Why a forward-looking Budget is needed

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The discussion of the Singapore model and its management of the macroeconomic fundamentals and efficient resource allocation for firms and individuals within the micro-economic environment.

Singapore’s fundamental strengths in crisis management time and again is in fact rooted and rendered easier on the premise of preventive and pre-emptive moves rather than curing the recent prudent regulations on property purchases, sales and bank-related borrowings, coupled with pre-emiptive market cooling measures, are just a case in point.

For a small and open economy, Singapore’s macroeconomic condition is constantly and strongly influenced by external factors. These include business cycles, financial turmoil and tumultuous political changes coming from neighbouring Asia or economic volatility transmitted from within economies in an inter-connected and inter-dependent world. Singapore’s fundamental competitiveness lies in her ability to seize opportunities by rendering herself relevant in order to stay ahead of the learning curve in global trade.

When Singapore was the rotating chairman of Asean in 2018, regional Free Trade Agreements (FTAs) such as the Regional Comprehensive Economic Partnership (RCEP) were given a further push for the last mile of completion. Singapore’s consistent support for the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) is clearly stated; it in fact first founded TPP together with three other members countries.

What is the forward-looking Budget ought to strengthen the foundations for delivering macroeconomic stability, set aside ample financial resources with policy restructuring measures to promote micro-economic efficiency and invest in soft and hard capacities. The public at large and the business community need clear assurances from the government, and the finance minister in particular, whether Singapore will have, in time to come, sufficient financial resources to face these challenges nimbly and aptly.