

Why Singapore still needs more cars



By CHRISTOPHER TAN
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WHEN the COE system was just four years old in 1994, well-respected transport and behavioural economist Anthony Chin predicted that, in time, only top earners in Singapore would be able to afford cars.

The Government dismissed his assertion and, in the two decades since, it would seem that Professor Chin – who died last year at the age of 57 after a short illness – got it wrong.

Car ownership has been rising, not falling. By 2012, 45 per cent of households owned cars – up from less than 35 per cent when the certificate of entitlement (COE) system was introduced in 1990.

But the trend is reversing. After allowing the car population to grow at 3 per cent a year since 1990, the Government halved it to 1.5 per cent in 2009. The cap has been lowered three more times since and is now at 0.25 per cent.

And last week, Senior Minister of State for Transport Josephine Teo announced in Parliament that it is likely to go to zero per cent some time “in the future”.

With Singapore's population growing, what this means is that the percentage of car-owning households will start shrinking. In fact, the contraction has already started.

Currently, it is estimated that 44 per cent of households own cars – one percentage point lower than in 2012. And when the population grows to, say, 6.9 million, that figure could go down to 35 per cent.

That is assuming the number of cars remains constant. But there are signs that the car population has been dipping, even with an allowed 0.25 per cent growth.

Last month, there were 597,152 cars on the road, the lowest number in four years.

If and when zero growth kicks in some time “in the future”, the shrinkage might well accelerate. Then, the late Prof Chin's pronouncement in 1994 might ring true indeed.

It is not an unexpected outcome, though. Any pricing mechanism, taken to its logical end, will always mean the less well-to-do making way for the more well-to-do. And in any land-scarce city, it is also logical that the majority relies on public transport.

The question is: Why did we allow the car population to grow at 3 per cent per annum for 18 long years before deciding that it was not sustainable?

It is much harder to persuade someone who has been driving to give up his car than to convince him he does not need a car before

he went out and bought one.

So why 3 per cent? Actually, the growth rate was pegged at just below the historical growth rate of Singapore's car population in the pre-COE days before 1990.

And it was pegged well below the foreseeable growth rate that would have resulted from rising income levels.

Here's the interesting thing, though. The actual growth rate was more than 3 per cent. Be-

so serious that even motor traders publicly called for the COE supply to be cut.

Well, at first no one listened. Then, in 2008, former transport minister Raymond Lim announced that the allowable growth rate would be halved to 1.5 per cent.

The move also came on the back of a continued decline in public-transport ridership. The decline started in 2001 and, by

Here's another question: Was the system ready for that sudden and sizeable growth? Looking back, the obvious answer would be an emphatic “no”.

But the Government has been working hard since 2012 to set things right – by beefing up the bus fleet with tax revenue, and by improving the reliability and capacity of the rail network.

These plans will take time to materialise. Meanwhile, ridership growth could accelerate. The Land Transport Authority expects the number of daily public-transport trips to hit 10 million by 2020 – an additional 3.35 million, or 50 per cent, in just five more years.

By then, the operation of the Downtown Line would have been in full swing and the various measures to improve capacity on all the existing rail lines would already be in place. All the 1,000 tax-funded public buses would also have been rolled out.

They would cater to 2.5 million to three million more trips a day. Which means that in the best-case scenario – where the system is working optimally and trips across the island are evenly spread out – there would still be a shortfall of 350,000 trips a day.

Which is why we will still need cars – more cars than we have today. Some people may say bicycles and car-sharing schemes will cater to some or all of these trips, but that is too idealistic a notion.

Private cars here are used more efficiently and intensively than in

other cities, going by their inordinately high annual mileage. Car owners have a propensity for trip-chaining, thus accomplishing several mobility tasks in one journey.

It is unlikely car-sharing will be a close substitute to ownership, especially when everybody wants to travel at the same time in the same direction.

Yes, an island state like Singapore cannot rely on cars for most of its mobility needs. But until its public-transport system is ready to cope, nudging people out of their cars will just cause more unhappiness than the move would ordinarily have caused. In short, timing is everything.

There is another reason – quite removed from mobility but just as valid – why a zero car growth policy is ill-conceived: It has a huge stifling effect on ambition and aspirations – perhaps, even foreign investments. Transport Minister Lui Tuck Yew himself recognised this when he said just over three years ago that he would not adopt a zero-growth policy.

With the notable exception of Hong Kong, most other leading cities have higher car ownership than Singapore's 117 per 1,000 residents. New York City is at 230, Tokyo, 260; London, 345; and Seoul, 210.

Yet, drivers in these cities use the car less than Singapore drivers, and take buses and trains far more frequently.

Some are top earners, but many others are not. christan@sph.com.sg

Singapore cannot rely on cars for most of its mobility needs. But until its public transport system is ready to cope, nudging people out of their cars will just cause more unhappiness than the move would ordinarily have caused. In short, timing is everything.

tween 1991 and 2010, the car population grew by an average of 4 per cent per annum.

