

Chapter 5

The Anti-Corruption Argument for High Public Official Remuneration in Singapore

By Tom Theuns

Abstract

This chapter investigates the anti-corruption argument for a principle of comparability between public and private sectors determining HPO remuneration in Singapore. The analysis uses the argumentative structure of Stephen Toulmin¹ and the associated methodology of Analytic Discourse Evaluation, developed by Teun Dekker², as the primary tool of investigation. Part 1 describes the circumstances surrounding the comparably high wages in the Singaporean public sector. Part 2 reconstructs the anti-corruption argument for comparative remuneration of high public officials (HPOs) in Singapore, showing it to rest on normative Claims about fairness. Part 3 evaluates the reconstruction, focusing on the plausibility of the general Claim that a comparative salary reduces HPO corruption, on the mechanism of the principle of comparability, and on the Claim that a comparable salary is a demand of justice.

1 Introduction

Singapore is a unique metropolis island, with a short but rich history. It is a story of economic success. When Thomas Raffles, officer of the British East India Company, arrived on Singapore in 1819, the island was largely uninhabited. After initial conflict with the Dutch over trading, the Anglo-Dutch treaty of 1824 meant that the settlement of Singapore, in British hands, was there to stay. As a free trade port with no taxes, Singapore's economic importance became immense in the area, its population growing to 10,000 in

1 Stephen Toulmin, *The Uses of Argument* (Cambridge University Press, 2003)

2 Teun J. Dekker, *Paying Our High Public Officials; Evaluating the Political Justifications of Top Wages in the Public Sector* (New York: Routledge, 2013).

three years. In 1867, the British government declared the Straits Settlements – consisting of parts of modern Malaysia and Singapore – under the administration of the Colonial Office. Crown Colony status brought with it the first professional civil servants – men of imperial mindset, educated in Oxbridge, to replace tradesmen looking for a quick profit. Excepting World War II, the British Civil Service was to retain authority in Singapore until 1963. In this time, Singapore steadily grew in both population and economic importance.

In 1959, Lee Kuan Yew's People's Action Party (PAP) won a landslide election while still under British rule. As its figurehead, Lee Kuan Yew took the post of Prime Minister, one that he would hold for over three decades. The People's Action Party has been re-elected 14 times since. Its bids to stay in power have proved flexible and reactionary; political maneuvering, legislation and libel have frequently been used to silence opposition. Political dominance of the People's Action Party has been a primary characteristic of modern Singapore. The bureaucratic structure of both the party and the civil service is strictly hierarchical and dominated by what Sandhu and Wheatley have termed 'macho-meritocratic'³ principles: the selection and promotion of civil servants by performance and potential. Furthermore, what Lee Kuan Yew has referred to as "the moral strength to command respect" is seen as a vital ingredient of political leadership. This tactic has been tested by time and the PAP is as popular and dominant now as it has always been.

The popularity of the party rests on three main pillars. First, the respect commanded by its leaders results in a macho political culture. Political leadership in Singapore has been described as surrounded by "an aura of special awe"; meritocratic successes are combined with "the articulate English-debating style... the confidence of the Chinese mandarin and the raw energy and wit of the street-smart, local Chinese trader".⁴ The leadership is reified by the general public to an almost untouchable position. Those who have public sector career ambitions must find their place inside the party, which is indistinguishable from the government. Second, law and order policies aimed at limiting and silencing opposition have proven effective. For example, the law requiring permits for public speaking have often been used to arrest and fine opposition politicians and the practice of suing for libel damages has often been used to quash dissent. Excessive fines are especially effective against political opposition, as bankrupt individuals cannot hold political office in Singapore. The third pillar is more benign: continued economic growth has limited discontent and dissent, most citizens being satisfied with their increasing prosperity.

3 Kernal Singh Sandhu and Paul Wheatley, *Management of success: The Moulding of Modern Singapore*, (Singapore: Institute of Southeast Asian Studies, 1989).

4 Ibid.

In the two decades after sovereign independence in 1965⁵ Singapore did not only make a massive increase in (real) Gross Domestic Product but also shifted its economy from commerce to a more varied spread including much larger manufacturing and financial service industries.⁶ Currently, Singapore is one of the richest countries in the world measured by per capita GDP (Purchasing Power Parity). The United Nations Development Programme's most recent Human Development Index (2013) ranked Singapore 19th worldwide, placing it in the list of countries with "Very High Human Development".

Public Sector Remuneration

The three pillars of respect of the political leadership, repression of dissent through law and order and high economic growth and development result in a limited debate on all critical political issues including public sector remuneration. The civil service in Singapore is one of the best paid in the world and, as Quah points out, it is difficult to distinguish between "motive and opportunity"⁷ in the salary raises of civil servants and HPOs. Nevertheless, two central arguments can be identified in Singaporean political discourse. The first holds that comparatively high salaries combat corruption, and the second argument holds that high salaries reward merit.

