tariffs on US\$160 billion worth of Chinese goods that were scheduled to take effect in December and halve the 15 per cent tariffs on US\$120 billion worth of Chinese imports that were imposed last September. But the 25 per cent tariffs on US\$250 billion worth of imports that were applied earlier will remain – although the US has said it will consider reducing them too if China meets its commitments.

It all sounds good on paper, but what happens in practice may be another story. The deal is riddled with rosy assumptions, bizarre demands, uncertainties and other hazards.

UNREAL COMMITMENTS

Take China's purchase commitments. This year, China would need to increase its imports from the US by more than 50 per cent compared with 2017 levels – at a time when its economy is growing at its slowest pace in 29 years. This is an unreal expectation.

The only way China can meet it, if at all, is by substituting imports from other countries.

So as it ramps up its purchases from the US, it will be forced to buy less from others: less soya beans, for example, from Brazil and Argentina; less farm products, manufactured goods and services from the European Union, Canada, Australia, Japan, South Korea and South-east Asia; and less energy products from Russia and the Middle East.

The preferential treatment China will have to accord to US goods and services, which include such items as hair clippers, jams, jellies and management consulting services, will amount to managed trade under a system of import quotas, which is illegal under WTO rules.

China would also be forced to violate the cardinal WTO principle of most-favoured nation, which requires member countries to treat all their trade partners equally. In short, the phase one trade deal goes against the basic rules of the multilateral trading system and sets a bad precedent.

EU Trade Commissioner Phil Hogan, who has criticised the deal, sounded an ominous warning of what may be coming: "If there's a WTO compliance issue, of course we will take a case," he said during a recent visit to the US.

Apart from China's trading partners, others will also suffer collateral damage as a result of the deal.

For instance, many shipments that are routed from the US to China via Hong Kong may bypass the territory and head direct to Chinese ports, so that they can be recorded as Chinese imports from the US. This would be a blow to Hong Kong's trans-shipment business at a time when its economy is in recession.

Asian supply chains, which route goods to China, may also have to readjust as China shifts some of its sourcing from Asia to the US.

The numerical targets that have been set for China's purchases from the US, such as US\$80 billion in manufactured goods, US\$53 billion in energy, US\$32 billion in agriculture and US\$35 billion in services – akin to something out of a 1960s central planner's playbook – are absurd.

Apart from the level of demand, the value of purchases will depend on market prices, which cannot be determined in advance – who can say what the prices of oil or other commodities will be two years later, for instance – and most of them will be made by private traders who have their own sourcing arrangements and contracts.

The numerical targets, to which China is wisely reluctant to commit, look suspiciously like a public relations act aimed at various US farm and business constituencies, and can hardly be taken seriously.

Many of China's other commitments, such as removing "structural barriers" to trade, strengthening its IP rights regime, and opening up its financial sector are vaguely worded. For example, on IP protection and technology transfers, China is required to "address longstanding concerns" according to the office of the US Trade Representative (USTR), which means much of what China does will be subject to interpretation.

The US commitments are also vague. For instance, there is no schedule for the rollback of the remaining tariffs on US\$250 billion of Chinese goods.

FLAWED DISPUTE SETTLEMENT

And what happens if, as is likely, China fails to meet some or all of its commitments?

The phase one agreement has a dispute settlement chapter, which allows for bilateral consultations to sort out differences. The problem, though, is that the disputes will not be adjudicated by the WTO or any other independent body, but to a large extent by the USTR's office, which will have the final say.

In other words, a party to the dispute will also be the judge. And the US Trade Representative, Mr Robert Lighthizer, has insisted that the agreement needs to be implemented "right down to every detail", which suggests that the US is unlikely to cut China much slack. With so much open to judgment and interpretation, there is ample scope for the agreement to be politicised. Mr Trump could easily declare that China is failing to live up to its promises, and threaten to reimpose tariffs to boost his poll numbers. Nobody should be surprised if this happens.

China, too, could decide to walk away from the deal, if it determines that the remaining tariffs are not being reduced as fast as it hopes, that its tech companies such as Huawei are continuing to be treated unfairly, and it is facing a losing battle dealing with disputes at the WTO brought by its other trading partners, who would have a strong case.

It could then decide, in a US election year, to, for example, switch its farm purchases from the US back to Brazil, Argentina, the EU and Australia. In other words, this is a trade deal that could easily unravel from either side (it is telling that Mr Liu, and not President Xi Jinping, represented China in sealing the deal).

Meanwhile, some of the biggest trade issues between China and the US – especially China's subsidies to its state-owned enterprises as well as cyber-security concerns – have yet to be addressed. These are said to be part of the agenda for a "phase two" trade deal.

But that is not going to happen until after the US presidential election in November – if it happens at all. Because, first, we have to get past phase one.

New US-China trade agreement won't reset strained ties

THE LONG-AWAITED TRADE PACT MAY HAVE been touted by both sides as proof that even the biggest rivals can strike a deal, but this partial agreement will not go the distance in resetting already strained ties.

Tech decoupling will continue as the United States thwarts China's technological rise and the Chinese race to find self-reliance.

The US sanctions targeting Chinese tech companies nearly crippled telecommunications giant ZTE and is hurting Huawei's mobile phone business. More punishing US actions are expected. "That's one thing the agreement isn't going to derail," said Shanghai-based former diplomat Kenneth Jarrett, who is now senior adviser at business strategy firm Albright Stonebridge Group.

"Tech tensions are still very much at the forefront."

Chief negotiator Liu He struck a conciliatory note at the pact's signing on Jan 15, urging the US to be friendlier: "President Xi Jinping points out that there are a thousand reasons to make China-US relations succeed and not a single one to let it fail."

Yet analysts do not see the trade deal helping to

TAN DAWN WEI China Bureau Chief in Beijing



🖂 dawntan@sph.com.sg

reboot bilateral relations that have been blighted by the Trump administration's choice of a more confrontational policy towards China, and Beijing's resistance to being contained.

"The trade deal has not changed the fundamental relationship between China and the United States. My definition of Sino-US relations in the coming period is: long-term competition, interdependence and limited cooperation," said Professor Yu Miaojie of the National School of Development at Peking University.

"The long-term competition is because the US has established China as a strategic competitor," he said.

"Limited cooperation is because complete decoupling is not possible, as the American business community needs China."

A tit-for-tat tariff war has raged since the beginning of 2018, hitting exporters of a large swathe of goods from both countries.

Just when the world thought a deal was finally near last May, talks fell apart after the US accused China of pulling back its commitments, while Beijing said Washington kept changing its demands and refused to lift punitive tariffs.

The US also insisted that China withdraw state subsidies in key industries, accept monitoring to track its progress on these reforms and rewrite its laws to protect intellectual property, all of which Beijing found hard to stomach.

The Chinese toughened their rhetoric and prepared their citizens for a "people's war".

Yet, in this new deal, Beijing has accepted an enforcement process and a token rollback of US tariffs.

On the surface, it looked like China blinked. It committed to buying US\$200 billion (S\$270 billion) of US goods and services for the next two years, pledged to refrain from competitive currency devaluation and promised to improve access to its financial services market, among others.

These, in exchange for the US holding back planned 15 per cent duties on nearly US\$160 billion worth of Chinese products and cutting by half the September tariff rate on US\$120 billion of Chinese goods to 7.5 per cent. "Given the past history, China's objection to an enforcement mechanism would likely have been a deal-breaker. China understood this, so its earlier objection was probably tactical, rather than something it realistically hoped to achieve," said Hong Kong-based Stephen Olson, a research fellow at Hinrich Foundation and a former US trade negotiator.

Beijing and its state media have been careful to portray the pact as one based on "equality and mutual respect", where the US is subjected to an enforcement mechanism laid out in the deal as much as China is.

"The agreement emphasises that both parties must assume the same obligations," said Prof Yu.

But even before the ink has dried on the deal, experts are already expressing worry over its implementation and some obvious discrepancies in narratives from both sides.

While Mr Trump has hailed the pact as a win for American farmers who will benefit from China's purchase commitment of US\$40 billion, the Chinese have been quick to stress that the buying is dependent on "market conditions."

"This is a glaring ambiguity in the agreement and could set the stage for a serious dispute down the road," said Mr Olson.

"The US has emphasised the large dollar value of China's commitment, while China has emphasised the need for the purchases to be in line with market conditions and World Trade Organisation obligations. These two views are not entirely aligned."

While it may look like China has had to make more concessions for this deal, it could well be a strategic move that will bear fruit in future.

Bumping up American imports was something Beijing was prepared to do in 2018, and intellectual property protection as well as opening up its financial services market are "low-hanging fruits", said economist Tommy Xie, head of Greater China research at OCBC Bank.

"Even without the trade war, China would have continued to reform in those areas. Nevertheless, the trade war may have expedited the process of reforms," he said.

Chinese consumers would also benefit from the wider range of US-imported goods, from baby formula to poultry and dietary supplements.

More than that, the trade deal provides a breather and takes the pressure off Beijing to address more nagging problems such as hefty state subsidies and cyber security.

The fact that the Chinese managed to stave off having to deal with these structural issues – possibly without even getting to a phase two deal – is seen as a win for Beijing.

Mr Jarrett said: "The best way to look at it is against everything the US wanted and how much China actually gave, and compare that with two years ago. I think China should feel it also negotiated a pretty good agreement." **S**

The agreement signed by President Donald Trump and Vice-Premier Liu He in Washington on Jan 15 marks a ceasefire in the nearly two-yearold trade war. PHOTO: EPA-EFE



Special Report

Why the Wuhan virus may be worse than Sars

Given China's internal and global links, impact could be far and wide

COULD THE ECONOMIC IMPACT OF THE WUHAN coronavirus be worse than that of the severe acute respiratory syndrome (Sars) in 2003? Unfortunately, it's possible, if not likely.

While it's still early days – we are about one month on from the virus' first reported outbreak just after the new year – if you consider the state of China's economy today compared with what it was in 2003, the linkages it has with the region and the world and the economic importance of Wuhan itself, a worse-than-Sars scenario cannot be ruled out.

Consider first the nature of the coronavirus itself. While it is believed to be less deadly than Sars in terms of its health impact, it is more easily infectious. Whereas the Sars virus was not infectious during its incubation period, the 2019-nCoV virus can be transmitted even by people who show no symptoms, and it can incubate for as long as two weeks.

The infection rate has gone up exponentially. On Jan 3, China's government reported 44 cases. Two weeks later, the number had jumped to close to 200. By Jan 21, 444 cases were reported in Hubei province, of which Wuhan is the capital. Three days later, the toll had risen to 830, with 26 deaths. By Jan 30, the Chinese government confirmed 7,711 cases of infections nationwide, with 170 fatalities. The latest official figure for the number of suspected cases was 12,167.

Independent researchers believe that even those numbers may be grossly understated because of delayed reporting and thousands of people with symptoms being unable to get admitted to hospitals or even diagnosed. For example, Professor Gabriel Leung, chair of public health medicine at the University of Hong Kong, said at a press conference on Jan 27 that his team's research models showed about 44,000 people in Wuhan alone may have been infected as of Jan 25.

The Sars epidemic infected about 8,000 people worldwide and killed 774 people over seven months.



Wuhan and several other Chinese cities are in a lockdown with outbound transportation largely suspended. Over 50 million people have been effectively immobilised by what is the biggest quarantine in history. But as the Chinese New Year approached, about five million residents of Wuhan had already left the city before the restrictions were imposed. Nobody knows how many of them carried the infection or where they went.

But it is ominous that infections have been reported in just about every province in China, as far as Xinjiang in the north-west and Heilongjiang in the north-east, as well as in at least a dozen countries around the region and on other continents. Ten cases have shown up in Singapore.

BLOW TO CONSUMER SPENDING

The economic impact of this epidemic is already being felt. First, within China itself, where the usually lavish consumer spending that typically ST ILLUSTRATION: MIEL

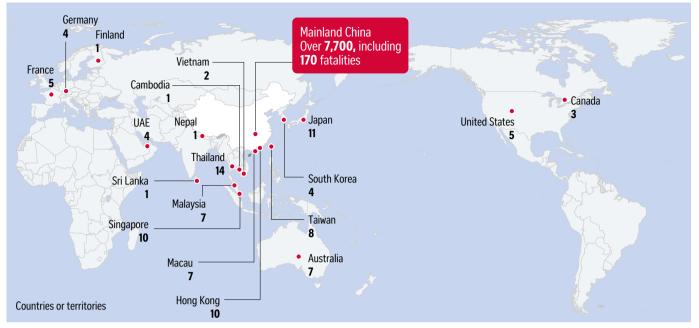
VIKRAM KHANNA Associate Editor



🖂 vikram@sph.com.sg

The spread of the coronavirus

Confirmed cases of 2019-nCoV as of Jan 30, 0400 GMT



happens during the Chinese New Year period has been drastically cut back as tens of millions of people have hunkered down and avoided even going out.

According to anecdotal reports, usually bustling restaurants, malls, entertainment venues and theme parks have been running empty – not only in Wuhan and elsewhere in Hubei province, but also in other Chinese cities. So consumer spending has become a major casualty of the crisis. This happened during the Sars epidemic as well, but this time the economic impact is likely to be greater.

In 2003, the contribution of China's consumer spending to gross domestic product (GDP) growth was around 35 per cent. By 2018, it had risen to 76 per cent, as China has shifted away from an investment-led growth model. Some sectors will be especially hard hit, starting with travel and tourism.

TOURISM TAKES A HIT

Outbound tourism from China has already started to drop, with hotels, airlines, casinos and cruise operators reporting sharp declines in business. The destinations most affected by this are in Asia, especially Hong Kong, Macau, Thailand, Japan, South Korea and Vietnam, as well as Singapore, for which mainland Chinese are among the largest groups of visitors – if not the largest themselves.

The tourism sectors of these economies will feel the effects far more than they did during the Sars epidemic, because outbound tourism from China has skyrocketed since then; mainland tourists took 130 million more trips in 2018 than they did in 2003.

Tourism within China (including inbound tourism from overseas) will also be affected. The impact of this, too, will be greater than during Sars

Source: AFP STRAITS TIMES GRAPHICS

because China's tourism industry is today more than double its size in 2003, contributing about 5 per cent of GDP. The number of air passengers has increased almost tenfold and rail travel has also soared, which also raises the risks of infections being transmitted.

Some of the decline in China's consumption will be temporary, as was the case during Sars as well. While the consumer spending related to the Chinese New Year period will be permanently lost, much other consumption – for example, of durable goods and holidays – will be postponed.

IMPACT ON GDP GROWTH

In the end, how much China's GDP growth will decline depends on the duration of the epidemic and the response of consumers. Standard & Poor's estimates that if discretionary consumer spending falls by 10 per cent, GDP growth would fall by 1.2 percentage points.