This was largely because the Government could not get the COE supply formula right and, for many years, dished out far more certificates than the number of cars taken off the road.

It came to a point where people who would normally buy a motorcycle decided to fork out a bit more for a car instead. One could get a new budget car for well under \$30,000.

The oversupply situation was

2004, ridership numbers had fallen to a seven-year low.

The blame for the turn of events – which took place despite a rising population – fell squarely on fast-growing car ownership.

And, suddenly, the tide turned. COE prices began climbing, car growth slowed and public-transport ridership began to soar (fuelled doubly by Singapore's explosive population growth).

From 2005 to last year, public-transport ridership rose by a whopping 60 per cent to 6.65 million trips a day.

Gunmen struck where Tunisia was most vulnerable

By NOAH FELDMAN

WHEN the front gate to the Tunisian national Parliament was locked, during my visits from 2012 to last year, my research associate and I discovered that we could walk around to the back gate, which was always open so that the public could access the national museum. Eventually, we realised we could even park there, no questions asked.

Unfortunately, terrorists noticed this, too – and 17 tourists were killed on Wednesday in Tunis during an attack on the Bardo, as the Parliament-museum complex is called. This loss of life is more than a blow to the Tunisian tourism industry or the newly elected government. It represents a loss of innocence for the one country that has emerged from the Arab Spring as a constitutional democracy. Tunisia will now have to admit it has a home-grown terrorist movement that wants to undermine the vibrant new institutions the country is so justly proud of having created.

I made multiple trips to Tunisia during the country's constitutional process, both to learn about democracy in action in an Arabic-speaking country and to offer such advice as a professor might give to newly minted politicians who had turned into Constitution-makers. Again and again I was struck by the openness and open-mindedness of post-revolutionary Tunisian society. The openness came with idealism – and the idealism was both well-earned and valuable. Alone among the Arab Spring countries, Tunisia managed a relatively bloodless transition that led to elections under a legitimate, democratic Constitution.

Mutual trust was very important to the success of the constitutional process. Tunisians mostly refused to engage in paranoia or radical denunciations – particularly when measured by regional standards. They insisted on believing the best about one another. Most of the time that trust was rewarded, making negotiations possible.

But a worrisome side effect of the mutual trust was a visibly relaxed attitude towards security. At the airports, I felt as though I had travelled back in time to United States airports in the innocent days before the Sept 11, 2001 attacks. Major political parties had their main offices in quiet streets in residential neighbourhoods, where cars could pull up and park immediately outside. You could meet the most important political figures in the



The National Bardo Museum in the capital of Tunisia, where 17 tourists were killed in a terrorist attack on Wednesday. The deaths represent a loss of innocence for the one country to emerge from the Arab Spring as a constitutional democracy. PHOTO: EUROPEAN PRESSPHOTO AGENCY

country without even going through a metal detector.

Nowhere was this relaxed attitude more on display than at the back entrance to the Bardo. A guard or two was posted at the car entrance. We were always waved through without a check of our papers or of our car or taxi's boot. The museum entrance was perhaps 15m from the rear entrance to the Parliament, which was generally unguarded. The front entrance, with a couple of guards and a metal detector, was perhaps a two-minute walk away – not that a terrorist would need to use it.

I do not think the lack of security was purely an expression of ideological openness. The laxness was partly an effect of genuine innocence.

Over the last few years, Tunisia saw some targeted attacks on public figures, such as leftist politician Chokri Belaid. But more indiscriminate attacks on tourists or government buildings seemed somehow unimaginable – even though it had been barely a decade since the 2002 attack on the ancient synagogue of El Ghriba on the Tunisian island of Djerba, which killed 21. In the aftermath of the largely peaceful revolution, I think, Tunisians genuinely found it difficult to imagine that their society would be riven by terrorism.

But the rise of radical forms of Salafism has not gone unnoticed. It has been widely reported that as many as 3,000 Tunisians have travelled to Syria to join the Islamic State in Iraq and Syria (ISIS). Towards the end of its time in office, the transitional coalition government led by the Islamic democrats of the Ennahda movement declared itself in a war against “jihadist terrorism”.

I have not been to the Bardo

in more than a year, since the Constitution was approved, and the security may have been improved in the meantime. In any case, the terrorists seem to have targeted tourists at the museum rather than entering the Parliament building – although maybe they had hoped to do both.

But the Tunisian government will now have to wake up and acknowledge that the enemies of constitutional democracy view the success of the Tunisian experiment as a threat to their own vision of Islamic law and governance.

There is a broader lesson here, beyond the loss of innocence. Fighters of the Al-Qaeda type like to argue that they are waging a defensive jihad against occupying non-Muslim forces. But Tunisia is an independent country. Its reform process was driven from within, by a domestic revolution. Islamic parties, including Salafis, competed in free elections. Islamic democrats won a plurality in the first round, and willingly gave up power when they lost in the post-constitutional elections for the national assembly and the presidency.