Combating corruption has always been a central argument in the high rewards of the Singaporean Civil Service. To trace the genealogy of this idea, it is necessary to examine the colonial administration. When the People's Action Party came into office in 1959, they found an ineffective British colonial administration "afflicted by corruption".⁸ High inflation and chronically low wages (except for the very top) resulted in a bureaucracy that was utterly corruptible. Lee Kuan Yew believed that higher salaries were an essential component to combating corruption even before he came into power: As described by Milne and Mauzy, "since the mid-1950's, when Lee Kuan Yew was in the opposition, he favored paying top salaries to political office-holders and civil servants".⁹ This attitude continued throughout Lee Kuan Yew's political career, echoed in a 1985 Straits Times

5 Singapore became independent from Britain in 1963, joining Malaysia. In 1965 it became independent from Malaysia.

6 Sandhu and Wheatley, *Management*, 206.

7 Jon Quah, "Paying for the 'Best and Brightest': Rewards for High Public Office in Singapore", in *Reward for High Public Office: Asian and Pacific Rim States*, ed. Christopher Hood et al. (London: Routledge, 2003), 149.

8 Jon Quah, "Public Administration in Singapore: Maximizing Efficiency and Minimizing Corruption", in *Ideenimport: Experten aus aller Welt geben Impulse*, ed. Klaus Topfer and Herbert Bodner (Stuttgart: Schaffer-Poeschel Verlag für Wirtschaft, 2007), 201.

9 R.S. Milne and Diane Mauzy, *Singapore Politics Under the People's Action Party* (London: Routledge, 2002), 61.

article thus: “pay political leaders the top salaries that they deserve and get honest, clean government –or underpay them and risk the Third World disease of corruption”.¹⁰ He was perhaps even more unambiguous when he said in Parliament “I am one of the best paid and probably one of the poorest of the Third World Prime Ministers.”¹¹ Singapore, in his eyes, could not afford to pay its officials a pittance.

The Singapore government however was not in a position to significantly increase wages in the public sector until the 1970s, before which the economy was still immature and the coffers tight. Thus, in order to deal with corruption anyway, new legislation as introduced in 1960. That year, the Prevention of Corruption Act replaced the 1937 Prevention of Corruption Ordinance and extended anti-corruption investigative powers to include the arrest, search, and bank account monitoring of civil servants suspected of corruption.

The other argument for high salaries – the meritocracy argument – also has roots in Singapore’s colonial history. Prior to independence, a colonial and imperial attitude on the part of British colonial administrators resulted in an uneven playing field for Singaporeans of local descent. The newly independent government needed a healthy relationship with the civil bureaucracy to implement reforms and maintain their, initially flimsy, hold on power. As David Chew writes of the public bureaucracy in 1959: “they were both hostile to and afraid of the PAP”.¹² It was decided that the best way to change the mentality amongst public officials was to change those officials. Through a meritocratic policy, more Chinese educated administrators were selected. Similarly, a meritocratic logic could displace automatic promotion with the fast-track promotion of high performers. Further it provided a clear rationale for getting rid of incompetent or corrupt (i.e. old regime\British) officials.

Meritocracy, labeled elitism by critics, remains a foremost policy of the Singapore government, and is the “primary reason”¹³ for the high levels of public sector remuneration. In the ‘Corporate Book’ of the Singapore Public Service, a chapter entitled ‘Developing a First Class Public Service’ illustrates this. It explains, “Staff are recruited on the basis of meritocracy and open competition. Remuneration is fair and competitive, with a strong link between pay and performance.”¹⁴ Meritocracy alone can never justify high salaries though; to justify this

10 “Pay Well or We Pay for it”, *Straits Times*, March 23, 1985, 1.

11 Quoted in Quah, *Paying*, 156.

12 David Chew, “Economic Restructuring and Flexible Civil Service Pay in Singapore”, in *Public Sector Pay and Adjustment*, ed. Christopher Colclough (London: Routledge, 1997).

13 Milne and Mauzy, *Singapore*, 7.

14 Government of Singapore, *The Singapore Public Service: Developing a First Class Public Service*, accessed September 21, 2013, <http://app.psd.gov.sg/Data/Corporatebook/developfirstclass.html>

it needs to be combined with competition, and the selection of the best candidates. Labor competition is thus the final ingredient in the policy of HPO remuneration. Singapore has a unique characteristic regionally; being small and contained, it reached the saturation point of its labor-intensive low value markets much earlier than its neighbors did. Further, its size and history as a free trading harbor limited Singapore's competitive edge over regional low-wage countries. To ensure economic growth could continue, a transition had to be made to high-tech capital-intensive operations.¹⁵ Further, to ensure a stratified and competitive labor market, top-bottom pay differentials were widened in times of economic uncertainty. These human resources strategies, atypical of a developing nation, were central to Singapore developing a relatively small, increasingly efficient and competitive civil service, with a very well paid leadership.

A high reward for successful public 'service' is thus considered in Singapore the right choice for both intrinsic (justice-based) and extrinsic (pragmatic) reasons. The pragmatic moral lies in the anti-corruption element and paying for the 'best and brightest'. The intrinsic, or justice-based element is just as significant. As the above quote shows, Lee Kuan Yew believes the political top deserved top salaries. This is an essentially cultural attitude. Where the British tradition of political remuneration finds its lineage in the aristocratic attitude that men free from "the taint of sordid greed" should hold public office,¹⁶ modern Singapore defines itself by economic success and growth. It would have been strange for a country founded on the principles of free trade and open competition to exclude political offices and civil servants from a 'fair' reward for hard work well done.