The decline would be aggravated by cutbacks in investment as the demand for goods and services softens – although companies will wait and watch to determine how prolonged the decline in demand will be before deciding to cut capital spending.

But there will inevitably be some reduction because of production outages in Wuhan – a city of 11 million people that is a major hub for car manufacturing and a base for more than 200 multinational corporations – as well as other cities, which will disrupt supply chains, affecting producers in other countries, especially in Asia.

Increases in China's government spending could make up for some of the shortfall, although some such spending may need to be diverted from infrastructure investments to health-related expenditure.

The likely fall-off in China's GDP growth as a result of this epidemic will come at a time when growth is already slowing. Last year, it was 6.1 per cent, the lowest in 29 years.

The impact will be more painful than during Sars in 2003, when growth was running at about 10 per cent. It will also have a greater global impact, because China is now the world's second-largest economy (which has grown more than eightfold since 2003), the biggest trading partner of most Asian economies as well as several countries in Latin America and Africa, and the second-biggest trade partner of both the United States and the European Union.

Growth fears have already started to ripple through the financial markets, where major stock market indices have dropped in recent days on growing concerns about the outbreak, oil prices have softened, and safe-haven investments such as gold, US Treasuries, the Japanese yen and the Swiss franc have rallied. In contrast, the financial market impact of the Sars epidemic was largely confined to Asia.

THE KNOWN UNKNOWNS

Like Sars, the Wuhan coronavirus epidemic will eventually pass. But the big question is how serious it will get and what toll it will exact. This will depend on not only the scale, severity and duration of the crisis, but also the reaction to it from both governments and citizens.

Public health experts, including those from the World Health Organisation (WHO), point out that

despite some initial hesitancy and unlike during Sars, China has moved aggressively to try to contain the spread of the virus, imposing lockdowns of cities, mobilising resources to expand health facilities, mounting public education campaigns and sharing data internationally.

However, some experts are also concerned about the accuracy of the information being provided by the Chinese authorities in a system where decisionmaking is centralised and only the official narrative is allowed to be disseminated, while from-theground reports are suppressed.

Others also caution that draconian actions such as citywide lockdowns may be of limited effectiveness when millions of people have already travelled far and wide from the source of the epidemic.

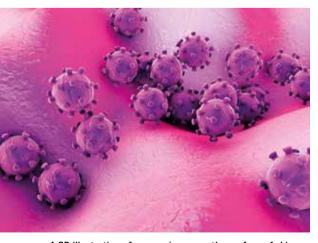
There is also a limit to the number of cities China can lock down without inducing national paralysis. Lockdowns come at great cost, make access to medical care more difficult and impose huge burdens on populations.

As Dr Howard Markel, Professor of the History of Medicine at the University of Michigan, pointed out in a New York Times commentary: "With the Wuhan coronavirus, as with other epidemics past, quarantine measures may be too much too late."

So far, the WHO has refrained from declaring the Wuhan coronavirus a "public health emergency of international concern", which would call for a coordinated international response. But it may be a matter of time before it changes its stance.

Time will also tell how much economic damage the epidemic will cause. We must brace ourselves for the possibility that it will be big and it will be global.

Still early to determine severity of Wuhan virus



A 3D illustration of coronaviruses on the surface of skin or mucous membrane. Scientists have discovered that the Wuhan virus, like Sars and Mers, comes from the same family of coronaviruses. PHOTO: GETTY IMAGES

THE SPEED AT WHICH THE WUHAN VIRUS HAS raced across China and turned up in a growing list of countries, including Singapore, has gripped the world's attention.

It has forced the Chinese government to take the unusual step of limiting movement within China and advising all Chinese citizens to postpone unnecessary travel overseas in a bid to contain the epidemic.

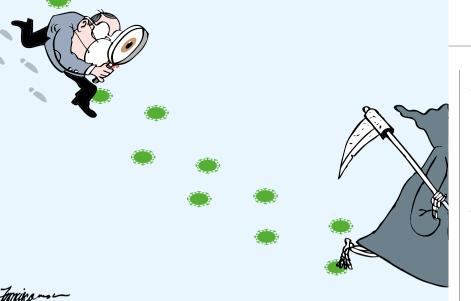
Scientists have discovered that the Wuhan virus, like the severe acute respiratory syndrome (Sars) and Mers (Middle East respiratory syndrome), come from the same family of coronaviruses. All three viruses originated from animals although scientists have yet to determine which animal source is responsible for the Wuhan virus. Some of the first patients of the Wuhan virus were workers and stallholders in a wet market which sold live seafood, animals and birds.

A key question on everyone's minds is whether

TAN EE LYN Senior Correspondent



🔀 tanel@sph.com.sg



ST ILLUSTRATION: MANNY FRANCISCO

the Wuhan virus could prove to be as severe and deadly as Sars or Mers.

The Straits Times examines this question using three metrics:

1. MORTALITY RATE

As the Wuhan virus epidemic is still developing and only in its second month, researchers say it is difficult to determine the severity and mortality rate of the virus, which the scientific community has code-named 2019-nCoV.

However, a study of initial cases by a group of Hong Kong scientists found that the risk of death among those who became severely ill enough to require hospitalisation – or hospital fatality risk – may be around 14 per cent.

The scientists based their calculations on an initial group of 29 severely ill patients in Wuhan who needed hospitalisation, four of whom eventually died.

The group, from the World Health Organisation (WHO) Collaborating Centre for Infectious Disease Epidemiology and Control at the School of Public Health, University of Hong Kong, added that there are still uncertainties surrounding this estimate and that more information is needed.

Their findings, one of the first to be published on the Wuhan virus, appeared on Jan 23 in the medical journal Eurosurveillance.

In Singapore, Sars sickened in total 238 people, killing 33 of them, or 14 per cent. Hong Kong took a particularly bad hit from Sars, which infected 1,755 people and killed 299 of them – translating to a mortality rate of 17 per cent.

Sars lasted a total of around nine months. Its first case was detected in China's southern Guangdong province in November 2002 and the global outbreak was declared contained in July 2003.

Less well-known but more deadly is Mers, which has a far higher mortality rate of 35 per cent. A total of 2,494 people were infected and 858 of them died. Three years after it was first detected in 2012, it turned up in South Korea, killing 38 people.

2. SEVERITY

By the time the Hong Kong researchers published their Wuhan virus paper, they found that two out of four mildly infected people who had turned up outside China had no exposure to the wet markets in Wuhan, indicating that there might be a larger number of mild and undetected infections in Wuhan.

Fifteen healthcare workers, with no exposure to the wet markets but who tended to the sick and later became infected, also appear to indicate sustained human-to-human transmission of the virus.

Professor Benjamin Cowling, one of the scientists in the group, said it is very difficult at this stage to establish the severity of the Wuhan virus. By severity, he meant the extent of infected people who become so seriously ill that they seek treatment in hospital and get their infections laboratory-confirmed.

3. WHO IS GETTING SERIOUSLY ILL?

For both Sars and Mers, the risk of serious disease increases with age and the presence of underlying medical conditions.

This may also be the case with the Wuhan virus. From information released by the Chinese authorities last week on 17 of the earliest deaths, almost half of them were aged 80 or above, and most of them had pre-existing health problems, like cirrhosis of the liver, hypertension, diabetes and Parkinson's disease.

Out of the 17, 13 were men.

SOME OF THE MOST URGENT PRIORITIES

For now, one of the most urgent priorities is to determine the efficiency at which this virus is being transmitted from human to human, the researchers said.

According to WHO, the preliminary reproduction number of the Wuhan virus is estimated at 1.4 to 2.5, which means that every infected person can infect between 1.4 and 2.5 people. The reproduction number for Sars was two to five, while, for Mers, it was less than one.

The other is to identify the animal reservoir of the Wuhan virus and whether there is any intermediary host. This is important because it will help ringfence the disease and prevent it in future.

Among the first 41 confirmed cases of the Wuhan virus, 70 per cent of them had exposure to the wet animal market, according to the Hong Kong research team.

So far, there are reports of the Wuhan virus possibly being linked to bats, snakes, bamboo rats or badgers. Bats are said to be natural reservoirs of both the Sars and Mers viruses, although the intermediate host of Sars is believed to be the civet cat, while camels have also been found to be a likely source for Mers.

With the epidemic developing quickly and the infection numbers and death toll rising, much needs to be done to bring the situation under control. **31**

China Watch

China's woes set to deepen in 2020

Ongoing issues such as tensions with the United States over trade and technology, elections in protest-ridden Hong Kong and defiant Taiwan, and a testy North Korea regime all add up to an uneasy year ahead for Beijing

THE YEAR 2019 WAS THE MOST TESTING AND trying for Chinese President Xi Jinping since he assumed power about seven years ago. China grappled with a slowing economy, a difficult trade and technology war with what it perceives to be an increasingly hostile United States, an orgy of violence in Hong Kong and Western censure over mass detentions of Uighur Muslims.

Unbowed, the People's Republic of China marked its 70th founding anniversary on Oct 1 with the biggest military parade since the 1949 revolution. The Communist Party put on a brave face and issued a communique after a conclave of its ruling elite in October, underscoring the superiority of its political system in a clear sign that China is not about to embrace liberal democracy.

For all the aplomb, however, it is a given that China's woes that were front and centre last year would linger on, if not worsen, this year.

China plans to set a lower economic growth target of around 6 per cent this year, from 6 to 6.5 per cent last year, relying on increased state infrastructure spending to ward off a sharper slowdown, according to Reuters.

But foreign financial institutions were less optimistic. DBS Bank, UBS Wealth Management, Nomura Holdings, Goldman Sachs and Moody's Investors Service all forecast China's gross domestic product (GDP) growth will fall below 6 per cent next year for the first time since 1990.

This year, China will focus on economic stability and maintain a proactive fiscal policy and prudent monetary policy to ensure quality growth, according to the recently concluded annual Central Economic Work Conference.

Managing a mountain of bad debt and local governments' deficits and keeping joblessness in check are also priorities.

The year 2020 will also be closely watched for China's 14th five-year plan, which will be unveiled during the annual full session of Parliament and its top advisory body in March.

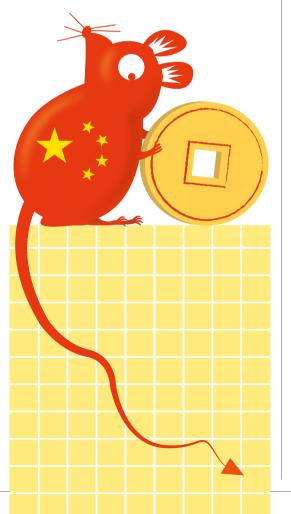
The 2021-2025 plan will spell out development targets, working guidelines and key tasks at a crucial stage when China is transforming its economic development modes, optimising economic structures and converting growth drivers. Premier Li Keqiang has said the plan aims "to shore up the economy, improve people's well-being, guard against and resolve risks."

THREE LOFTY GOALS

China has three lofty goals this year: double its 2010 GDP by the end of 2020, eliminate abject poverty and become a "basically well-off society".

China's 2010 GDP of US\$6.1 trillion has already more than doubled to US\$13.4 trillion (S\$18 trillion) in 2018. Its GDP is forecast to exceed US\$15 trillion this year.

China is on track to achieve its second goal to end abject poverty, after lifting more than 700 million people out of destitution in the past four decades, pouring billions of dollars into building schools, roads, bridges and other infrastructure. But it still has some way to go if the World Bank's definition, instead of China's, was used to measure



BENJAMIN KANG LIM Global Affairs Correspondent



⊠ blim@sph.com.sg

ST ILLUSTRATION: MANNY FRANCISCO abject poverty – living on less than US\$1.90 and US\$1.10 a day, respectively.

President Xi's immediate predecessor, Mr Hu Jintao, set 2020 as the goal for China to become a "moderately prosperous society" in which ordinary people are able to live relatively comfortably. China's per capita disposable income skyrocketed from about 49.7 yuan in 1949 to 28,200 yuan (S\$5,600) in 2018, according to the National Bureau of Statistics.

THE ECONOMY IN 2019

Last year, the yuan weakened, the government cut billions of dollars in taxes and fees, continued fiscal and monetary stimulus and freed up more liquidity to buoy the economy, but exports, and investor and consumer confidence waned amid the tariff war with the US.

While China is unlikely to get out of its predicament overnight, optimists hope this year will be slightly kinder and gentler towards it even as the property market and infrastructure investment cool.

"China's problems will not change for the better overnight, but will not drastically worsen either," said Dr Chai Shaojin, who teaches international relations at the University of Sharjah in the United Arab Emirates.

Reform of state-owned enterprises appears to be one bright spot this year. "The problems will expedite economic reforms, especially reform of state-owned enterprises," Mr Tim Zhang, chief investment officer of China Resources Capital Management, a subsidiary of state-owned China Resources Group, told The Straits Times.

ANTI-CORRUPTION DRIVE WILL WIDEN

Mr Xi's signature crackdown on corruption appears to have been tempered to show leniency to remorseful officials who could be spared prosecution if they voluntarily confess their crimes, turn over illgotten wealth to state coffers and were not involved in political plots.

But the crackdown is likely to spill over into other sectors this year, including finance, to guard against "black swan" risks and fend off "grey rhino" events after China posted its slowest growth in 28 years in 2018. "Black swan" refers to an unforeseen occurrence with extreme consequences, while a "grey rhino" is an obvious but ignored threat.

HONG KONG AND XINJIANG

While China's international image was battered last year due to the unrest in Hong Kong and the incarcerations of Uighurs in Xinjiang province, Beijing tightened the security noose at home to avert any social unrest.

Elections in two periphery regions this year will be a headache.

Pro-Beijing candidates are bracing themselves for another setback in Hong Kong's Legislative Council elections in September this year after a drubbing in district council elections last November.

Months of turmoil in Hong Kong against a nowdefunct extradition Bill that would have allowed fugitives to be sent to China have been a godsend for Taiwan President Tsai Ing-wen of the proindependence Democratic Progressive Party.

Mr Xi is expected to continue to stonewall Ms Tsai for resisting reunification overtures. China claims self-ruled Taiwan as its own and has threatened war if the democratic island formally declares independence.

Ms Tsai has sought to portray Hong Kong's "one country, two systems" formula as a failure. Under this system, Hong Kong reverted to Chinese rule in 1997 with guarantees of a high degree of autonomy.

But the Chinese do not accept her view that the system is a failure. As one official told The Straits Times, the Hong Kong riots are not a failure of the system but the result of foreign intervention, a widening wage gap and insecurity over affordable housing. "It's a failure of democracy and capitalism," said the official. "Hong Kong is a mirror, a premonition of the chaos that democracy could bring."

