

Uncertain conditions can breed innovative businesses, where risk-taking educators nurture flexible students.

Creating 'bamboo innovators' in S'pore

By **KEE KOON BOON**
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“CAN my kid watch how you milk cows?”
 “Can my kid see how you print the newspaper?”

These were questions asked by Israeli inventor and entrepreneur Gil Shwed's mother when she took him on educational "adventure trips" when he was young, exposing him to a dairy farm, a printing house, and his father's office in 1972, where at age five he saw a computer for the first time.

He soon signed up for computer classes at age nine, a summer coding job at 12, and took computer science classes at the Hebrew University while still in high school.

Unlike his career-minded peers, Mr Shwed persisted with an idea first cooked up during his military conscription: building a type of computer security software that links up computer networks in a way that would allow some users access to confidential materials while denying access to others. He embarked upon the project with two friends after army conscription and without the

security of "proper" jobs.

By 1994, the trio's Firewall product won the best software award at a computer show, vindicating a venture capital firm's faith in Mr Shwed's vision. Check Point Software Technologies listed on Nasdaq in 1996. Its market value today has jumped 12-fold to US\$10 billion (S\$12.4 billion).

Binding the trio together was a pioneering ethos where "education" with a "bitzu'ism" quality was at its heart. A bitzu'ist is a Hebrew word that loosely translates to "pragmatist" with a resilient quality, like bamboo that bends but does not break in the wildest storms when even oak trees snap. The bitzu'ist is the "builder, the irrigator, the pilot, the gun-runner, the settler all rolled into one".

Mr Shwed thinks of his home country Israel as a "start-up nation". "We managed to create a country from zero. We've had an entrepreneurial spirit for over 100 years. One thing that really helps us here is that we don't have a local market."

Surrounded by hostile neighbours and with few natural resources, Israel has the highest density of start-ups in the world, with one for every 1,800 Israelis. With a population of 7.7 million

with 70 different nationalities, Israelis think globally when creating products and innovative firms.

Developing human capital is the key to growing the Israeli economy. Its education system is not about chasing after instrumental achievements such as "grades" or a "checklist-based holistic curriculum vitae" or "high graduation salary". The education system in Israel is made market-relevant when plugged into an unique ecosystem that constantly searches for and supports innovative ideas and new products to help build "bamboo innovator" companies such as Check Point.

In "Singapore version 1.0's" growth since independence, the education system is meritocratic, highly competitive and "standardised", lifting the technical competence and social mobility of Singaporeans to fit multinational companies (MNCs) with their export-oriented strategies.

This is augmented by higher valued-added services from logistics, shipping and maritime support to legal, finance and accounting, generating high wages to beat inflationary pressures. "Education 1.0" is about meeting the needs of capable MNCs which connect Singapore's small, open econ-



Check Point Software Technologies CEO and founder Gil Shwed, an Israeli inventor and entrepreneur who started the Firewall security software.

omy to the real marketplace.

Yet the highly skilled workforce is not able to translate its "intangibles" in know-how into building and even owning "bamboo innovators". The "earnings" accrued from this know-how remain with the MNCs.

In investing lingo, a high-salaried MNC worker has a price earnings (PE) ratio of one while a MNC can have a PE value of 20

times. A productive "bamboo" worker is one who, when a wind blows away his MNC title and position, can still remain a resilient innovator to create value because he has that intangible quality that is indestructible.

MNCs are concerned about the Singapore workforce lacking the initiative and innovativeness desired by knowledge-based industries, thus creating a barrier to a breakthrough in wages and productivity. It is the hollow "emptiness" in its centre - the intangibles - that gives bamboo great strength and flexibility in a raging storm.

The Singapore workforce's accumulation of wealth and tangible assets for their own sake has evolved into a sense of entitlement, a dangerous liability that erodes character, moral values and social cohesion.

Reform attempts through character education and creative thinking alone are not only difficult but also decidedly off-track. As economist David Landes puts it, nothing dilutes drive and ambition more than a sense of entitlement. This kind of distortion makes an economy inherently uncompetitive.

Instead of the diminishing mar-

ginal returns from repeating "Education 1.0", where school results are instrumental, these complex uncertain times require an education system that enables students to grope and reach directly into the global marketplace, to be sensitive and alert to existing anomalies and paradigms, and to how things ought to function and behave.

Educators must connect and sensitise students to the chaotic global marketplace. It is this sensitivity and alertness that leads to creating "bamboo innovators".

Reflecting former deputy prime minister Goh Keng Swee's view about the spirit of education as both "a search for truth" and "the way to a better life", Singapore's "Education 2.0" system should centre on how and why resilient firms continue to create value in uncertain and difficult times.

The system should also educate students who dare to become "bamboo innovators" like Mr Shwed, and who will build enduring creations. As former Israeli president Shimon Peres said, "the most careful thing is to dare".

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