To conclude, as an anti-corruption measure, a competitive measure to attract good candidates in a limited market, and a manifestation of the Singaporean conception of desert, a series of pay rises for the public service began in 1972 and continued in the years 1973, 1979, 1981, 1986 and 1989. The pay raises were defended both in terms of defending high public office (and the civil service) from a 'brain drain' toward the private sector, and, in terms attracting the best individuals to public office, the latter being emphasized more as time went by. It was argued that for high public office and the civil service to remain competitive in a growth economy with a limited labor market, salaries had to be comparable with those offered in other comparable career paths. Of course, this principle of comparability with the private sector were defended internally through a combination of labor competition and other pragmatic considerations, but, as Mauzy and Milne state,

¹⁵ Chew, *Civil*, 31.

¹⁶ Lord Salisbury, British politician, quoted in Barbara Tuchman, *The Proud Tower* (New York: Ballantine Books, 1962), 14.

the high salaries “clashed with popular perceptions both of propriety and equity”¹⁷, and thus could not be defended merely on idealistic grounds.

The 1994 salary hike for Singaporean HPOs was different from those preceding it. Comparability to the private sector was formalized to avoid a continuous ‘reinvention of the wheel’ when economic growth resulted in higher private sector wages and a civil service lagging behind. The 1994 White Paper *Competitive Salaries for Competent and Honest Government*¹⁸ created benchmarks for public and civil office, with yearly reviews. Salaries were thus made automatically responsive to changes in the economy. The calculation for the top salaries is as follows: “an Administrative Officer in Staff Grade I is pegged to two thirds of the salary of the 24th highest earner (median) among a group comprising the top 8 earners from the 6 professions”¹⁹. Cabinet positions and other HPOs receive a pre-determined ratio of that benchmark. ‘The six professions’ that were deemed ‘comparable’ were those that it was considered a well educated individual with high potential could undertake an alternative careers in: banking, law, accountancy, engineering, multi-national corporations and local manufacturing. Thus, anti-corruption, meritocracy, and labor competition grounds for high pay in the public sector were formally aligned to a principle of comparability with the 1994 salary overhaul. Since 1994, all the changes in the salaries of top civil servants and public office holders have been to adjust their salaries toward the benchmark. This has usually, but not exclusively, been an upward adjustment²⁰.

17 Milne and Mauzy, *Singapore*, 60.

18 Prime Minister’s Office, *Competitive Salaries for Competent and Honest Government: Benchmarks for Ministers and Senior Public Officers* (Singapore: Prime Minister’s Office, 1994).

19 Parliament of Singapore, *Ministerial Statement on Civil Service Salary Revisions* (Singapore, Parliament of Singapore, 2007), annex 1.

20 An example of the contrary followed the 1997 financial crisis in Asia, where Staff Grade I salaries were reduced by 7%.

2 Reconstructing the Anti-Corruption Argument

“Pay political leaders the top salaries they deserve and get honest, clear government – or underpay them and risk the Third World disease of corruption”²¹

Singaporean political and civic discourse on the anti-corruption argument treats corruption mainly as a public sector economic phenomenon. Therefore, in the context of the anti-corruption argument, I use corruption to mean ‘the abuse of entrusted power by public officials for private economic gain’. The Claim of the anti-corruption argument for the principle of comparative remuneration is that: ‘Singaporean HPOs should be paid a comparable salary to those employed in the private sector at a comparable hierarchical position’.

The Claim is most simply described in the 1994 White Paper on Competitive Salaries for Competent and Honest Government.²² The paper simply lays out the exact mechanisms whereby HPOs of various levels are to be paid through benchmarks with private sector Singaporeans, namely, the benchmarks described in part 1. This policy has been defended many times by PAP politicians. In one typical parliamentary debate before an upward salary revision in 2007, Minister Teo Chee Hean stated: “our policy is to pay public officers competitive salaries, salaries that are commensurate with private sector earnings.”²³ The logic of the anti-corruption argument functions as the Data in our restructuring of the argument: the Data must be something like: ‘corrupt HPOs are bad’, or, more specifically, ‘Singaporeans do not want their HPOs to be corrupt’.

The Data that: ‘Singaporeans do not want their HPOs to be corrupt’ is supported by many Verifiers. The government makes a clear statement, also of priority in this regard, with the first point of the mission statement of the Public Service Division: “Shaping a capable, forward-looking and effective Public Service, based on incorruptibility”²⁴ (my emphasis), and their motto: ‘Integrity, Service, Excellence’. In the Straits Times, Singapore’s foremost newspaper, many articles have been written regarding anti-corruption and letters to the editor have also featured prominently. In one such example, reader K. Kalidas wrote: “Probity, integrity and incorruptibility are the hallmark of our ministers. Some of them are worth their weight in gold.”²⁵

21 Lee Kuan Yew, quoted in Quah, *Public*, 201.

22 Prime Minister’s Office, *Competitive*.

23 Parliament of Singapore, *Parliamentary Debates of Singapore Official Report*, vol. 38, no. 11 (Singapore, Parliament of Singapore, 2007), column 53.

