MPs’ perks strain Singapore dream

TWO factors have been essential to the political success of Singapore’s ruling People’s Action Party — a state-led housing program with the world’s highest level of ownership and a widespread belief that merit is rewarded in the marketplace.

But public reaction to the news that Senior Minister Lee Kuan Yew and his wife, Deputy Prime Minister Lee Hsien Loong, had received discounts on exclusive condominiums suggests these political foundations may be under strain.

The Lees bought two properties each last year, totalling more than $11 million. They got unadvertised discounts of between 5 and 12 per cent from the developer, Hotel Properties Limited. The elder Lee’s brother is a director of HPL.

Both said they were unaware at the time of any discount and insisted no impropriety had occurred. The explanation satisfied Prime Minister Goh Chok Tong and the small parliamentary opposition.

But there has been political fallout for the Government in the short of a general election, expected in September.

Rising costs of living will dominate the election campaign, as anticipated by a joint report released this week by two opposition parties - the Singapore Democratic Party and the Singapore Malay National Organization. Housing, transportation and tax bills and education expenses were singled out as having risen by “disturbing” amounts since the last election in 1991.

The report said the price of flats sold by the state-run Housing Development Board rose by more than 100 per cent between 1990-94, despite no increase in construction wages and material costs.

Similarly, tertiary education costs were purported to have doubled since 1988. It also claimed the cost of an average-priced car had risen from $28,000 in 1981 to $110,000 in 1991.

No doubt the Government will contest some of the figures but not deny the broad public concern about rising costs of living.

At the 1991 election, the PAP secured 65 per cent of the votes and 81 per cent of the parliamentary seats. Under Singapore’s first-past-the-post voting system, this translated into all but four of the 81 elected parliamentary seats.

Accustomed to almost absolute political power, the PAP has had difficulties attracting a critical mass of young voters, who have not always followed their parents’ political views.

Recently, the PAP has faced a series of setbacks, with the opposition gaining ground in local elections and a recent poll showing the Government’s popularity slipping. The opposition has also gained ground in the education and media sectors, which have traditionally been strongholds for the PAP.

In addition, the economic downturn and rising costs of living have increased public frustration, leading to calls for more social welfare programs and better access to housing. The Government has responded with various measures, including increased public housing and subsidies for education.

The political landscape in Singapore is shifting, with the opposition gaining more traction in the young voter base and the media and education sectors. The Government needs to address these challenges to maintain its dominance in the political arena.