Adding to strains in Sino-US relations, US President Donald Trump signed into law last

China's economy grows at its slowest pace in 30 years

ELIZABETH LAW Regional Correspondent In Hong Kong



🖂 esmlaw@sph.com.sg

CHINA'S ECONOMY GREW AT ITS SLOWEST RATE in nearly three decades, as the effects of sluggish domestic consumption and a bruising trade war with the United States took their toll.

While officials say there are signs the economy is stabilising amid a partial trade deal with the US, several pressure points remain, including the punitive tariffs still on the books in the US on billions of dollars' worth of Chinese goods.

China's gross domestic product (GDP) grew by 6.1 per cent last year, its worst performance since 1990, data from the National Bureau of Statistics (NBS) released on Jan 17 showed.

While the figure was in line with the 6 per cent

to 6.5 per cent forecast by analysts, growth was down from 6.6 per cent in 2018. Total GDP last year was 99.08 trillion yuan (S\$19.8 trillion).

The world's second-largest economy has been losing steam from the breakneck pace earlier last decade when it regularly posted double-digit growth rates. The economy expanded by 6.4 per cent in the first quarter of last year, dipping to 6.2 per cent in the second quarter and stabilising at 6 per cent in the third and fourth quarters.

China's economy has generally maintained a growth momentum, said NBS commissioner Ning Jizhe at a press conference to announce the figures. Mr Ning spoke of more stimulus measures this November a congressional Bill backing months of protests in Hong Kong and threatening sanctions against China. The protests have descended into anarchy and morphed into calls for democracy and anti-Chinese sentiment.

Journalist and author Mike Chinoy portended Hong Kong turning into Belfast, capital of Northern Ireland, which was rocked by decades of unrest. "The parallels are striking," Mr Chinoy, a Hong Kongbased non-resident senior fellow at the University of Southern California's US-China Institute, wrote in YaleGlobal Online. "Government intransigence and police overreaction have transformed a peaceful one-issue protest into a movement demanding sweeping change."

US-CHINA TIES

On the geopolitical front, China agreed to the "phase one" trade deal with the US to salvage bilateral relations, but Beijing is bracing itself for Washington to give it more grief and further demonise it this year.

"Containment and counter-containment are inevitable and that will be a long-term issue," Mr Lou Jiwei, a former finance minister and currently a senior adviser to Parliament, told an economic forum in November.

He warned that the trade war could turn into a "financial war." But decoupling of the world's two biggest economies is neither realistic nor rational.

The fate of Meng Wanzhou, daughter of Chinese telecommunications giant Huawei's founder, and two Canadian nationals will be known later this year. The US has sanctioned Huawei and asked Canada to arrest and extradite Meng. In an apparent tit-for-tat, China arrested the two Canadians.

Relations between the world's two biggest economies will almost certainly worsen if President Trump promulgates another Bill condemning the detention of up to one million Uighur Muslims.

Beijing has denied accusations of human rights abuses, arguing that Uighurs have been undergoing

re-education and vocational training to "remove the malignant tumour of terrorism and (religious) extremism... and separatism" since 2017. Militant Uighurs have killed hundreds of innocent civilians in multiple attacks since 2009. But the West and international human rights groups are unconvinced, calling the training centres Nazi-style "concentration camps."

"The US claims it is not seeking to contain China's rise, but it is evident that America is worried that China would one day supplant it as the world's biggest economy," a newspaper editor said, requesting anonymity. "The US is trying to not just contain China, but also divert anti-US sentiment in the Muslim world towards China," the editor said.

TIES WITH NORTH KOREA, JAPAN

China is unlikely to mark the 70th anniversary of the start of the Korean War (which broke out in June 1950), but North Korean leader Kim Jong Un could visit China, his fifth since 2018.

If the US blocks China and Russia's proposal to ease some United Nations sanctions on North Korea, Pyongyang is likely to step up testing of intercontinental ballistic missiles, analysts said.

In his book China In 2020 – A New Type Of Superpower, Dr Hu Angang, director of the Centre for China Studies at Tsinghua University, predicted that China will become a "mature, responsible, and attractive superpower" that will contribute, alongside the European Union, to the "end of the unipolar era dominated by the United States."

President Xi is scheduled to make a state visit to Japan in the spring during the cherry blossom season amid warming ties between the neighbours. He is expected to meet Japanese Emperor Naruhito and Prime Minister Shinzo Abe in a bid to further cement bilateral ties and may try to convince North Korea to resume talks with Japan.

"There is no gift bigger than this," the newspaper editor said, referring to a summit between Mr Abe and Mr Kim. 3

year, saying domestic consumption would be the main economic driver.

The figures had some positive retail sales and industrial output data. Services, especially those that deal with the high-tech industry, also grew while online retail sales hit 10.6 trillion yuan.

Agriculture continued to make headway – except in pork production, which fell by 21.3 per cent, largely because of the swine flu epidemic that swept across the country, forcing the culling of millions of pigs.

Analysts have warned that China's economic growth is likely to continue to slow, predicting that this year's GDP increase could be as low as 5.5 per cent. Beijing has been relying on a mix of fiscal and monetary measures to weather the current downturn, including by cutting taxes and allowing local governments to sell huge amounts of bonds to fund infrastructure projects.

Banks also have been encouraged to lend more, especially to small firms, with new yuan loans hitting a record 16.81 trillion yuan last year.

The economy has been slow to respond, however, and investment growth has slid to record lows.

Yet there is still reason to be optimistic about the data, with many analysts expecting a fillip from the trade agreement with the US.

But others have been more circumspect about the newly inked deal.

The "phase one" trade agreement is much like stanching the bleeding of a wound, said Professor Cao Heping of Peking University's School of Economics. He said the Chinese economy was now at a crossroads. **S1**

Singapore

What the F-35B fighter jet deal says about Singapore's defence purchase planning

DAVID BOEY For The Straits Times

THE UNITED STATES GOVERNMENT HAS GREENlighted the sale of up to 12 F-35B fighter jets to Singapore in a deal that breaks new ground in several areas.

Singapore's first short take-off and vertical landing (STOVL) aircraft; the most advanced Republic of Singapore Air Force (RSAF) warplane; the first F-35 sale to South-east Asia; and the most expensive fighter Singapore has chosen – all these descriptions apply to this deal.

Singapore has asked for four F-35Bs – each costing around US\$115 million (S\$155 million) – with an option for eight more.

The strategic implications of having America as the dominant supplier in the RSAF fighter fleet, the potential of STOVL in naval operations as well as alternatives to the F-35 are points worth considering when assessing this US\$2.75 billion deal that includes related equipment.

But lest the F-35B's price tag cloud the full picture, it is important to remember that this purchase is part of an extensive, long-running evaluation of the F-35 as a possible replacement for the F-16C/D multi-role fighter that has been in service since 1998.

Singapore's Ministry of Defence (Mindef) has said it will use the four F-35Bs to assess the fighter's capabilities and suitability before deciding on a full fleet.

The US Defence Security Cooperation Agency (DSCA), which handles foreign military sales for the Pentagon, announced on Jan 9 that approval had been given by the US State Department and Congress had been notified. Such notification is a formality for sales of advanced US military equipment and usually passes without objection.

"This proposed sale of F-35s will augment Singapore's operational aircraft inventory and Singapore is first acquiring four F-35Bs, each costing around US\$115 million. Its Ministry of Defence will use these to assess the fighter's capabilities and suitability before deciding on a full fleet. PHOTO: **REUTERS**

enhance its air-to-air and air-to-ground selfdefence capability, adding to an effective deterrence to defend its borders and contribute to coalition operations with other allied and partner forces," said a DSCA statement. "Singapore will have no difficulty absorbing these aircraft into its armed forces."

The first US weapon sale announcement for this year is timely for F-35 programme stakeholders, coming ahead of the Feb 11-16 Singapore Airshow, the world's third-biggest air show.

US defence contractors such as Lockheed Martin and Pratt & Whitney, which make the warplane and engine, respectively, are likely to ride on Singapore's reputation as a "reference customer" – the city state is renowned for driving thorough defence evaluations and hard negotiations on life-cycle costs – to showcase the capabilities of the multi-role jet.

With some 60 Lockheed F-16C/Ds already in RSAF service and with these fighters being upgraded with new radar and data links, Singapore has been good to the F-35's maker.

The F-35 is the most advanced fighter plane that the US can sell. The B-variant – pricier as it is able to take off from shorter runways and land vertically – is likely to join the RSAF in the latter half of the decade.



The F-35 is designed to exchange data with a network of advanced military sensors to give the pilot enhanced situational awareness of threats flying around the aircraft and on the ground, allowing for long-range engagements from beyond visual range. Thanks to its stealth features, it is said to be difficult to detect on radar and infrared sensors.

The F-35's ability to see first and see more and strike from afar while staying hard to detect by enemy sensors enhances its lethality and survivability and has made it the fastest-selling new-generation warplane. A dozen countries operate the fighter, among them Australia, Japan and South Korea.

Such capabilities offer important operational advantages. But they come at a hefty price and the F-35B will find it hard to shrug off its status as the most expensive warplane Singapore has acquired.

STRATEGIC IMPLICATIONS

Singapore's trying-before-buying approach with the F-35B underscores the city state's prudence in not committing to a full purchase until it is convinced the aircraft can be customised for the RSAF's specific operational requirements. These include making it possible for RSAF F-35Bs to exchange data with air, ground and sea assets that form part of the wider Singapore Armed Forces (SAF) battle network.

Introduction of the F-35B will make the US the dominant fighter aircraft supplier to the RSAF well into the first half of the century.

US-built F-16s are expected to serve till 2030 and the F-15 fleet will likely be upgraded for use beyond 2040. Since the British-built Hawker Hunters were retired in the early 1990s, Americanmade fighters have formed the RSAF's backbone. There are alternative platforms but fighters from Europe (Eurofighter Typhoon), France (Rafale) and Russia (Sukhoi Su-30) have failed to penetrate the Singapore market.

By contrast, the air forces of Malaysia and Indonesia have a more diversified fighter fleet, with principal warplanes sourced from the US and Russia for various reasons, not solely for strategic diversity. The RSAF's all-American fighter force has promoted interoperability during joint exercises with US air and naval forces. With current US-Singapore ties rosy, the strategic downside is arguably limited.

The ongoing efforts to strengthen longstanding defence ties – seen, for example, with the US granting access to Singapore to locate an RSAF detachment in Guam – are crucial for nurturing robust ties that can ride out occasional irritants.

As Lockheed looks for signs of follow-on orders from Singapore, one leading indicator will be the status of the joint multi-mission ship (JMMS) that Singapore announced several years ago as a replacement for the 141m-long Endurance-class landing ship tanks.

News on this project has since fizzled out, possibly because of the F-35 evaluation. The F-35B's ability to take off from and land on ships offers many possibilities for the JMMS, especially if the flight deck can be extended from bow to stern to offer an enlarged platform for STOVL-capable planes.

Choosing the B-variant from among three types in the F-35 family indicates that the JMMS design may well incorporate features that allow helicopters and the F-35B to fly from its deck, making this class of ship akin to a small aircraft carrier. So one can see how one defence procurement (F-35B) has a knockon effect on the decision for another SAF platform (the JMMS). Singapore looks at defence acquisitions holistically, with this example underlining why Singapore has earned its stripes as a reference customer.

And even before the first RSAF F-35B touches home ground, Mindef and Defence Science and Technology Agency planners are understood to have cast their attention decades ahead to envision what SAF 2040 might look like.

In the future, the F-35B may well be complemented by unmanned combat drones as the technology matures and as unmanned combat aerial vehicles (UCAVs) become more widely accepted among air forces as essential partners for manned fighter planes.

With air power theorists noting the increasing capabilities of UCAVs, some have asked if the last fighter pilots have already been born. The ability to update the F-35 throughout its decades-long lifespan augurs well for this new-generation fighter as the RSAF contemplates its future force. \Im

David Boey, a former defence correspondent at The Straits Times, is a member of the Ministry of Defence's Advisory Council on Community Relations in Defence. He blogs on defence at kementah.blogspot.com Singapore's tryingbefore-buving approach with the F-35B underscores the city state's prudence in not committing to a full purchase until it is convinced the aircraft can be customised for the RSAF's specific operational requirements.

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ask**ST**art

F-35 jets to boost S'pore's air prowess

The United States government gave the green light for the sale of up to a dozen fifth-generation F-35B Joint Strike Fighters to Singapore in early January. This belongs to the family of F-35 jets, which were identified to replace the Republic of Singapore Air Force's ageing F-16s, which face obsolescence beyond 2030. Here's what you need to know about the F-35 multirole fighters.

KEY FACTS

• The F-35 Joint Strike Fighter is a family of single-seat, single-engined, all-weather stealth multirole fighters that is dubbed the world's most advanced. The fifth-generation combat aircraft is designed to perform ground-attack and air-superiority missions.

• It has three main models:

The F-35A conventional take-off and landing variant;

The F-35B short take-off and vertical-landing variant; and The F-35C carrier-based, catapult- assisted take-off but arrested-recovery variant.

• Mindef is reportedly interested in only the F-35A/B variants.

• The US principally funds F-35 development with additional funding from other Nato members and close US allies.

 The nine partner countries are Australia, Britain, Canada, Denmark, Italy, the Netherlands, Norway, Turkey and the US

Panoramic cockpit display

Synthetic aperture radar

> Speed: Mach 1.6 Internal fuel capacity: 6,125kg Max g-rating: 7.0



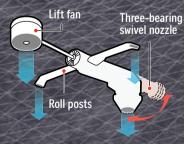
15.6m

Martin-Baker US16E ejection seat Internal four-barrel 25mm Gatling gun

Short take-off/vertical landing capability

F-35B

The F-35B can take off from runways as short as 168m. With Singapore's small land area, this will be a beneficial strategic trait.



1 The nozzle swivels 95 degrees downwards to provide vertical thrust

2 Roll posts under the wings provide stabilisation and control

3 The change sequence takes about 15 seconds

Stealth

The shape of the aircraft is designed to have a low radar cross-section. The use of structural fibre mats and radar-absorbent coatings makes it harder for enemies to detect it.

Easy maintenance

Automated Logistics Information System back-end cyber support infrastructure tells technicians how each jet is configured, its flight telemetry and what exactly needs to be fixed.

Data link

The F-35s also function as powerful network nodes designed to gather, process and distribute more information than any fighter in history. This information farming will give their pilots a decisive advantage over adversaries.

Pratt & Whitney F135 turbofan

The F-35s can quickly relay information to command and control nodes of other forces, land and sea, creating a broader tactical picture. This is in line with Mindef's vision of a networked and integrated fighting force.