24 Government of Singapore, “The Singapore Public Service: Where People Matter”, accessed September 21, 2013, <http://app.psd.gov.sg/Data/Corporatebook/wherepeoplematter.html>

25 “Letters to the Editor”, *Straits Times*, March 28, 2007.

The Claim and the Data of the anti-corruption argument can be identified plainly, but it is the Warrant that is more interesting. As a normative and empirical demand, the Data can be contested on principle, (one can disagree on whether corrupt officials are bad) but not on fact. It is the Warrant that is the vital link. If there is no link between pay and corruption then the Claim is unfounded. The Warrant for the argument must be, roughly, 'paying HPOs less than a comparative salary results in corrupt HPOs'.

The Warrant features in both the public and the political discourse. One can identify it for instance in a letter in the government owned newspaper TODAY by Dr Anne Chong Su Yan: "It is true that one of the reasons why Singapore's civil service is free of corruption is the high pay enjoyed by top civil servants and ministers. However, a balance must be struck between paying enough and paying too much."²⁶ In one parliamentary debate MP Josephine Teo implies the Warrant clearly when she said, "we have instituted the payment of competitive salaries, thus removing the need for corruption."²⁷ Of course, this point is not without contention and the little political opposition to the PAP government has often challenged the comparative pay policy. In the same debate that MP Teo commented on, Mr. Low Thia Khiang, MP for the Workers Party and currently one of nine opposition members in the Singaporean parliament put it this way in the debate:

Based on the corruption perception index and global competitiveness index, Singapore ranked below Finland and Denmark in 2005 and 2006... the 2006 United Nations' report listed that the lowest monthly civil service salary in Finland was 1,200 Euros, while the average was 2,600 Euros for all wage earners. Even if the purchasing power parity is taken into account, it is highly likely that our civil servants here have a much better deal. Based on such evidence, we believe that there is no need for enormously large salaries to attract and retain the right talent to run a country in an efficient and corrupt-free manner.

With the Warrant made explicit, some the stress-points of the argument become clear. It is not obvious – indeed it seems unlikely – that the corruption salary threshold lies exactly at the private sector salary benchmark. Firstly, the comparative aspect of salaries must be hypothetical as there is no clearly defined salary structure in the private sector with which to compare a HPOs' wage. Second, an absolute threshold, even if flexible to

26 Anne Chong Su Yan, *Today*, March 30, 2007.

27 Parliament of Singapore, *Parliamentary Debates*, column 53.

private sector pay and economic performance such as the benchmarks in Singapore, does not account for individual variance. Some particularly corruptible individual may give in to the bribe temptation regardless of the level of his salary. Perhaps, if we assume that the primary motivator for accepting a bribe is the material benefit it presents, then it can be assumed that if the salary is set 'high enough', few bribes would be tempting for their material benefit. Still, why should we suppose that this level is that set by the principle of comparability?

The above criticism seems a little nit-picky. Obviously, the Warrant of the argument of anti-corruption need not hold for pathological master corruptors; it does not require absolute causal certainty. Indeed, the Toulmin model of argument analysis does not demand it. The modal qualifier allows us to test the Warrant to a more reasonable standard. It is enough, then, to ask whether 'HPOs are unlikely to become corrupt if paid a comparable salary'. However, this does not entirely solve the dilemma in the abstract. If, hypothetically, private sector pay is extremely low, could we not conceive of the average high public official being tempted with a bribe even if paid a comparative salary?

It seems that the Singaporean argument against corruption is misleading in that it claims to support a principle of comparability while in fact justifying an absolute level of HPO remuneration (i.e. 'pay HPOs 'well' or risk corruption'). The crux of the problem is that the purely monetary motive for corruption cannot be reduced by an arbitrary principle comparing different sectors of the labor market. Rather, the salary of officials must be sufficient to prevent officials from being tempted by bribes. However, a rigid approach to setting the sufficiency threshold is not enough. If the pay of HPOs is assessed at t_1 , and a salary is proposed that is deemed sufficient to allay the temptation of corrupt practices, there is no logical reason that that salary is still sufficient to that end, at t_2 . This problem could be avoided with the following formulation of the Claim: 'Singaporean HPOs should be paid a salary sufficient to adequately minimize the risk of fiscally motivated corruption'. Clearly though, this formulation departs from an argument defending the Singaporean system of comparative pay.

All is not lost however, when we recognize that there may be a link between "a salary sufficient to adequately minimize the risk of fiscally motivated corruption" and the principle of comparison with the private sector. This introduces a concept of fairness – that a comparative salary is likely to be perceived as fair – and a theory of corruption: that people paid fairly are unlikely to engage in corrupt practices. The Warrant 'paying HPOs less than a comparative salary results in corrupt HPOs' thus also functions as a second Claim. The Data to the Warrant (Warrant\Data) holding that 'a salary less than comparative to the private sector is unfair', and its Warrant (Warrant\Warrant) being the

idea that 'paying a salary perceived as fair is sufficient to minimize the risk of corruption among HPOs'.

