

# Countries must stand against anti-trade sentiment: Iswaran

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## Singapore

AGAINST a backdrop of anti-globalisation rhetoric and trade tensions, like-minded nations must persevere with efforts to deepen economic connectivity and embrace free trade, Minister-in-charge of Trade Relations S Iswaran said yesterday morning.

Although the uneven distribution of gains from globalisation and technological advances has led to rising protectionist sentiment, the benefits of free trade are undeniable, he said.

"We need strong political leadership, informed by sound economic analysis, for governments to collectively choose the right path at this juncture, and to be able to persuade their people of its merits," he added, as he expressed Singapore's support for free and open markets, and the rules-based multilateral trading system.

Mr Iswaran, who is also Minister for Communications and Information, was speaking at the second annual Dentons Rodyk Dialogue, organised by the Singapore Management University's (SMU) Centre for Cross-Border Commercial Law in Asia, and law firm Dentons Rodyk.

Titled *International Trade in the Age of Brexit and Trump*, the dialogue also featured former Canadian prime minister Stephen Harper, law professor Tania Voon from the University of Melbourne, and Ho Kwon Ping, chairman of the SMU Board of Trust-

ees and executive chairman of Banyan Tree Holdings.

Mr Iswaran noted that countries large and small, developed and developing, are all beneficiaries of open and connected markets. The benefits are not just economic, but also social, cultural and strategic, he added.

Like-minded countries must therefore unite against anti-globalisation instincts, he said, citing the recently signed Comprehensive and Progressive Agreement for Trans-Pacific Partnership as an example of such solidarity.

To stay relevant, the global trade architecture must adapt to economic changes, addressing "modern trade issues" such as climate change, intellectual property, data flows and the digital economy, Mr Iswaran added.

And importantly, trade and globalisation must be complemented by domestic policies so the fruits can be equitably distributed, he concluded, citing SkillsFuture and industry transformation maps as Singapore's key moves on this front.

Mr Harper similarly stressed the need for governments to ensure and demonstrate that trade improves the lives of citizens, saying: "You must be able to explain to your people specifically how they will benefit."

On anti-globalisation sentiment, he added: "The right course is to address these challenges rather than deny that they have any merit at all."

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The potential silver lining of US President Donald Trump's hardline trade stance, he added, is that if Mr Trump does actually succeed in securing better trade deals for the US, ordinary Americans will become more supportive of trade.

Professor Voon saw Mr Trump's rise and the Brexit vote as symptoms of the current system's failure to ensure trade gains are fairly distributed.

She noted the danger that faith in multilateralism more broadly – extending beyond trade to areas such as the environment – might be eroded.

But a good sign is that there is enduring faith in the World Trade Organization's dispute settlement system, she added, with both the US and China filing complaints there even as their trade tensions continue.

Mr Ho raised the idea of shielding "geriatric industries" from competition, similar to how infant industries in developing countries were protected in earlier decades. But in the panel discussion that followed, Mr Iswaran disagreed with this proposal.

"I think fundamentally you need domestic policy," he said. The grievances of workers who are threatened by trade are real, but the right solution is to redistribute gains and help them adapt, he said.