HQ

KEY ALL-AROUND DEFENCE

The electro-optical distributed aperture system (DAS) paired with the radar warning system essentially eliminates all surprises for the F-35.

Offers DAS protective sphere of situational awareness
Warns the pilot of incoming aircraft and missile threats
Has missile tracking
Has day/night vision

and navigation

 Radar warning system has

360-degree coverage

Dogfight ability

At the January 2017 US Air Force's Exercise Red Flag, the F-35 came away with a kill ratio of 20:1. This means that it defeated 20 enemies for each F-35 downed.

Advanced avionics

A group of F-35s can seamlessly and securely share everything each pilot sees with one another via a high-data rate, directional communications link. This allows for coordinated tactics and greater situational awareness, making the F-35s more lethal and effective.

Data link

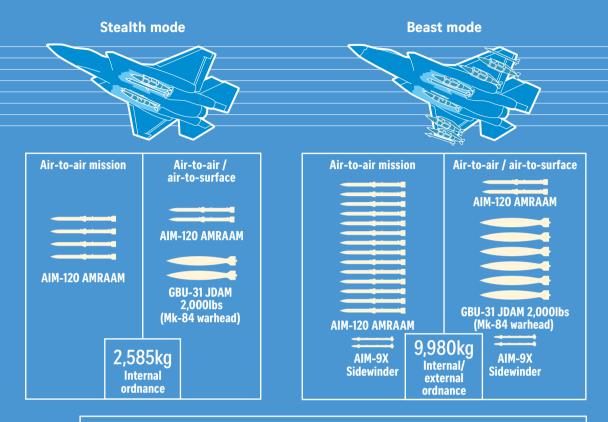
RADAR



Mission-centric payloads

Unlike the fourth-generation F-16, the F-35 conceals all its weapons and fuel tanks inside its sleek skin. However, F-35s flying in missions that do not require a high level of stealth can still carry external fuel tanks and weapons for more range and firepower.

Combat radius: 833km Weapons payload: 6,800kg



KEY EQUIPMENT

State-of-the-art helmet The Israeli-US-designed, augmented-reality helmet is packed with high-tech gadgetry.

Cost: About US\$400,000 (S\$542,000)

Material: Carbon-fibre

 Access to six cameras mounted around the plane to give pilots a 360-degree view of the surrounding airspace, including letting them "look through" the floor of the plane

Advanced night-vision capabilities

 Head-up display projects directly onto the visor, putting information like altitude, speed and location of enemy aircraft or ground weapons right in front of the pilot's eyes



Sources: LOCKHEED MARTIN, NORTHROP GRUMMAN STRAITS TIMES GRAPHICS: BRYANDT LYN, MIKE M DIZON



A woman guiding her cows outside Posco International, a South Korean onshore gas terminal facility in Kyaukphyu, Rakhine state. Myanmar has declared the state open for business. PHOTO: AGENCE FRANCE-PRESSE

TAN HUI YEE Indochina Bureau Chief



🔀 tanhy@sph.com.sg

South-east Asia

For investors in Myanmar, it's a slow road to riches

Plans delayed as the NLD government suspends projects to review those approved by previous regime

GROWING A CABLE BUSINESS TAKES PATIENCE. For LS-Gaon Cable Myanmar, a South Korean-owned firm incorporated in Myanmar in 2017, the plan was simple: it would start by producing and selling lower-cost, low-voltage cables used widely on the electricity poles scattered around the country.

When Yangon city grew more crowded and construction expanded beyond and underground – requiring the use of medium-or high-voltage cables – the firm would start making these more sophisticated products.

However, the boom anticipated by LS-Gaon failed to materialise. Foreign investors hesitated when the National League for Democracy (NLD) government, among other things, suspended all high-rise construction in Yangon in 2016 to review some 200 projects approved in various forms by the previous government.

"When we came here, we expected to build our medium-voltage factory within five years, but the economic situation totally changed," LS-Gaon's managing director Son Taewon told The Straits Times, pointing to an empty plot of land adjacent to his new low-voltage cable factory at Thilawa Special Economic Zone (SEZ), some 30km south of central Yangon.

"I think it will take more time."

Initial expectations of a gold rush under a civilian Myanmar government have faded as the NLD prepares for this year's election, its first since

coming into power. But that has not deterred investors banking on the long-term growth of this frontier market.

In the fiscal year that ended last September, Myanmar's national investment authority approved US\$4.2 billion (S\$5.7 billion) in foreign investment, less than half of the US\$9.5 billion achieved in the fiscal year ending March 2016, when the NLD took power.

Yet notable investors have cast votes of confidence. Japanese carmaker Toyota broke ground on its factory in November last year.

A Myanmar subsidiary of Singapore-listed agribusiness giant Wilmar International opened a new flour and cooking oil plant in October while starting construction of a rice mill expected to produce 1,200 tonnes of the product daily.

Perhaps nudged by eye-watering tariffs lobbed during the ongoing US-China trade war, garment, footwear and bag manufacturers from China also beat a path to Myanmar's door, a check by The Straits Times showed.

For example, the Yangon Region Investment Committee last year approved over 50 such projects by Chinese and Hong Kong companies worth over US\$100 million.

WORK IN PROGRESS

Led by former political prisoner Aung San Suu Kyi, the first-term NLD administration has struggled to make headway in peace talks with the country's numerous ethnic armed groups, and remains bogged down by international censure over atrocities committed against the Rohingya minority in Rakhine state.

The NLD is also encountering stiff resistance as it tries to amend a Constitution drafted by the former military regime.

On the economic front, the government has been criticised for moving too slowly to reform a system dominated by military-linked enterprises and its cronies.

But its efforts to facilitate commerce have gained traction.

In a study on 190 economies released last October, the World Bank observed that Myanmar made "substantial improvements" in its business environment in the year to May. It did this by introducing an online company registration platform, reducing incorporation fees, strengthening quality control in construction, streamlining deed registration and strengthening protection for minority investors.

This allowed it to climb out of the bottom 20 ranks to occupy the 165th place.

"We are creating an enabling business environment and are providing more businessfriendly services to the investors," Mr Myo Khaing Oo, director of the Yangon region office of the Directorate of Investment and Company Administration, told The Straits Times.





The Myanmar subsidiary of Singapore-listed agribusiness giant Wilmar International opened a new flour and cooking oil plant last October and started building a rice mill. ST PHOTO: TAN HUI YEE



While providing infrastructure facilities like power and water continues to be a challenge, the government has been trying to help investors by collecting and digitising data on usable land across the country, he said.

By any measure, there is still a lot of ground to cover.

The International Monetary Fund (IMF), in a Dec 20 press statement, suggested improvements, including raising tax revenue, enacting a clear publicprivate partnership framework, strengthening governance of state enterprises, and expediting the all-important power purchase agreements.

While the IMF expects Myanmar to maintain real economic growth of at least 6 per cent a year



Mr Yoshihisa Tonozuka, managing director of Toyota Myanmar, at the construction site for Toyota's new factory in Thilawa SEZ, arguably Myanmar's most developed industrial park. ST PHOTO: TAN HUI YEE

through to 2022, it warned of the systematic risks posed by delays in restructuring its fragile banking system, and said risks to its outlook "are tilted to the downside."

"Although long-term prospects remain favourable, driven by positive population dynamics and Myanmar's strategic location, medium-term growth is likely to remain below potential," it wrote.

Over in Thilawa SEZ, arguably Myanmar's most developed industrial park, the sentiment is rather more bullish.

"(The growth) has been beyond my expectations," said Mr Kazuaki Shirozono, director of sales and marketing at Myanmar Japan Thilawa Development which manages the zone. "This project started in 2014. At that time, we thought we would sell a lot of land to only the garment industry. We didn't expect so many industries could come."

INFRASTRUCTURE BOOST

Helped in part by Japanese aid-funded infrastructure improvements like a nearby gas power plant, bridges and an upgraded road, the Myanmar-Japan joint venture has attracted some 100 companies in industries ranging from construction and automobile to medical products and food and beverage.

Inquiries from companies, having dipped in 2015, have been steadily increasing every year, said Mr Shirozono.

Toyota announced plans for its US\$52.6 million plant in Thilawa SEZ amid higher import barriers by Myanmar.

Tax benefits for locally assembled cars had prompted earlier moves by its competitors Suzuki and Nissan to start local plants.

Toyota, seeing the demand for pick-ups across the country, will assemble Hilux trucks in its Myanmar plant from parts imported from Thailand and Indonesia.

"If you head out of Yangon, there are still a lot of rough roads. There are mining sites and more construction sites and many people use Hilux," Mr Yoshihisa Tonozuka, managing director at Toyota Myanmar, told The Straits Times. Should local production and construction grow fast enough, Myanmar-assembled trucks could even be exported, he said.

WILLING TO WAIT

Wilmar's spanking new 40ha oil and flour premises lies just beyond Thilawa SEZ and comes with its own bulk cargo jetty which began operations in 2018. It plans to integrate its future rice mill with its own power plant.

"Frankly, the government is not so experienced in dealing with foreign investment... but, generally, it is not corrupt," a Wilmar spokesman told The Straits Times, comparing its operations in Myanmar to those in Africa.

"While the government may not help you a lot, it doesn't discriminate against you and hurt your business," the spokesman added.

Although more cautious foreign investors are waiting for the dust to settle after Myanmar's election this year, both Wilmar and LS-Gaon are of the opinion that nothing will throw Myanmar's opening economy far off course.

"Can you see Myanmar people today, having tasted the freedom of better lives since they opened up almost eight years ago, willing to accept the old type of (military) leadership? I can't see that," said Wilmar's spokesman.

Both companies are, meanwhile, willing to bide their time in Myanmar's virgin market as they wait for its economy to develop.

Mr Son said LS-Gaon can sustain its current operations in Myanmar for 10 or 20 years, with the help of low labour costs, and by cross-selling its cables to sister companies elsewhere.

And Wilmar's spokesman said: "Most companies take a short- to medium-term view, so they won't go in unless they think they will do well in a few years' time. We don't mind going in there and doing well in 10, 15 years' time."



Mr Son Taewon (right), managing director of LS-Gaon Cable Myanmar, at his cable factory in the Thilawa Special Economic Zone (SEZ). He says LS-Gaon can sustain its current operations in Myanmar for 10 or 20 years. ST PHOTO: TAN HUI YEE

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Special Report

1MDB scandal: Fugitive Jho Low tells ST he was just an intermediary

Breaking his silence, he says he is a scapegoat; others should share responsibility for 1MDB scandal

LESLIE LOPEZ Regional Correspondent



🖂 ljlopez@sph.com.sg

FUGITIVE MALAYSIAN FINANCIER LOW TAEK JHO, who is at the heart of the 1Malaysia Development Berhad (1MDB) scandal, has claimed that he has been made a target to shift the blame away from a clutch of other parties who played far bigger roles in the financial swindle.

Breaking a long silence over his role in the global financial debacle, Low argued that the "inordinate amount of media scrutiny on me compared with that placed on the global financial and other institutions and advisers that actually organised and facilitated the fundraisings at issue is astounding."

Low, 38, added that decisions to proceed with or reject any transaction were the responsibilities of shareholders, the management and boards of these companies that were also advised by international bankers, lawyers and other independent professionals.

"The reality is that I am an easy target for all those above given the fact that I am not a politician," he told The Straits Times by e-mail in his first interview in nearly four years.

Low described himself as an "introducer and intermediary" who was sought after because of his strong ties to "influential foreign businessmen and decision makers."

His comments are likely to spark much debate in Malaysia.

In ongoing 1MDB-linked trials of former Malaysian premier Najib Razak, the prosecution is arguing that Low colluded with Najib in misappropriating money from the state fund. Najib's defence has been built around a narrative that he had been duped and manipulated by various parties, including Low.

Low said he was offered asylum by a country in August last year "on the basis of the political persecution to which I have been subjected and the continuing violation of my human rights."

Although he would not disclose the country, ST understands it to be a country in Europe.

His current whereabouts are unknown but widely

PHOTOS: SOUTH CHINA MORNING POST, AGENCE FRANCE-PRESSE, CHINA PRESS, BERNAMA, PARK LANE HOTEL NEW YORK, STRAITS TIMES GRAPHICS

A Malaysian scandal: Paintings, penthouses and pink diamonds

Jho Low (Low Taek Jho)

Who is he?

 The flamboyant Malaysia-born financier, now 37 years old, was educated at the elite Harrow boarding school in Britain where he met Middle Eastern royalty as well as Najib's stepson Riza Aziz. Low then went to Wharton university in the United States. He has been reported to be moving between Macau, mainland China and the United Arab Emirates.

Low and Naiib's family

- Then Prime Minister and Finance Minister Najib Razak started 1MDB. a strategic state development fund, in 2009. He was also head of its board of advisers.
- The US Department of Justice (DOJ) has alleged that US\$4.5 billion (S\$6.1 billion) of 1MDB funds were pilfered by top government officials and their associates.
- Nearly US\$700 million entered into Naiib's bank accounts in 2013, allegedly from 1MDB.



 Though Low was not officially working for 1MDB, former company CEO Shahrol Azral Ibrahim Halmi has told the Malaysian High Court in Najib's ongoing 1MDB trial that the financier was involved in major decisions, with Najib's backing. • In Sept 2013, a shell company owned by Low and several co-conspirators paid US\$27.3 million for a pink diamond necklace for Najib's wife Rosmah Mansor, the DOJ's indictment papers claimed.

 In August this year, US prosecutors sought to sell three properties they believed were bought by Rosmah's son Riza Aziz from Low, with funds diverted from 1MDB. These were a US\$27.97 million London townhouse, a US\$17.5 million home in Beverly Hills, and a US\$35.5 million condominium in New York. • In 2017, a movie company partly controlled by Riza agreed to settle a US civil lawsuit against it for US\$60 million, and, in May this year, the DOJ returned most of that money to Malaysia.



Painting by Monet





Superyacht

Bombardier jet

Low's toys and assets

- Private Bombardier jet, grounded in Singapore and valued at US\$35 million
- Superyacht, seized and sold by Malaysia, at US\$126 million

 Properties previously reported to be owned by him included three in New York - Park Lane Hotel (US\$140 million), a Time Warner penthouse (US\$31 million) and Green Park apartment (US\$14 million) – an office and flat in London (US\$98 million); and a Hollywood Hills mansion (US\$39 million) in Los Angeles

- A US\$107 million stake in EMI Music
- Myla lingerie company
- He also had artworks by Picasso, Van Gogh and Monet

CASE AGAINST LOW

In ongoing 1MDB-linked trials of former Malaysian premier Naiib Razak, the prosecution is arguing that Low colluded with Najib in misappropriating money from the state fund. Naiib's defence has been built around a narrative that he had been duped and manipulated by various parties, including Low.