This Warrant (Warrant\Warrant) is of course an empirical Claim in its own right. As such, it warrants some attention – it is interesting to test it to plausibility – but to some degree functions as a termination of this thread of analysis. Political philosophy will not aid further here. The interesting point of argument at this level is of course the Data (Warrant\Data) to the Warrant. This holds that 'a salary less than comparative to the private sector is unfair'. This implicit Claim is normative, and it is the vital 'second level' of analysis, whose accuracy determines the relevance of the anti-corruption argument as a whole. We are of course asking about fairness from an embedded, culturally contingent perspective. It is not important that the Data (Warrant\Data) holds up to a universal\platonic standard of 'fairness'; it is important that it is coherent from the perspective of Singaporean work culture.

It is clear that the Data (Warrant\Data) I have proposed is a Claim in its own right. I have argued that a concept of fairness has to be key here to avoid the 'individual variance' and 'hypothetically comparative' problems. The Backing therefore rests on an understanding of corruption that treats it as arising primarily as a symptom of discontent fed by perceived 'unfair' treatment. On this understanding, for HPOs to deviate from the accepted (uncorrupt) standard of action, they must feel aggrieved. This logic allows us to disregard those exceptionally corruptible or greedy HPOs (the exceptions to the general rule) or those exceptionally needy HPOs²⁸ (who would need to cheat to meet their needs) both of who would not be moved by a principle of comparative pay anyway.

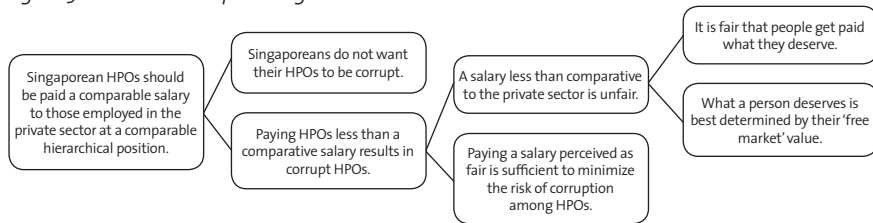
Removing then purely material and pathological motivation, just psychological motives remain. Psychological motives for acting outside of the morally expected norms can be considered well using the split categories that the theoretical discussion of ethnic conflict has popularized, most prominently by economist and political scientist Paul Collier. The grievance vs. greed debate in that field accurately sums the scope of psychological motivators for actions outside of the morally expected norm typified by emotions of envy, jealousy, anger, revenge and injustice. While a theory of corruption must acknowledge elements of greed and grievance, human resources mechanisms against corruption understandably focus on the grievance factors. This is because greed motivated crimes are (perhaps mistakenly) seen as constants to be addressed by punitive measures. Essentially, the argument for comparative salaries as 'corruption minimizing' compares two hypothetical situation where the greed motivations are equal.

28 Serious material need as a reason for corruption is rare in countries such as Singapore, where officials are paid more than the median wage and the cost of living is not excessive.

As described in part 1, Singapore introduced sweeping judicial reforms to further criminalize bribery and other corruption crimes post-independence. Singapore is one of few countries where the mere failure to justify property or wealth for a senior minister is sufficient reason for prosecution, without conclusive evidence as to corruption²⁹. Many of the arguments at the time of many of these reforms claimed that increased criminalization was one of two required prongs of attack against corrupt practice, the other being fair remuneration. This recognizes the combined motivations of greed and grievance for corruption. The first prong having been dealt with in the 1960s explains why contemporary political discourse in favor of comparative salaries as tools against corruption focuses on normative conceptions of fair remuneration. The Data (Warrant\Data), 'a salary less than comparative to the private sector is unfair', is thus linked to the Warrant of the Warrant (Warrant\Warrant), 'paying a salary perceived as fair is sufficient to minimize the risk of corruption among HPOs', and its logical complement 'when HPOs are paid unfairly, they are likely to become corrupt'. More generally: 'when people are treated unfairly, they are (more) likely to become corrupt'.

Returning to Toulmin, the normative Claim that 'a salary less than comparative to the private sector is unfair' (Warrant\Data) is modeled in the following way. The Data of that Claim (or rather, the Data of the Data of the Warrant: Warrant\Data\Data) comprises a desert-base, namely that 'it is fair that people get paid what they deserve'. This Data (Warrant\Data\Data) seems a little tautological, but its import comes (as it often does) from the Warrant of the Data of the Warrant (Warrant\Data\Warrant) that links it to the Data of the Warrant (Warrant\Data), which holds that 'what a person deserves is best determined by their 'free market' value'. Because of the reasons discussed above, only a Warrant linking the normative concept of 'fairness' to the principle instituting an economic mechanism of comparability in public and private sector pay can suffice to buttress the Claims made in Singapore regarding anti-corruption as a reason for instituting that principle.

Figure 5.1 The Anti-corruption Argument



29 Seung-Hun Chun, *Upgrading Civil Service: How to Deal with High Job Turnover and Corruption in Civil Service* (Korea Institute of Public Finance, 2005), 6.