There is no credible way for Islamists to claim that the government of Tunisia is illegitimately imposed from the outside. The only claim they can make is that, like ISIS, they are prepared to kill innocents to establish a government based on religious law. This represents part of a transformation in the international Islamist movement from Al-Qaeda anti-imperialism to ISIS triumphalism. Its primary target is not the West, but the populations of Muslim-majority states. And it is they who will have to find the answer.

BLOOMBERG VIEW



Israeli Prime Minister Benjamin Netanyahu giving a speech on Wednesday at the Wailing Wall in the Old City of Jerusalem, following his party Likud's victory in Israel's general election. PHOTO: AGENCE FRANCE-PRESSE

An uneasy coalition for Israel

By ROGER COHEN

IF THE Israeli election was above all a referendum on the leadership of Prime Minister Benjamin Netanyahu, he prevailed. After accumulating nine years in office over three terms, that is a measure of his political guts, however limited his political achievements.

But his victory revealed deep divisions in Israeli society, and a long season of Israeli uncertainty now looks inevitable, despite cries of triumph from Mr Netanyahu's right-wing Likud Party.

After a bitter campaign, voters converged on the two major parties, a measure of the widespread sense that Israel's future was at stake. Mr Netanyahu seemed to have won about 30 seats, ahead of the estimated 24 seats of Mr Isaac Herzog, the leader of the centre-left Zionist Union. How a government coalition would be put together in the 120-seat Knesset and who would lead it remained an open question that is likely to take weeks of haggling to resolve.

An election of uncertain outcome has already clarified certain things. The world, and certainly the White House, may be tired of Mr Netanyahu, his fear-mongering and posturing, but his hawkish defiance and dismissal (now explicit) of a Palestinian state reflect a wide section of Israeli society that has given up on a two-state outcome and prefers its Palestinians invisible behind barriers. “Bibi, king of Israel,” went supporters' chants after the vote. He is not a monarch but he sure looms large.

“Right-wing rule is in danger. Arab voters are streaming in huge numbers to the polling stations,” Mr Netanyahu said in a video released as votes were cast. To the last, he played on fear and incendi-

ary division. It worked.

But many Israelis are tired of Mr Netanyahu's games; they embrace a different idea of Israel. That, too, became clear in this election and is of equal importance. Mr Herzog, in forming the Zionist Union with Ms Tzipi Livni, a former foreign minister, brought the moderate Israeli left back from the brink and, through the name of his movement, asserted a distinction critical to Israel's future: Only a Zionism that preserves Israel as a Jewish and democratic state, in the image of its founders, can secure the nation's long-term future.

The contrast with the Messianic Zionism of the right, with its religious-nationalist claim to all the land between the Mediterranean and the Jordan River, was clear. Mr Herzog, unlike Mr Netanyahu, is serious about the idea of two states, because the alternative is the progressive corrosion of Israel's democratic ideals as it attempts to control the lives of millions of non-voting Palestinians in the West Bank.

The phenomenon of the election was Mr Moshe Kahlon, a former Likud minister who became wildly popular in office by liberalising Israel's cellphone market and reducing customers' bills. His success in getting nine or 10 seats at the head of a new party called Kulanu (“All of us”) turned him into a possible kingmaker. It was also indicative of the frustrations of Israelis: with their successful but increasingly unequal economy, with corruption and with business as usual. Mr Kahlon has said he will wait for final results before indicating his allegiance but suggested it was a “time to unite”.

It will fall to President Reuven Rivlin to invite Mr Netanyahu to try to form a stable coalition. He

has indicated his preference for the outcome, saying “I am convinced only a unity government can prevent the rapid disintegration of Israel's democracy and new elections in the near future”. But a unity government is anathema to Mr Netanyahu and Mr Herzog, at least up to now.

Reality may, however, catch up with them. A Netanyahu-led right-wing government will face growing international isolation, especially because of the Prime Minister's open commitment to stop the emergence of a Palestinian state. Repairing relations with US President Barack Obama would be arduous. A hardening of America's position towards Israel at the United Nations cannot be ruled out if West Bank settlements continue to expand. Israelis, for all their nation's extraordinary success, know how critical the alliance with the US is; they are unhappy with the Netanyahu-Obama rift. A government of the right would more likely exacerbate than overcome that estrangement over the next few years.

For Mr Herzog, in the light of the right's strong performance, the path to a centre-left-led government looks blocked – and achieving anything with such a government even more so. He would not have the muscle to bring real change on the central challenge facing Israel in its relations with the world: the Palestinian conflict. He did well but not well enough to bring about the “post-Bibi era” that he sought.

As with Churchill's words on democracy, a national unity coalition now looks like the worst form of government for Israel, except for all the others. It could curtail Mr Netanyahu's hubris while giving Mr Herzog heft, a desirable double whammy.

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