"

believed to be in the United Arab Emirates. He said he had "serious personal safety concerns" and did not want to reveal where he is.

The interview comes amid ongoing efforts by Malaysia to bring the fugitive home to face the courts. In recent days, Malaysia's Inspector General of Police Hamid Bador lamented that Malaysia was not getting the cooperation from an undisclosed country that Low was currently residing in.

"We told them that we have information that Jho Low is in their country but they refused to even acknowledge the fact," he told Malaysian media.

Low said that the attacks on him in Malaysia were "politically motivated".

He added: "I am looking forward to the day when the political climate in Malaysia is such that I feel safe enough to return home and the rule of law will be respected so that the facts can be presented, and I can vigorously defend myself."

While asserting his innocence, Low did not explain the source of his apparent great wealth or who was actually behind the 1MDB scandal.

During the Najib premiership between 2009 and 2018, the elusive financier was widely regarded as one of Malaysia's most influential personalities, often playing the role as a private intermediary for the former premier with several foreign governments, including Saudi Arabia, the United States and China.

Apart from playing a key role in setting up the Terengganu Investment Authority, which was later renamed 1MDB in 2009, Low is widely believed to have bankrolled lobbyist groups in the US to boost Malaysia's ties with Washington during the Barack Obama presidency for the then Najib government. But those ties quickly unravelled in July 2016

when the US Department of Justice (DOJ) filed

a civil forfeiture complaint that accused Low of orchestrating the theft of more than US\$4 billion (S\$5.4 billion) from 1MDB and detailed fund flows of how the money was used to pay for a private jet, a superyacht, mansions, jewellery and financing movie productions, including The Wolf Of Wall Street.

His lavish lifestyle prompted a book titled Billion Dollar Whale.

In late October last year, Low and the DOJ entered into a wide-ranging settlement in which the financier agreed to surrender claims over US\$1 billion in assets that were allegedly purchased with funds siphoned from 1MDB.

Though ST had reached out continually to Low through his media and legal team for more than a year, it was only after the US settlement that he responded. His team confirmed that the responses represent Low's "exact words."

Low separately faces charges in the Eastern District of New York for conspiring to launder billions of dollars embezzled from 1MDB and for conspiring to violate the Foreign Corrupt Practices Act. US government officials close to the situation said that talks for a settlement with the New York courts are under way and are likely to be resolved in the coming weeks.

Low said: "As to the US proceedings, I can't comment on pending legal matters, but what I can say is that my team continues to engage in a constructive and open dialogue with the Department of Justice, where the rule of law is respected and where people are considered innocent until proven guilty."

Asked about his plans, Low, who said in his responses that he has had "multiple brushes with cancer", said he intended to plan to focus on charitable initiatives, including investing in cutting-edge cancer research.

Najib's lawyer refutes claim by Jho Low he is 'victim' in IMDB scandal

PETALING JAYA (THE STAR/ASIA NEWS NETWORK) – The defence team of former Malaysian premier Najib Razak has maintained that fugitive financier Low Taek Jho is the central figure in the 1Malaysia Development Bhd (1MDB) scandal, refuting claims in an interview that he was merely a "victim."

Najib's defence lawyer Muhammad Shafee Abdullah said on Jan 6 that Jho, who is believed to be hiding in China and is also known as Jho Low, had lied in his interview with The Straits Times when he said others played a far bigger role in the scandal.

"I don't think he's telling the truth," he said.

Tan Sri Shafee believed that his client Najib was not getting the best defence as Low and his alleged accomplices were missing from Malaysia.

Mr Shafee asked: "Is it purposely done to deprive my client of the best defence? These are witnesses my client can use by way of cross-examination and prove my client's case."

Najib is facing trial for the 1MDB scandal.

Mr Shafee also criticised Low for playing the victim card.

"He says he is a victim because he is not a politician. That is totally rubbish.

"If you are not a politician, nobody would want to victimise you," he said.

Low faces charges in the United States and Malaysia for his alleged central role in defrauding up to US\$4.5 billion (S\$6.1 billion) from 1MDB and the subject of the US Justice Department's largest-ever anti-kleptocracy case.

- The Star/Asia News Network

Country Report

Goodbye, India. Hello, Hindustan?

A DECADE AGO, THE HEADLINES ABOUT INDIA were all about scandals tumbling out of the closet of the Congress Party-led coalition that governed the country then. Everyone except the scholarly Prime Minister Manmohan Singh and a handful of others, it seemed, had their hand in the cookie jar one way or the other. Headlines screamed government paralysis.

But importantly, there was a cookie jar. The services and consumption-led economy was expanding at a fast clip, foreign direct investments continued to flow in and the unemployment situation did not seem so dire. Communal relations were stable. It helped that the country was run by a Sikh premier who took orders from a Roman Catholic party-and-coalition chief, and a Muslim was vice-president.

The scandals took their toll, though, and shoehorned the harddriving nationalist Narendra Modi, with his promise of good governance and progress for all, into the prime minister's seat. Five years later, with Mr Modi's popularity even higher than when he started out, the nation reaffirmed its faith in his leadership despite an economy that had begun to sag at the knees.

Today, perceptions of large-scale government corruption have evaporated. But the cookie jar is not in view either: the economy is at its slowest wheeze in recent memory, consumption is shrinking, entrepreneurs are leery of investing despite sops that include interest rate cuts and slashed corporate taxes, and unemployment is at a 45-year high.

You'd think that a government presiding over an economy that has lost its swagger so markedly – India used to lay claim to being the world's fastest-growing First Kashmir, then Ayodhya, and now the controversial change to India's citizenship law – the moves raise concerns about the Modi government's push for a Hindu nation

ST ILLUSTRATION: MANNY FRANCISCO

RAVI VELLOOR Associate Editor



🔀 velloor@sph.com.sg



An Indian soldier on armed duty in Kashmir (left), a view of Ayodhya (centre) and protesters demonstrating against India's new citizenship law. Since the BJP's landslide return last year, the government has shown it is serious about fulfilling the promises it made in its election manifesto. PHOTOS: AGENCE FRANCE-PRESSE, REUTERS

major economy – would focus on regaining some of that energy, especially after Mr Modi's hands were strengthened in May with an even bigger mandate.

THE HINDU NATIONALIST AGENDA

Instead, the headlines Mr Modi has made in his second term are all about the Hindu agenda of his nationalist Bharatiya Janata Party (BJP). Far from being paralysed, it seems this administration is hyperactive – in all the wrong areas.

Barely three months into its second term, the government announced the cancellation of special status for Jammu and Kashmir, India's only Muslimmajority province.

It also won a favourable Supreme Court judgment regarding a disputed Muslim shrine and surrounding tract of land in the city of Ayodhya, where Hindu zealots had in 1992 toppled a mosque built on land that they said was the birthplace of the god Rama.

Now, it has pushed through Parliament a hugely controversial amendment to its citizenship law that would fast-track citizenship for refugees from three Muslim-majority nations – Afghanistan, Pakistan and Bangladesh – as long as they belong to the Hindu, Sikh, Buddhist, Jain, Parsi and Christian faiths, and had arrived in India before end-2014.

Pointedly, Muslims from these three countries are excluded from the special privilege, even as they are not barred from applying via the regular route. Neither are the legitimate citizenship rights of Indian Muslims under question.

Nevertheless, combined with separate government moves to open a national register of citizens meant to root out illegals – who tend to be job-seeking Muslim emigres from Bangladesh for the most part – the minority Muslim community, always nervous about its position in Hindu-majority India, has been feeling a heightened sense of siege.

Protests, sometimes violent, have broken out in about 20 of the nation's 400 universities against the discriminatory treatment. India's seven northeastern states that border Bangladesh and Myanmar are also up in arms, but for another reason: They fear they will need to host an influx of Hindu refugees from Bangladesh, upsetting their delicate social structures. For once, the tattered opposition has found a common voice to oppose the new law.

Around mid-December, mobile phone services were suspended in parts of the national capital for the first time as the government sought to dampen the spreading protests.

The Supreme Court is also hearing some five dozen petitions that it rule the amended law to be ultra vires of the Constitution. Given that this government has usually had its way with the court, no one is holding his breath for that judgment.

RISING SHAH

Women in rural India working on the land have been known to quieten their crying babies by slipping them a little opium. It would be tempting to interpret the moves by Mr Modi and his Home Minister Amit Shah in Marxian terms. After all, religion, as that thinker put it, is the opiate of the masses, especially handy at a time when attention is increasingly on shrinking economic opportunity.

That would be an oversimplification, however.

Since the BJP's landslide return – on the wings of Mr Modi's charisma and party chief Shah's impressive organisational skills – the government has shown it is serious about fulfilling the promises it made in its election manifesto.

These include abrogation of Kashmir's special status granted under Article 370 of the Constitution, settling the temple issue in Ayodhya and building the national register of citizens to counter an influx of illegals, particularly in the country's northeastern states.

No country can be faulted for building a database of who is, or is not, a legitimate citizen. And the migrant influx is indeed a real issue, with national security implications.



But there was no compelling need to amend the Citizenship Act, especially in the manner in which it has been done. And since it directly affects the profile of the secular, pluralist democracy that India has always been admired for, the only inference that can be drawn is that this was a deliberate move to profile the country as a Hindu nation, or Hindustan.

Domestically, it has raised the profile of Mr Shah, who piloted many of the moves in Parliament. Today, his voice comes close to equalling Mr Modi's where national affairs are concerned. Once banned by court orders from entering their common home state Gujarat over allegations that he ordered the extrajudicial killings of a well-known mobster and his wife when he was the provincial home minister – charges he was cleared of – Mr Shah has been the key figure who successfully plotted BJP's widening national profile.

Under him, the BJP crossed 180 million enrolled members in August, making its membership almost twice as large as that of the Communist Party of China. This makes for a massive on-ground presence dwarfing that of any comparable political group in the vast nation, including cadre-based ones such as the Marxist party.

Mr Shah also looks durable. Younger than Mr Modi by 14 years and seemingly in good health, the 55-year-old's presence in the Indian political firmament could go on for the next two decades and last long after Mr Modi steps down, or is removed, from office. It helps him that resistance to his moves, especially when Muslims are at the forefront, tends to consolidate the otherwise splintered Hindu vote.

There are equally significant implications for India's external ties. Never before has India's neighbourhood policy been so deliberately communalised.

The Citizenship Amendment Act favours socalled repressed emigres from Afghanistan, Pakistan and Bangladesh while saying nothing about Bhutan, which famously went through a cleansing of its ethnic Nepalese Hindus not too long ago; or Sri Lanka, where mostly Hindu Tamils have long complained of harsh treatment and discrimination from the Buddhist-Sinhalese majority.

Christians are the only ones outside the broad Hindu fold who are eligible for a special welcome under the new law, and some see in this an artful manoeuvre. Mr Modi wants to avoid adverse attention from the United States and powerful nations in Europe.

Indeed, New Delhi seems to have deliberately timed some of this to take advantage of the international climate, with Europe transfixed by Brexit and the US distracted by domestic politics and tensions with China. It also perhaps sees China's treatment of Uighurs in Xinjiang as giving it something of a moral pass for its own actions in Kashmir.

BAD BET

If so, the gamble hasn't quite worked. Top international publications have been giving the Citizenship Amendment Act major play, even as Foreign Minister S. Jaishankar has dismissively said that India's external image is not decided "by a newspaper in New York."

Japan, increasingly a close ally, cancelled a summit that was to have been held in the eastern city of Guwahati, a scene of protest marches. While the venue could easily have been shifted, Prime Minister Shinzo Abe clearly does not relish visiting India at this time.

Well-wishers are saddened that India is now looking like a Hindu version of its unfriendly neighbour, Pakistan, minus the label of being a terrorism crucible. Some spot parallels with Buddhist-majority Myanmar, which in 1982 announced new laws recognising eight ethnic groups as "national races" while excluding Muslim Rohingya from the list.

Eventually, that led to a situation where some 700,000 of these Muslims felt compelled to flee, shredding Ms Aung San Suu Kyi's credentials as a beacon of democracy and high purpose.

Analysts like Professor Pradeep Chhibber, chair of India Studies at the University of California, Berkeley, see the BJP as set on building an India in which the complexity and diversity of the Hindu religion is flattened into a Hindu ethnic identity.

While this has paid off in polls, the word "Hindu" no longer carries a moral compass in the India of Mr Modi and Mr Shah, says Prof Chhibber, who adds that ostracising minorities builds a path towards a less tolerant, less prosperous and less innovative nation. In a forthcoming paper, he argues that truly religious Hindus have begun to sense the disconnect between their faith and the BJP's politics.

The BJP may yet gain its Hindu nation, but it could lose Hinduism. The rest of Asia should pray that things turn out the other way.

Well-wishers are saddened that India is now looking like a **Hindu version** of its unfriendly neighbour, Pakistan. minus the label of being a terrorism crucible. Some spot parallels with Buddhistmajority Myanmar, which in 1982 announced new laws recognising eight ethnic groups as "national races" while excluding **Muslim Rohingya** from the list.

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| Nov 19 2018 Arrested in Tokyo | Nov 22 Sacked as Nissan chairman | Nov 26 Sacked as Mitsubishi chairman | Jan 23 2019 Resigns as Renault boss | Mar 6 Leaves jail on US\$9 million bail | Apr 4 Re-arrested on fresh charges | Apr 8 Removed from Nissan board by shareholders | Apr 25 Leaves jail on US\$4.5 million bail | Oct 24 Accuses prosecutors of "illegal misconduct" | Dec 30 Flees to Lebanon |
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Country Report

PHOTO: REUTERS SOURCE: AFP

Carlos Ghosn's brazen disappearing act leaves questions unanswered

WALTER SIM

Japan Correspondent In Tokyo



🖂 waltsim@sph.com.sg

The fallen Nissan chief's flight from justice has also sparked a diplomatic showdown

FOR ALL HIS CRITICISM OF THE JAPANESE JUSTICE system, under which he was initially denied bail and spent 129 days in remand without a trial, fallen Nissan chief Carlos Ghosn's flight from justice has unambiguously placed him on the wrong side of the law, burning all bridges with the country where he had made his corporate reputation.

His escape has put paid to any arguments that he and his lawyers have made about the financial misconduct charges being part of a conspiracy to bring him down.

"This is a challenge to all civilised societies," top corporate governance lawyer Shin Ushijima, who is not involved in the case, told Asian Insider, stressing that no one is above the law, regardless of political ties. "The richer and more powerful a person is, the more respect will be required of that person, for the rule of law," he added.