3 Evaluating the Anti-Corruption Argument

Three elements of the anti-corruption argument deserve to be examined closely. First, the Warrant of the Warrant (Warrant\Warrant) holds that ‘paying a salary perceived as fair is sufficient to minimize the risk of corruption among HPOs’. Is this true? Of course, a theoretical paper such as this one cannot hope to answer such a question. Still, we may reasonably ask: is this plausible? Second, the third level Data (Warrant\Data\Data) holds that, ‘what a person deserves is best determined by their ‘free market’ value’. As our philosophical purpose is reconstruction and evaluation, not propagating a theory of justice, finding a definitive Backing to this Warrant is not appropriate. Still, even without relying on a thick theory of justice it may be possible to identify practical or theoretical points that reflect on the merits and demerits of Singapore’s system of remuneration. The third element of evaluation, while heeding the above warning against an overly normative approach, nevertheless attempts to get to grips with the second level Data (the Data of the Warrant: Warrant\Data): ‘a salary less than comparative to the private sector is unfair’. I will seek to present a version of this argument that may seem more attractive\intuitive than this formulation in an attempt to put it in its best light.

It seems that the basic empirical assumptions (captured by Warrant\Warrant) of the anti-corruption argument are supported by the facts; Singapore has one of the least corrupt civil services in the world. The yearly ranking of countries by corruption perception (by NGO Transparency International) Singapore was ranked in joint third place with Sweden worldwide. This is a unique result in a region afflicted by ‘corruption perception’. It should be mentioned however, that in the 1960s Singapore tackled corruption through legislation, as it could not afford paying civil servants well. It should therefore be examined if Singapore was able to tackle the corruption problem in this way, rendering this Backing against corruption through the principle of comparability argument void. Further, it is also important to reiterate the level of transformation from the inefficient and corrupt civil service of the colonial administration. Cheung writes that the colonial administration of 1959 was, “afflicted by corruption”³⁰. To orchestrate such a u-turn required radical change, and the level of salaries paid to Singaporean civil servants is certainly considered radical by some.

The basic reasoning of the logic is a simple principle: in civil service, you get what you pay for.³¹ However, opponents of comparative pay frequently identify this point as

30 Anthony Cheung and Ian Scott, *Governance and Public Sector Reform in Asia: Paradigm Shifts or Business as Usual?* (London: Routledge, 2003), 152.

31 An amusing version of this principle cropped up in my empirical research from time to time: ‘if you pay peanuts, you get monkeys’. This idiom has been attributed to James Goldsmith.

weak. One question posed by opposition MP Low in the parliamentary debate discussed above asks why officials in Denmark and Switzerland are not corrupt, considering their comparatively low remuneration³². This is but another reason to insist that the correlation between low corruption and high HPO remuneration is not conclusive evidence for the argument from comparative pay. Still, the evidence forming the causal accuracy of this Claim is an important avenue for further research. To be sure of the relation between corruption and pay other contingent parameters (such as for example the fact that many pre-independence civil servants were working far from home) should be explored, and international comparative study is Warranted.

I have argued that the norm arising from the theory of corruption is the Warrant of the second level of analysis of the argument from anti-corruption and the crux of the sub-argument from fairness. Up to now, the 'field evidence' supporting my formulations of the various parts of this analysis has been fairly uncontroversial. As the normative foundation to the theory of corruption I present is more complex. What can the fairness Claim (Warrant\Data) yield under closer examination? The working definition of the Warrant of the third level of analysis (Warrant\Data\Warrant) joins the Data to the Warrant (Warrant\Data) that, 'a salary less than comparative to the private sector is unfair' to the Data of the third level (Warrant\Data\Data) that, 'it is fair that people get paid what they deserve'. This Warrant (Warrant\Data\Warrant) thus holds that 'what a person deserves is best determined by their free market value'. Evaluating this belongs properly to analysis rather than reconstruction, because we have reached a point where the discourse can provide few handholds.

The first question that arises when we look at the third level Warrant (Warrant\Data\Warrant) is: how should we think of the 'free market value' of a person not operating in the free market? After all, if it is not possible to calculate the free market value of a public servant, then it is difficult practically to determine their proper remuneration on the principle of fairness that we have described. One aspect of the 'free market' that dominates the discourse in Singapore is 'meritocratic' selection and promotion. The general idea is that, like in private enterprise, public service employees ought to be hired, advanced (and remunerated) based on their merit. Conversely one presumes, the same argument supports the idea that poorly performing civil servants ought, on the principle of meritocracy, to have their career progression halted or even have their employment terminated. The most immediate problem with the third level Warrant (Warrant\Data\

32 Parliament of Singapore, *Parliamentary Debates*, column 53.

Warrant) is, then, the difficulty of determining what the free market value of an individual employed in the public sector is.

Singapore offered a mechanism to institute the principle of comparability (of public vs. private sector remuneration) for its top HPOs in the 1994 White Paper. Top HPOs, it was assumed (partly because of 'meritocratic' hiring policies), could have pursued top careers in other sectors of the economy. What better way to determine their free market value than by paying them an average of the top earners in those sectors? That way – it was reasoned – top HPOs would not be disadvantaged by choosing to work in public service. Singapore chose six industries as 'comparable', but a problem with the principle of comparability is that we lack a clear basis of comparing for private and public sectors positions.

In order practically to set a 'comparative wage', a standard or standard position in the private sector hierarchy must be chosen. However, what cannot be avoided is the fact that the public and private sector operate on different 'logics'. What counts as success in the private sector are usually not the same desiderata as what counts as success in the public sector. In the private sector, remuneration is offered to pay for added economic value, or expected added value, while in the public sector profitability is very rarely the primary concern. The problem is obvious when we consider the nature of a 'value-added' calculation. For piecework, as a starting point, added value is simple to calculate. Each unit of production, service or otherwise, has a piece or unit value higher than the value of the product before the work is commenced. The remuneration thus compensates the work on a basis of a simple formula: number of units multiplied by (added value of final product minus profit). The problem with more complex, less mechanical positions is that the final value of a given product or service is attributed to a host of arbitrary and non-arbitrary factors. In the private sector this problem can be overcome by looking at the general impact that an employee (or, more importantly, an executive) has on the company, measured by profitability of the company as a whole, or the success of specific relevant branches of the business in question. Regardless, it is clear that in the public sector such a monetary standard cannot be set, as the role of government is not primarily that of a profit-making enterprise.

Singapore has chosen ratios of the top echelon of the relevant (comparable) private sector top earners as the basis for their comparison mechanism for paying HPOs. However, the aggregate incomes of top performers in the private sector fluctuate with the economic performance as a whole. Surely general macro-economic performance cannot function as the measure of success for all HPO positions? This is the core problem with Singapore's mechanism.

Even if the idea that the government and its ministers are responsible as a whole for general economic progress is held as defensible, the argument remains problematic. In

Singapore it has been claimed that fluctuating a portion of HPOs pay to the economy (as the principle of comparability generally does, albeit less forcefully than GDP or a non top-heavy average) strengthens the ties of the ministers to the country, as in economic crises, the ministers also receive a pay decrease. However, this cannot relay work in practice, because though most private sector company executives receive less pay in an economic downturn, the top aggregate of the top earners (the calculation of which is how Singapore sets its benchmark) is necessarily weighted toward the upper end of the scale. If there are some industries profiting from the downturn, or even some that are hit less hard by the unfavorable economic climate, then the overall negative effect is cushioned for those ministers paid by the comparative mechanisms. This point about downturns just puts into focus a more general problem with Singapore's mechanism of comparability. While the 6-member 'industry set' remains constant, the actual set of the members of the private sector changes on a yearly basis. As the average is taken from the absolute top positions yearly and not a comparative cohort of individuals, the trend is one of unwarranted upward mobility for HPO pay.

The element of the anti-corruption argument that remains to be scrutinized is the Data to the Warrant (Warrant\Data): 'a salary less than comparative to the private sector is unfair' from the perspective of fairness. This is the most problematic in terms of analysis as it is difficult to formulate an argument from fairness that does not rely from the outset on some normative assumptions. Of course, normative elements of an evaluation can be defended through argument, but the risk remains that we deviate too far from the task at hand: an evaluation of actual, 'real world' discourse. It is not appropriate to attempt some brilliant deconstruction assessing the philosophical conception of fairness to demonstrate conclusively the cogency or validity of the arguments advanced in Singapore's remunerative policy. Further, the 'fairness' debate in Singapore, though limited, does take place between opposing moral positions. The political discourse on these differences in relation to public pay sadly does not live up to an engagement with the nature of the ideas of the other. Instead, when discussing differing conceptions of 'fairness' in relation to the salary of HPOs, it seems that Singaporean parliamentarians and other participants in the debate are more involved in a mutual (though unbalanced) presentation of differences wrapped in impressive rhetoric. It would therefore be dishonest to say that the normative claim that free market remuneration is 'fair' is a generally accepted social fact arising from Singapore's unique political culture.

Of course, any formulation of the argument from fairness rests primarily on intuitions regarding the question: What is fair? The inference that the Data to the Warrant (Warrant\Data) is controversial and depends to some degree on personal intuitions is not

groundbreaking. To attempt a more meaningful analysis, and to avoid the thankless task of attempting to piece together a Verifier for the Data that does not really exist in the discourse in order then to assess its validity, requires putting forward the best version of the Data to the Warrant (Warrant\Data) possible. I must stress that I have not come across the following argument in either the political debate or other sources, but present it as a possible foundation for the Data to the Warrant (Warrant\Data) (and therefore a possible interpretation of the third level Warrant (Warrant\Data\Warrant), the ‘free market’ desert-Claim). Earlier in the chapter I presented some practical concerns regarding the principle of comparability. Here I attempt to show that perhaps, from the perspective of fairness, apples and oranges (i.e. public and private sector jobs) are maybe not so different after all.

There are many situations in recent memory when differences between people have been used to discriminate between the treatment of the one or the other. All of the characteristics that may serve to identify people, or to categorize them, have been abused by the powerful at one point or the other. Race, gender, nationality, sexual orientation and religion are prominent examples of such characteristics. One form of discrimination is monetary, namely, paying one individual less than another for the same work because of their belonging to a discriminated group. Indeed, the cry ‘equal pay for equal work’ has been a standard-bearer for many in rights movements – most characteristically the women’s rights movement, where differentiated pay is so easy to identify and so hard to justify. On my view, the underlying feeling of this demand, that ‘it is a demand of justice to pay women the same wage as men for the same work’, or indeed the general version that ‘people ought not to be arbitrarily discriminated against by being paid differently than others for equal work’ satisfied most moral intuitions.³³

In the United States, to take a specific example, agitation for legislation enforcing equal pay for women led to the Equal Pay Act (1963). This Act held that “equal work... the performance of which requires equal skill, effort and responsibility”³⁴ should be rewarded equally for men and women. It is using these three conditions then, that I suggest an attempt to defend the principle of comparability between the public and private sector should be made. The onus can thus be shifted from demonstrating that public servants

33 This general normative principle I claim is fairly uncontroversial; it does not imply however that ‘the state’ ought to intervene where the principle is violated. This is of course a much more disputed aspect. Attempts at being clear about what ‘arbitrary’ means are similarly bound to entangle the principle in a mire of contention.