Ghosn, 65, who was born in Brazil, may have chosen to flee to Lebanon - where he spent most of his childhood years and is regarded as a national hero - because Beirut has no extradition treaty with Tokyo. But the Interpol "red notice" warrant hanging over his head means his future movements will have to be shrouded in secrecy and restricted to countries willing to harbour him.

It also means he may have forced a diplomatic showdown with the world's third-largest economy, and implicated many who will now face the music for his daring escape.

'RIGGED' JUSTICE

Before he fled, Ghosn was reportedly in exclusive talks with Netflix for a film that would document his life, his Nov 19, 2018, arrest on the tarmac of Haneda International Airport, and his indictment on four charges of financial misconduct, including hiding his income.

A towering figure in the car industry, he rescued Nissan from bankruptcy in the early 2000s and was called the "cost killer" for slashing jobs and closing factories.

His arrest made headlines around the world. The international condemnation resulting from his prolonged detention without trial, it is widely believed, led the Tokyo District Court to grant Ghosn bail of 1.5 billion yen (S\$18.7 million).

Ghosn, who maintains his innocence, leveraged his limited freedom to lead a public relations assault on Japan's justice system, under which prosecutors denied his defence team access to about 6,000 documents that could have helped build his case.

He also fought against the stringent bail conditions that barred him from going online or talking to his wife, Carole, without prior approval. Prosecutors allege that Carole was privy to the crime, and allowing freewheeling conversations could lead to a devious plot to cover his tracks.

He had to install surveillance cameras at the entrance of his residence in the Azabu district, with the luxury Roppongi Hills to the west and the landmark Tokyo Tower to the east. Many diplomats and expatriates call the area home. Ghosn moved in May last year, and neighbours said he took daily walks and made regular trips to a nearby gym.

It was a meeting with lawyers and court officials on Christmas Day – not a public holiday in Japan – that pushed him off the edge, the Financial Times reported.

He was reportedly told that his trial, originally set for around April, could be pushed to late this year.

Worse still, the complexities of the case meant a prolonged hearing was likely. His staunch belief that he would never get a fair hearing under Japan's "rigged" justice system "where guilt is presumed, discrimination is rampant, and basic human rights are denied" also contributed to his choice to go on the run.

DISAPPEARING ACT

Ghosn chose an opportune time to flee: the week-long New Year holiday from Dec 28 to Jan 5,

during which many companies and government agencies are shut or on low-power mode. This is also the period when many Japanese employees in Tokyo go home for the holidays.

Many theories have surfaced and been debunked since he resurfaced in Lebanon on New Year's Eve – including a claim that he was smuggled out in a musical instrument case by a Christmas band visiting his home. Ghosn has also dismissed as fiction, suspicions that his wife had orchestrated his escape.

Ghosn refused to address the "how" in a meandering news conference in Beirut but what is certain, according to closed-circuit surveillance footage, is that Ghosn walked out of his Tokyo home in broad daylight at around 1.30pm on Dec 29. He never returned.

Separately, he had also been watched by a private security firm engaged by Nissan to ensure he did not meet anybody involved in the case. But this surveillance was stopped by Dec 29, after Ghosn threatened to file a complaint over a violation of his human rights, Reuters reported.

He rendezvoused with two accomplices at a hotel in Roppongi, before taking a shinkansen bullet train from Shinagawa station at about 4.30pm, alighting at Shin-Osaka at about 7.30pm.

He then took a cab from the Shin-Osaka station to a hotel near Kansai International Airport, where he was smuggled on board an illegally chartered private jet in a large black audio equipment case with breathing holes drilled at the bottom. Immigration officials have no record of him leaving.

A global support team of 10 to 15 plotters had identified the airport in Osaka as a weak link, as large pieces of luggage on board private jets often apparently escape checks, the Wall Street Journal reported.

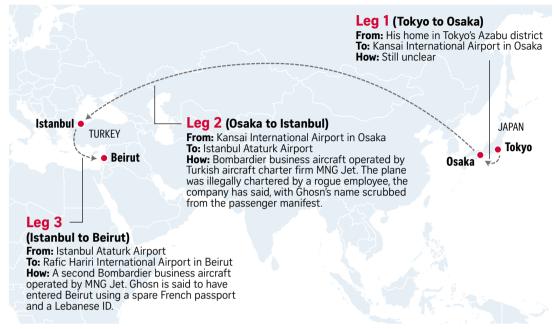
Data from FlightAware, a flight tracking service, shows a Bombardier business aircraft departed Osaka just after 11pm local time and landed at Istanbul Ataturk Airport about 12 hours later.

He then switched planes for the flight to

ST ILLUSTRATION: MANNY FRANCISCO

Tracing the audacious escape

Disgraced car mogul Carlos Ghosn fled Tokyo, where he was under house arrest, on Dec 29, only to resurface in his parents' native Lebanon on New Year's Eve. The Straits Times traces his disappearing act.



STRAITS TIMES GRAPHICS

Beirut's Rafic Hariri International Airport. The jets were chartered from Turkish company MNG Jet, which said its planes were illegally used by a rogue employee to pull off the escape. Records were falsified to omit Ghosn's name from the passenger manifest.

The employee has told Turkish prosecutors that he was forced to help after threats were made to his wife and children.

MNG Jet has filed a criminal complaint in Turkey and said it "hopes that the people who illegally used and/or facilitated the use of the services of the company will be duly prosecuted."

Five people have been detained by Turkish prosecutors – four pilots and MNG Jet's operations manager – for pre-trial questioning, while two others have been released.

While Ghosn's lawyers had held on to his French, Brazilian and Lebanese passports, he is said to have entered Lebanon using a spare French passport and a Lebanese identity card.

In Tokyo, Ghosn's team of lawyers has resigned while Justice Minister Masako Mori has had to voraciously defend the Japanese legal system.

"Each nation's criminal justice system has its roots in its history and culture, being formulated and developed over a long period of time. Therefore, there is no superiority or inferiority among legal systems of different countries," she said, while stressing that Ghosn's propagation of "false information" was "absolutely intolerable."

Over in Paris, French Finance Minister Bruno Le Maire had also told France Inter radio: "When you are an individual subject to laws, you don't escape justice. And Carlos Ghosn... should answer before the justice system."

One of Ghosn's Japanese attorneys, Mr Takashi Takano, wrote in a blog post that he had felt initially "outraged and betrayed" by his client's escape.

But, in what was implicit criticism of the justice system, he added that upon reflecting on the case: "Certainly I was betrayed. However, it was not Carlos Ghosn that betrayed me."

Ghosn, in a brief statement to the media, said of his escape: "I have not fled justice – I have escaped injustice and political persecution." **S**

Former Nissan chairman Carlos Ghosn and his wife, Carole Ghosn pose for a picture in Beirut. $\ensuremath{\mathsf{PHOTO:}}\xspace$ REUTERS





East Asia

Time to rethink basis for cross-strait engagement

Beijing's insistence on the 1992 Consensus is no longer viable in the light of Taiwan's changed political landscape

CHINA DID ALL IT COULD IN THE MORE THAN three years since Taiwanese President Tsai Ingwen first came to power in 2016 to undermine her administration – to no avail.

Ms Tsai won an even stronger second mandate in January's presidential election with a record number of 8.17 million votes or 57.1 per cent of the total ballots.

Her pro-independence Democratic Progressive Party (DPP), while doing less well in the concurrent legislative elections, winning 61 seats against 68 in 2016, crucially retained its majority in the 113-seat legislature. This has given Ms Tsai a freer hand to implement her policies, as well as resulted in less say for the main opposition party, the China-friendly Kuomintang (KMT), which now has 38 seats.

The KMT's hoped-for majority in the Legislative Yuan did not materialise, putting paid to a staying hand on any China-unfriendly legislation such as the anti-infiltration law that was passed ahead of the elections.

Yet, for a while there, it looked like China's strategy, a combination of intimidation, pressure, co-optation and interference in Taiwan's domestic politics, as American analyst Richard Bush puts it, might be working.

Measures under China's two-handed, carrot-andstick approach include incentives for Taiwanese to work, do business and study on the mainland, as well as military exercises in the Taiwan Strait and ST ILLUSTRATION: CEL GULAPA

GOH SUI NOI East Asia Editor



🖂 suinoi@sph.com.sg

the squeezing of Taiwan's international space and economy.

In November 2018, the DPP was trounced by the KMT in local elections and Ms Tsai's approval rating dropped to a dismal 24.3 per cent. The KMT had hoped to ride on the momentum of this victory to wrest the presidency and win a majority in the legislature.

But the DPP lost the 2018 local elections mainly because of unpopular policies of the Tsai administration rather than the China factor, which loomed large in the presidential and legislative elections, to the detriment of the KMT.

CHINA SPECTRE

At the Jan 11 elections, unlike in the past, the KMT's party platform of closer engagement with China for economic benefits, greater international space and peaceful cross-strait relations was no longer persuasive for Taiwanese voters, particularly those under 40.

What Taiwan's China-wary voters fear is the price for better ties – Beijing has been seen as pushing for more after each concession given by the China-friendly KMT administration of president Ma Ying-jeou from 2008 to 2016. In 2014, students and civil groups blocked Mr Ma's trade in services deal with China through protests dubbed the Sunflower movement, for fear it would hurt Taiwan's economy and make it vulnerable to political pressure from Beijing.

The KMT's policy stance of the 1992 Consensus – that there is one China, with both sides free to interpret what this means – as the basis for cross-strait ties, which worked under Mr Ma, also no longer has traction among Taiwanese.

This is because Ms Tsai has equated it with the "one country, two systems" model. And, to the Taiwanese, that model – offered by China as a formula for reunification – is a frightening prospect. To them, it has failed to protect the freedoms of Hong Kongers, who have been agitating for months against the erosion of their freedoms and for greater democracy.

Conversely, Ms Tsai's stance of holding China at arm's length while keeping the Taiwan Strait peaceful by not doing anything provocative has found approval, particularly among young voters who fear that too close a relationship with Beijing could lead to a loss of their autonomy.

What was once the Achilles heel of the DPP – its inclination towards self-determination if not outright independence – has become an advantage as more young people become voters, shifting the political balance from the KMT.

The impact of demographic changes on the political landscape of Taiwan and its ramifications for cross-strait relations must surely be part of the debate among China's leaders as they examine their Taiwan policy and consider whether there is a need to change course.

China's experts on Taiwan have said that Beijing will not change from its broad direction of peaceful reunification – although some have warned that this is not the only way – but would certainly be debating its approach in the light of what's happening on the island.

Taiwan, for its part, needs to weigh the consequences of moving away from China too far, too fast.

AUTONOMY, NOT INDEPENDENCE

Taiwan's demographic shift has helped Ms Tsai in both her 2016 and 2020 presidential election victories, with voters born after 1980 more receptive to a leader who is less inclined to cultivate close relations with China.

These under-40 millennials grew up in an era of democratisation and de-sinicisation – with school textbooks de-emphasising the island's historical links to the mainland. They have known only political freedoms and pluralism and are less sentimental about the mainland than their elders; they identify themselves as Taiwanese or both Taiwanese and Chinese instead of as Chinese. They are what the Taiwanese media has dubbed the "naturally independent" generation.

China is not blind to this. Mr Zhang Hua, a Taiwan expert at the Chinese Academy of Social Sciences, wrote that among the reasons for Ms Tsai's success were major changes in the demographic structure and political identity.

In terms of demographics, he noted, she won overwhelming support from young people, with 70 per cent of those aged between 20 and 39 voting for her. This cohort of voters makes up just a third of the total. While their strong support helped propel Ms Tsai to victory, they were not the only ones. Polls ahead of the election showed her getting the backing of most age groups, including those in their 40s and 50s, even if by a narrower margin.

"In terms of political identity, since (president) Lee Teng-hui initiated 'de-sinicisation' in local education, almost everyone under 40 grew up being indoctrinated with the idea of 'independence'," Mr Zhang wrote.

"Also with the development of political activities such as elections, ideas of 'self-awareness', 'ownership' and 'de-sinicisation' have gradually taken hold and spread among people over the age of 40," he added.

Yet, China need not be pessimistic about the post-1980 generation of Taiwanese.

They may reject the authoritarian rule of China today as incompatible with their democratic values, but they are not about to push for de jure independence.

Political science professor Paul Chu said: "The young people of Taiwan don't wish to have Beijing interfering in their lives but they don't want independence either because that would mean war." China has an anti-secession law that mandates use of military force if Taiwan should declare independence.

Professor Shelley Rigger, a Taiwan expert at Davidson College in the United States, concurred. "Taiwanese don't support unification but they are not interested in risking a war with the PRC (People's Republic of China) either. Even strong supporters of

The KMT's policy stance of the 1992 Consensus that there is one China, with both sides free to interpret what this means as the basis for cross-strait ties. which worked under Mr Ma, also no longer has traction among Taiwanese. This is because Ms Tsai has equated it with the "one country, two systems" model. And, to the Taiwanese, that model - offered by China as a formula for reunification is a frightening prospect.

"

independence like the Taiwan Statebuilding Party do not expect to be able to realise independence any time soon," she said in an e-mail.

She added that having a separate identity is not the same as wanting independence. "A lot of Taiwanese want independence, no doubt, but what they need is their identity, including democratic self-rule. They've figured out they can't have both, and formal independence is the one they're prepared to give up," Prof Rigger said.

TSAI'S LIKELY PATH

Ms Tsai understands this full well. In an interview with the British broadcaster BBC after her re-election, she said Taiwan had no need to declare independence because "we are an independent country already and we call ourselves the Republic of China (Taiwan)."

What she said was very significant, noted Dr Lin Chong-Pin, a former vice-chairman of the Cabinetlevel Mainland Affairs Council.

Ms Tsai effectively neutralised the hardcore independence advocates with the statement, saying they are wasting time and provoking Beijing unnecessarily since Taiwan is already independent, he said.

More importantly, with her second mandate as President, she is now "an elder in the party", no longer susceptible to pressure from the hardcore independence advocates, he said.

Dr Lin added that while Ms Tsai had used strong rhetoric against China during her campaign, the election is over now and her goal has been achieved. "It is no longer necessary for her to stick to this strong stance," he said.

In other words, she would be returning to the moderate stance of her first term that led to a chill in ties but not instability in the Taiwan Strait.

Observers expect Ms Tsai to continue with the policies of her first term, including diversification of Taiwan's trade and investment through her New Southbound policy to reduce dependence on China economically, leaning towards the US and Japan, two important allies, and moving the economy up the value chain by encouraging innovation.

With China likely to block any free trade agreement (FTA) with countries in the region, Taiwan's best bet is an FTA with the United States. It is also looking to join the Japan-led Comprehensive and Progressive Agreement for Trans-Pacific Partnership.