34 U.S Equal Employment Opportunity Commission, *Equal Pay Act*, accessed September 21, 2013, <http://www.eeoc.gov/laws/statutes/epa.cfm>.

deserve equal pay to their private sector peers to detailing why, when the skill, effort and responsibility a public sector employee may use in their work is equal to that required of a private sector employee, their salaries should be different.

The underlying thought of this approach is that there are no relevant differences, considering the requisites of equal skill, effort and responsibility, between private and public sector positions of comparable position, to warrant a different pay level. This does not however solve the problem, even purely from a level of value (earlier points in this evaluation demonstrating that there are many other difficulties of practical and theoretical nature). After all, what the argument may secure is that there should not be an arbitrary difference in the pay of public and private sector employees – it does nothing to ensure that the benchmark for comparison should be the private sector. To relate this to our example: while it may be the case that men and women ought not to be remunerated differently for arbitrary reasons, it does not follow that women's pay should be increased; it may be that men are paid more than their just deserts, and that rectification ought to decrease their pay.

There are also two more fundamental problems. Firstly, it is very difficult to ascertain whether in fact public and private sector employees require for their jobs the same levels of skill, effort and responsibility. This problem is exasperated when one attempts to formulate any exact mechanism for comparing these aspects. Second, it is very difficult to determine what the right scope of comparison would be between public and private sector reward. While for the private sector it may seem appropriate to use such a stunted tool as dollars and cents (although anyone who has passed up a higher paying job can tell you why it is incomplete), it is common and intuitive to suppose that some people are motivated to work in the public sector for other reasons; public spiritedness, community, and service all seem desiderata of public servants, where they may not apply (as well) to for-profit industry.

4 Conclusion

Using the tools of Analytic Discourse Evaluation, and the work of philosopher Stephen Toulmin on the structure of argument, this chapter has sought to reconstruct and evaluate a central argument in the political discourse in Singapore justifying a principle of comparability between the public and the private sector for top public officials.

From the reconstruction of the arguments made by political actors in Singapore, the Claim, that 'Singaporean HPOs should be paid a comparable salary to those employed in the private sector at a comparable hierarchical position', was shown to rest on the idea that paying HPOs less than comparative salaries fuels corruption in the civil service. That

idea, in turn, was linked to the notion of 'fairness' by applying general assumptions of Collier's greed vs. grievance paradigm in thinking about ethnic conflict. The success of the anti-corruption argument for comparative salaries of HPOs was thus shown to be dependent on the normative notion that a comparative salary was fair. People treated unfairly, it was supposed, are more likely to become corrupt once purely economic reasons are removed from the equation.

There were three aspects to take from the reconstruction phase to the evaluation phase. Firstly, it was important to ask whether the general assumptions about corruptibility and fairness that were drawn from Collier are plausible. While a theoretical project such as this one cannot provide a definitive answer to such empirical questions, certain elements deserved to be treated. After all, if Singapore proved to be a country afflicted with corruption (it is not) then the ideas justifying comparative pay to combat corruption may seem a priori vulnerable. This of course proved not to be the case. Further (empirical) work may seek to relate cause and effect more satisfactorily in order to test the affectivity of Singapore's anti-corruption strategy.

Second, evaluating the third level Warrant (Warrant\Data\Warrant: that, 'what a person deserves is best determined by their 'free market' value') put some pressure on the principle of comparability that Singaporean HPO remuneration uses. One of the problems that arose was that different 'logics' might operate in the private and public sectors. Thus, an individual well suited for private sector employment may not be equally high performing in the public sector, and vice versa. Further, the mechanism that Singapore uses to calculate comparability was shown to be flawed in that it tied HPOs to particular ranks in the private sector, rather than a particular cohort of people. The result is that HPO pay is upwardly mobile no matter what the state of the economy of the six 'comparable' industries.

Third, in searching for Backing to support the Data of the Warrant (Warrant\Data: that, 'a salary less than comparative to the private sector is unfair'), this chapter offered an argument relying on the intuitively appealing notion of 'equal work for equal pay'. This turned the tables in the process of justification, asking what could justify arbitrary pay differentials between public and private sector workers. However, the Backing to the Data of the Warrant (Warrant\Data\Backing) could not be determined definitively. Testing out the boundaries of this argument raised new problems: why would it result (in theory) in a demand for public sector workers pay to be raised, rather than a demand for private sector pay to be lowered? Further, to use a common idiom, maybe there really is a difference between apples and oranges in this case. After all, public service is commonly said to be its own reward. While this may not be true entirely, is there nothing of public service that provides public servants with a feeling of worthiness and satisfaction apart from their wage slip? That may be too grim a conclusion.