Ms Tsai is unlikely to bow to pressure from China to acknowledge the 1992 Consensus or give in to demands from the hardcore independence backers to push for independence but tread a middle path between the two.

CHINA'S OPTIONS

While China's policy towards Taiwan has not brought the island closer towards reunification, it has succeeded in blocking independence, analysts have said.

A survey last October showed that 87.4 per cent of Taiwanese want the status quo to be maintained, out of which 21.7 per cent want eventual independence



and 8.9 per cent eventual unification. Only 6 per cent support immediate independence and 1.4 per cent immediate unification.

Many are of the view that China will continue with its strategy of carrot and stick, wooing Taiwanese with economic incentives while preventing them from going further down the path of independence through intimidation and pressure.

However, Dr Lin pointed out, if President Xi Jinping wants to do something for the future of reunification under his watch, he needs to talk to someone who can represent the majority of the Taiwanese population.

And, right now, that someone is Ms Tsai. Dr Lin thinks she is the most suitable person in the DPP that Beijing can talk to because she is prudent and moderate.

Other Taiwanese observers say neither side would really close the door to the other. Instead, both sides will likely test the conditions and bottom line of the other side for resumption of talks that have frozen since Ms Tsai first took office.

Ms Tsai has rejected the 1992 consensus that Beijing insists is the basis for peaceful cross-strait development. She has also repudiated "one country, two systems" as a formula for reunification.

Instead, she has proposed peace, parity, democracy and dialogue – or China's abandonment of threats of force against Taiwan, recognition of Taiwan as a separate political entity, the decision of Taiwan's future to be made by Taiwanese and discussion of the future of cross-strait ties – as the pathway to positive and stable development of cross-strait ties.

It remains to be seen how Beijing will respond and whether it will choose to engage the current rulers of Taiwan or wait them out – which could be a long wait as the KMT is in disarray and may not be ready to make a comeback in 2024.

Either way, thinking through how to reframe the 1992 Consensus – and what one China means – will be crucial for future engagement, given that, in its current form, it no longer has a market in Taiwan. Beijing might also want to hold off talking about "one country, two systems" for a bit or even think about a replacement for it. **S**

Taiwan President Tsai Ing-wen (second from right), with fellow Democratic Progressive Party leaders (from left) Chen Chu, William Lai and Chen Chien-jen celebrating their Jan 11 election victory. PHOTO: **REUTERS**

STAnniversary

ST turns 175!

MELISSA HENG



🔀 melheng@sph.com.sg

The Straits Times will mark its 175th birthday with new print and digital offerings, events and treats for readers



THE STRAITS TIMES TURNS 175 THIS YEAR AND plans a product revamp across all platforms.

Readers can expect new and more engaging print content, as well as enhancements to the ST app and website.

To mark the anniversary on July 15, there will be contest giveaways for subscribers, with holidays to Australia and movie screenings.

Mr Warren Fernandez, editor-in-chief of The Straits Times and Singapore Press Holdings' (SPH) English/Malay/Tamil Media Group, said: "2020 is going to be a big year for The Straits Times.

"This is the year we mark our 175th anniversary and in the life of any organisation, that is a significant milestone, and worth celebrating."

The best way to do so, he said, was to keep improving ST's products to serve its readers even better.

"What we plan to do is revamp all our products across all our platforms, and we have been consulting our audiences on this. So later this year, you will see these new products being launched."

The app and Web products will be made more intuitive and interactive, with better search functions for readers to access the information they need easily.

New visual storytelling formats are also being planned.

The refreshed print product will feature new sections, with journalists delving deeper into areas that readers are interested in, such as parenting and investing, based on data analysis and feedback from readers.

SPH kick-started the transformation journey in December with the launch of The Straits Times News Tablet, an e-paper subscription plan which comes with a pre-installed app on a Samsung tablet. More than 5,000 subscribers have signed up to date.

Mr Fernandez said: "We have just started with The Straits Times News Tablet, and we have had a very encouraging response to it. So, we plan to build on it, and more of this will follow soon."

Subscribers can also look forward to exciting contests with attractive prizes up for grabs. These include preview tickets to some of the year's highly anticipated movies.

From February to July, subscribers can win a pair of tickets to the preview screening of a different film each month.

Up to 175 pairs of tickets will be given out per screening.

The movies are live action adventure Sonic The Hedgehog; horror sequel A Quiet Place: Part II; James Bond movie No Time To Die; action sequel Fast & Furious 9; animated feature Minions: The Rise Of Gru; and Top Gun: Maverick, the sequel to Tom Cruise's 1986 iconic movie. ST

Revamp highlights and perks for subscribers

To mark the milestone anniversary, The Straits Times will be having a slew of contest giveaways with prizes including tickets to preview screenings of highly anticipated films and four-day-three-night trips to Australia. Each contest will be held via the SPH Rewards app.

WIN EXCLUSIVE MOVIE PREVIEW TICKETS

February



Sonic The Hedgehog Based on the global blockbuster video game franchise from Sega, Sonic The Hedgehog tells the story of the world's speediest hedgehog as he embraces his new home on Earth. The live-action adventure comedy stars James Marsden, Jim Carrey, Tika Sumpter and Ben Schwartz as the voice of Sonic.



A Quiet Place: Part II Director and writer John Krasinski returns with a sequel to his highly acclaimed 2018 science fiction horror film A Quiet Place. The sequel, starring Emily Blunt, Millicent Simmonds and Noah Jupe, sees the Abbott family forced to venture into the unknown after the harrowing events of the first film.

ST remains most-read title, with reach across platforms, media study finds

THE STRAITS TIMES CONTINUES TO BE Singapore's most-read news publication, with more than 1.2 million readers consuming its content across all its print, online, mobile and other platforms.

Google Analytics figures showed a close to 40 per cent increase in the number of users in Singapore on ST's online site between June and October last year, partly due to the rise in interest in events in Hong Kong, and several local issues.

These findings were made public on Nov 13 by Singapore Press Holdings (SPH), which publishes ST, in the light of the annual Nielsen Consumer & Media View Study (CMV) that showed a 3.5 per cent fall in ST's overall readership from 32.4 per cent of Singaporeans above 15 years old in 2018 to 28.9 per cent this year. This was largely due to the global trend of people choosing to consume more news online rather than in print.

The Nielsen data, based on interviews done between July 2018 and June last year, did not reflect the recent spike in traffic as well as readers who accessed ST via social-media sites such as Facebook, Twitter and YouTube. In addition, ST readers also consume content via its many e-mail newsletters, podcasts, videos and radio programmes.

Despite these gaps, Nielsen concluded that over 1.2 million people continue to read ST for credible and trustworthy information as well as good entertainment value. Readers spent, on average, 44 minutes reading The Straits Times and 39 minutes reading The Sunday Times.

The study surveyed about 4,600 people, with results then weighted by age, sex and race to be representative of the Singapore population. **S**

CLEMENT YONG



🖂 clementy@sph.com.sg

The product revamp will cut across all platforms – print, tablet and app. Highlights include:

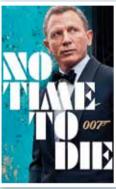
 Better search functions for app and Web products

New visual storytelling formats

Exciting new sections

From February to July, ST subscribers stand a chance to win a pair of tickets to an exclusive preview screening each month. Up to 175 pairs of tickets are up for grabs per screening. The contest has been organised in partnership with United International Pictures (UIP). More details will be released in February.





No Time to Die The action film and 25th instalment to the James Bond franchise sees the iconic spy being recruited to rescue a kidnapped scientist. Daniel Craig returns for his fifth and final outing as the fictional MI6 agent. The film also stars Rami Malek, Lea Seydoux and Ralph Fiennes.



Fast & Furious 9 The ninth instalment of the Fast & Furious franchise will see the return of stars Vin Diesel, Michelle Rodriguez, Jordana Brewster and Tyrese Gibson. Actor John Cena and rapper Cardi B will also be joining the franchise for the first time.



Minions: The Rise Of Gru The animated sequel to the 2015 film, Minions, and a spin-off of the main Despicable Me film series, will focus on the Minions during their first encounter with a young villainous Gru.



Top Gun: Maverick Tom Cruise reprises his role as Pete "Maverick" Mitchell in this sequel that takes place a few decades after the iconic 1986 Top Gun. Mitchell finds himself training a detachment of Top Gun graduates for a specialised mission the likes

specialised mission the likes of which no living pilot has ever seen. The film also stars Miles Teller, Jennifer Connelly and Jon Hamm.

VISIT THE LAND DOWN UNDER



From February to May, ST, in partnership with Dynasty Travel, will offer prizes of four-day-three-night trips to Australia. Each month, one lucky couple will stand a chance to win the holiday prize which will include flight tickets, airport transfers, and accommodation for two people. Each pair of winners will get to visit a different part of Australia, including Western Australia and South Australia. More details will be released in mid-February.



PHOTOS: UIP, DYNASTY TRAVEL, DESTINATION NSW STRAITS TIMES GRAPHICS



Future of News

2020: Finding our way forward to the future of quality journalism

ST ILLUSTRATION: CEL GULAPA

IUUUO

WARREN FERNANDEZ Editor-in-Chief



🖂 warren@sph.com.sg

The decade that has just begun will be the one when newsrooms reclaim their future

THE DOOM AND DOWNWARDS DRIFT OF THE past few years is passing, as more titles come to embrace new approaches and revenue streams.

It won't be easy, and not all news brands will thrive or even survive, but I see many reasons for optimism about journalism's future.

In an age of "alternative facts", fake news and deep fakes, there is a growing awareness that reliable news and credible views are critical if democracies and markets are to function effectively.

This recognition has been some time in coming. Indeed, the Oxford historian Professor Timothy Garton-Ash had highlighted the dangers of market failure in the media industry in a speech at the St Gallen Symposium in Switzerland in May 2017.

"The Internet is destroying the business model of newspapers. For at least two centuries, we have had a public good – news, the information we need for democracy – delivered by private means," he said.

News organisations built up professional newsrooms on the back of advertising revenues, supplemented with cover prices, at the newsstand or through subscriptions, he noted.

"The Internet has just knocked away both these pillars. So the newspapers produce the information. Facebook and Google get the profit," he added, pointing to the deleterious effect this development was having on newsrooms all round.

"The amount of serious news, investigative journalism and foreign reporting is going down because that's expensive. This is a real problem for the journalism we need

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for democracy. What we have here is potentially a market failure in the marketplace of ideas."

Fast forward to today, and it is now widely accepted that the hope that growing a digital audience would bring in the revenues needed to mitigate the decline in print is unlikely to deliver on its promise, since the bulk of online advertising is being mopped up by tech platforms.

So, more newsrooms have been turning to their audiences to pitch in, through paywalls, subscriptions or memberships of some sort. Thankfully, a younger generation, brought up in the Spotify age, is more ready to pay for content they value.

The upshot of this: The idea that quality and reliable content is costly to produce – and so cannot be free – is taking hold.

More news brands are following the leads of the New York Times, Financial Times, Wall Street Journal, the Economist, all of which have built up large digital subscriptions.

Similar trends are seen in Germany, the Scandinavian countries, and also in Singapore. At The Straits Times, which I helm, digital subscriptions is on the rise, and a recent campaign to draw new readers with 24-month subscriptions bundled with a new tablet saw several thousands signing up within weeks, more than we had anticipated.

A second reason for optimism is that news organisations are not only discovering new sources of revenue but also seeking out new avenues for collaboration. These range from working with community groups, such as schools or public institutions, to gather and deliver news more effectively. Some are also tapping grants from government or private foundations to help support purposeful journalism, on issues such as tackling climate change to countering corruption.

More newsrooms are also coming round to the idea of working together on content projects or to share resources for capacity building.

But, to my mind, a third and more recent trend might hold the most promise in charting the way forward for the media. Some news groups are turning themselves into public institutions, focused less on profits and more on their primary purpose of delivering quality journalism.

The Lenfest Institute in Philadelphia and the Salt Lake Tribune in Utah are among recent examples, taking a leaf from the Guardian in the United Kingdom, with similar initiatives being considered in Portugal and elsewhere. Pennsylvania University professor Victor Pickard, who will be a speaker at the World News Media Congress in Zaragoza, Spain in June, believes that more will come to see the wisdom in this. In a recent post for Nieman Labs' Predictions for Journalism, 2020, he said: "In 2020, we will come to see the journalism crisis as an opportunity to reclaim and reinvent a public good. This shift in how we see a national – and increasingly global – tragedy will come



gradually. But as the ravages of systematic market failure become increasingly undeniable – growing news deserts, widening informational divides, and vulture capitalists picking over what remains of the fourth estate – we'll be forced to transcend commercial confines to imagine a new kind of journalism based on public ownership.

"In many ways, this will be a return to sanity. News was never meant to be merely a commodity, and publishers' fealty to the market has always caused social harms. Today, as profit-seeking drives journalism into the ground, we must decide whether to let all but a few national papers and niche news outlets perish, or whether we instead salvage good assets from bad owners and rescue from the market's maw an indispensable public service and democratic infrastructure.

"Liberated from profit-driven, absentee owners and instead governed by the journalists themselves and by representative members of the public, newsrooms will look more like the diverse communities they serve. By changing news media's core structures of ownership and control, we will finally let journalists be journalists." These are hopeful signs that paths to a sustainable future for our newsrooms are being charted, even if there will be pitfalls along the way and challenges to overcome. Media leaders will have to step up and win the support of key stakeholders – audiences, business partners, newsmakers and also governments – for our efforts to continue delivering a key public good.

To help do so, the World Editors Forum will mark World News Day (WND) on Sept 28, 2020.

We plan to build on what was achieved last September, when 40 newsrooms from around the world came together for WND, to showcase the work of journalists, in shaping policy debates, exposing abuse and corruption, uplifting communities and highlighting local initiatives that are making a difference in society.

Our aim is to celebrate quality journalism, and, in doing so, remind our audiences – and ourselves – of the critical role that professional journalists and newsrooms play in the communities we are meant to serve. **S1**

The writer is also President of the World Editors Forum.

Panellists (from left) Kalani Kumarasinghe, Maran Htoi Aung and Victoria Tulad at the Real News Matters forum, held in Singapore, on Sept 28, 2019. ST PHOTO: ALPHONSUS CHERN

To my mind, a third and more recent trend might hold the most promise in charting the wav forward for the media. Some news groups are turning themselves into public institutions, focused less on profits and more on their primary purpose of delivering quality iournalism.

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2020: Show journalism's good on World News Day

DAVID WALMSLEY



World News Day, on Sept 28, is a call for the world to join our industry on stage and tell us about what journalism means to you

AMID THE FLURRY OF COUNTLESS NEWS STORIES, comments and features, there is little wonder so many of our audiences report saturation and exhaustion. News has never been more widely read and watched but at the same very time, the level of understanding of what journalists do, and what journalism represents, remains low.

Our industry has become disconnected from the very group of people we aim to serve – the audience.

That is why we at the Canadian Journalism Foundation created World News Day. It is a day to press pause and to recognise the vigorous need and desperate desire of our audiences to connect back with us; and to remind us all of the value of our work.

> You may be a small news organisation in west Africa, but you have an audience. You may be part of a multi-national news organisation in Germany. You too have an audience. We have a common connection - humanity; and World News Day aims to bring that connection alive. This Sept 28, we call on all newsrooms in the world to join in celebration with their audiences to support what we do, and to help explain the difference we make in people's lives when we stop to listen to the impact our solutionbased work can offer.

Working journalists know all the narrow consequence of their work. The tears of the bereaved. The pain and suffering of refugees. The joy of children raising funds for their local village



through sponsored walks, and other charitable commitments.

When policy makers leave a vacuum, it is often filled by journalists who listen to the affected and amplify their ideas; their solutions.

Journalists are professional sceptics, but that doesn't make us all cynical. In fact, we are motivated to make the world a better place.

But somewhere along the way, that narrative has been co-opted by powerful forces that would prefer to reduce our work to that of an enemy. We are not, as journalists, some other being. We are the product of our society and are a glue that can bind ideas into action.

The purpose of World News Day is not to ask the audience to take our word for it, but to invite the audience to come to the stage.

In 1985, Live Aid brought the suffering of famine victims in Ethiopia to the world's attention. That fundraising movement was called to action because of a Canadian journalist Brian Stewart who told the story of the scale of the disaster. The world responded.

World News Day is not a fundraiser. It will become, though, a vital day of awareness for all those who support journalists, and for those who fight journalists. The powerful force of the audience is stronger than any enemy of the facts.

This Sept 28, encourage your audiences to issue a simple tweet about how journalism made a difference in their life. Invite the audience into your newsroom and give them a chance to meet the newsroom heroes. Even host an all-day celebration with the audience superstars live on stage.

To our audience, join us as we celebrate the good that journalism represents. To my industry, let us galvanise our sense of purpose through the audience's experiences.

All I ask of the news leaders is that we issue the invitation. Wan-Ifra, the world association of newspapers and news publishers, is backing us. Let's own our story. Let's remind the world through this day of awareness that we, the journalism industry, listens and then acts. **S**

The writer is the editor-in-chief of The Globe and Mail, Canada. He is the chair of the Canadian Journalism Foundation and a board member of the World Editors Forum.

st illustration: Cel gulapa

2020: Newsletter driven start-ups seize the day

STRONG-ARM POLITICIANS IN TURKEY, HUNGARY, the Philippines, and even the United States threaten media freedoms daily. While in countries such as Mexico the killing of reporters has become almost commonplace, with 10 reported killed in the line of duty last year. Cost-cutting and aggressive attacks from hedge funds on the three largest providers of local news in the US, Gannett, Tribune and McClatchy, portend thousands of more lost jobs. While in India the inevitable transition from print to digital is crushing what just a few years ago was a robust national newspaper rivalry.

But journalism is not dying. People read – and need – news more then ever. It is under attack, to be sure. But it's also enduring the wrenching change many other industries are undergoing as the world becomes more mobile and digital, albeit in more public fashion. In that change, however, lies opportunity.

New media companies find new ways to deliver news

Every generation of journalists in my career of almost 40 years has lamented the loss of the good old days. Yet every one has also spawned new media companies and technologies to replace the lost ones. Think CNN and Sky with 24-hour television news. Bloomberg News in business. ESPN in sports. Politico in politics. All simply found new ways to deliver news, and audiences responded.

In just the last few years, as hundreds of traditional newspapers have cut staff or closed around the world, we've seen the rise of Pro Publica in investigative journalism in the US, and Bureau Local in the UK. Kaiser Health News in Healthcare in the US and Bhekisisa in South Africa. The Information on technology in Silicon Valley. Brazil's JOTA in legal and government. Axios in several verticals, from government to sports.

Indeed, five years go, when I was editor of USA Today in Washington, I would receive seven newspapers on my desk each morning. And scan a dozen websites before 8 am. Today, I read a handful of e-mail newsletters, which together provide just about every relevant new story or podcast on politics, business, sports and my local scene that I require to get through that first cup of coffee.

What these new operations are doing is seizing on how people consume information today – on their phones, through e-mail newsletters, and using audio (also video). They provide their own unique journalism and referrals to stories they don't have. The reader comes first.



ST PHOTO: ARIFFIN JAMAR

We've already cycled through the first two generations of digital news operations since the late 1990s and are well into the third, with some of the recent stars, such as Buzzfeed or Vox, cutting back after sharp growth. In just the last several months, even newer faces have emerged, led by well-known journalists.

Tortoise, the UK provider of long-form journalism, was started by James Harding, former editor of The Times in the UK. The Athletic in sports. Media analyst Ken Doctor is starting The Lookout for local news. And @dotLA in Los Angeles, run by former Wall Street correspondent Joe Bel Bruno.

One of the more promising, and important, news stories of the next 30 years – climate change – is only just starting to be covered aggressively by mainstream media. But several young news organizations have been growing in this space for years. Home Climate News in the UK. Inside Climate News and GreenBiz in the US. Eco-business.com in Singapore. Others will come. I know. I plan to start one myself.

The point is that everyone naturally looks back on the old days with pride and nostalgia, because we already got through them. The future is scary. Make no mistake, not all or even many of those lost newspaper jobs will come back. But journalism, our collective search for truth, and the ability to speak truth to power, is not going anywhere. In fact, it is gearing up for a new world of news consumption, and will be stronger and more important than ever. SI

The writer is the former Editor-in-Chief of USA Today and the immediate past President of the World Editors Forum.

READ MORE ONLINE

More commentaries on the Future of News can be found here: https://blog.wan-ifra.org/

ABOUT WORLD EDITORS FORUM

The World Editors Forum has been connecting editors around the world for the past 27 years. It is focused on the future of quality journalism, newsroom transformation and defending and protecting press freedom. It operates within the World Association of News Publishers (WAN-IFRA).

DAVE CALLAWAY



What promises to be a monumental year for news worldwide is also shaping up to be one of the most threatening yet for news companies, and journalists. But there is hope for journalism

77

Lifestyle

Celeb offspring to watch

JAN LEE



🖂 janlee@sph.com.sg



Superstar genes run strong in some families. Not only are some celebrity kids blessed with good looks, but they also have their parents' talent. The Straits Times looks at 12 Asian celebrity offspring and how bright their star is set to shine

KOKI KIMURA

The daughter of Japanese idol actor and the man who defined Japanese beauty standards, Takuya Kimura,



and pop singer Shizuka Kudo was born to be a star.

The 16-year-old model, who inherited her father's distinctive nose and her parents' magazine-cover looks, made her debut in 2018 on the cover of Elle Japan and exploded onto the fashion scene.

The same year, Koki, whose real name is Mitsuki Kimura, became the youngest ambassador for Italian luxury brand Bvlgari. She has since become a regular at fashion shows and walked the runway for fashion house Chanel in Paris last year.



ARYAN KHAN

The 22-year-old son of Bollywood superstar Shah Rukh Khan has made headlines for his smouldering good looks, much like his father did in his heyday.

Currently studying at the prestigious University of Southern California School of Cinematic Arts, Aryan aims to become a film-maker.

And he has already chalked up some experience – he voiced the lead role of Simba in the Hindidubbed version of Disney's 2019 remake of its classic animated movie The Lion King, while his father voiced Mufasa, Simba's father.

Aryan's 19-year-old sister Suhana, who has also inherited head-turning good looks, is hoping to become an actress and recently enrolled in New York University's renowned Tisch School of the Arts.

ANDREW CHAU

The 29-year-old son of veteran Mandopop singer Wakin Chau has been working as an actor and entertainer for a few years.

He made his big-screen debut in the Taiwanese comedy film, Welcome To The Happy Days

(2016), as a foreign backpacker who can speak Mandarin.

Andrew, who has a Caucasian American mother, has been compared with English actor Orlando Bloom because of his looks. He recently appeared in his father's music video, The Younger Me, showing off his wavy locks.

CHANTALLE NG

The 24-year-old daughter of local actors Lin Meijiao and Huang Yiliang has been steadily acting in supporting roles since 2013.

But her star began to shine brighter in 2018 when she landed her first lead role in the original series, The Distance Between. That was also the year she won Best Newcomer at the Star Awards for While We Are

Young (2017).

Since then, she has challenged herself with a wider range of roles. She played the female lead opposite Desmond Tan in the Web series Derek (2019), about a serial killer who was originally introduced in Channel 5 crime drama Code Of Law (2012 to 2018).

ELLY HSU

Taiwanese talk-show host Dee Hsu's eldest daughter Elly just turned 14, but she is already making waves in the Taiwanese fashion industry.

Dee Hsu, who has two other daughters was on the cover of Vogue Taiwan in 2017 with her three girls. Then, netizens

noted Elly's resemblance to South Korean actress Kim Go-eun, the leading lady of Goblin (2016).

Elly (above, extreme left) did another shoot last year for Vogue and also fronted an advertisement

campaign for the apparel brand Jorya.







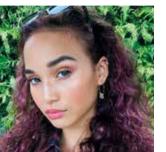


XANDER PANG

The younger son of local actor and theatre company Pangdemonium co-founder Adrian Pang has followed dad onto the stage.

Xander, 19, who studied theatre in school and was ACS International's perfect scorer for the International Baccalaureate Diploma Programme, starred in Pangdemonium's Late Company with his father last year.

He played a boy caught in a bullying and suicide scandal in the production, which was directed by his mother Tracie Pang.





IMAN FANDI

While her brothers Irfan, Ikhsan and Ilhan have followed in the footsteps of their father, Singaporean football legend Fandi Ahmad, Iman takes after their mother, model Wendy Jacobs.

She also has a younger brother, Iryan, 13. The svelte 19-year-old is a budding model and actress. She has been featured in local magazines such as Nylon and Harper's Bazaar, and also done shoots for major brands such as French luxury brand Kenzo.

Iman was also in the Web series, school drama Emerald Hill High last year, opposite athlete and actor Timothee Yap.

GUO QILIN

Chinese cross-talk artist, actor and director Guo Degang's first-born was the subject of much mocking when he made his debut as a cross-talk artist.

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The 23-year-old left school in 2011 to pursue cross-talk professionally,

but was heavily criticised for the decision, with many mocking his weight and what was perceived as merely average cross-talk talent.

But the young man persevered, taking the criticisms in his stride and striving to improve his art. He took on acting jobs as well.

His big break came at the end of last year, when he starred in the hit Chinese historical epic Joys Of Life as the lovable, money-obsessed brother of the main male lead.



ELLA YAM

The daughter of Hong Kong movie star Simon Yam and supermodel Qiqi has her mother's long legs and fair skin.

The 15-year-old has done shoots for magazines such as Vogue Taiwan and Elle Hong Kong and accompanies her mother to glitzy fashion events, toting the latest designer bags. But her father told The Straits Times last year he hopes she does not pursue acting as a career as he finds it too tiring for

his only child.



JANHVI KAPOOR

The 22-year-old daughter of late Indian cinema superstar Sridevi Kapoor and film producer Boney

Kapoor is the definition of glamorous. Her mother died from accidental

drowning in 2018 at the age of 54. Janhvi cuts an enviable figure with her long dark hair and curvaceous body, which she often flaunts in form-fitting outfits and intricate saris. The actress made her debut in Bollywood film Dhadak (2018) and has found work in other projects, including a Netflix anthology titled Ghost Stories released in January.

SHUM YUET

With her megawatt smile, pretty eyes and enviable figure, Hong Kong sexpot 1990s film star Chingmy Yau's daughter Shum Yuet is almost a replica of her mother.

The 18-year-old stirred up an online storm when she posted pictures of herself at a Paris debutante ball last year with her mother and younger sister Shum Yat, who is 15.

Netizens commented on her resemblance to her mother and glamorous princess gown.

Shum Yuet, who has more than 130,000 Instagram followers, has appeared on the cover of magazines such as Elle.

HYUNSIK

K-pop boy band BTOB's vocalist Hyunsik, 27, has a famous father. Im Ji-hoon is a folk singer in South Korea and his 10th studio album in 2018 included a duet between him and his son, Waves Like Cream.

Hyunsik has produced and penned songs for the band, which have held concert tours and fan meetings across Asia, including in Singapore, and in North American cities like Toronto.

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Big Picture

PHOTO: EPA-EFE

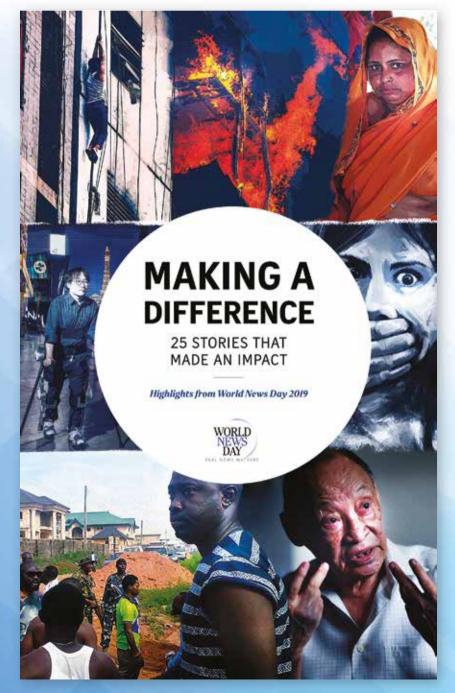
New Tokyo stadium all set for the 2020 Olympics

A GROUP OF EAGER PEOPLE IN A NEARBY building taking a sneak peek at the New National Stadium, which will serve as the main venue for the Tokyo 2020 Olympics and Paralympics. Rebuilt from the original stadium used for the 1964 Games in the Japanese capital, it will be where the opening and closing ceremonies of this year's Summer Games (July 24 - Aug 9), as well as football and track and field events, will be held. The new stadium, in Shinjuku, was officially opened at a ceremony attended by Japanese Prime Minister Shinzo Abe in December. **S**

WORLD NEWS DAY REAL NEWS MATTERS

THE BEST OF NEWS REPORTS

From the cruel practice of pressuring women workers to remove their wombs just to hold on to their jobs to a report on the medical bill of an elderly which shook up a healthcare system, Making A Difference: 25 Stories That Made An Impact brings together some of the best stories from World News Day 2019. It features the exemplary works of journalists from newsrooms around the world, including those in Germany, India, Nigeria, Singapore and Malaysia. 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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