SINGAPORE: A visiting US academic said the Singapore government's model of corporate ownership is an asset that helps to maximise shareholder value.

University of Utah's Professor Michael Lemmon added that he found no evidence that political connections detract from the value of firms in Singapore.

He said the government acts more like an investor that keeps a healthy distance from day-to-day operations through Temasek Holdings.

Temasek is the controlling shareholder of Singapore Airlines, SingTel, DBS Bank, CapitaLand and numerous other listed Singapore companies.

Professor Lemmon, Wasatch Advisors Chair, Department of Finance at University of Utah, said: "The Singapore model is an asset to Singapore companies. The key is that the Singapore model has adapted an arm length view between government and firms, where the government listed corporations are invested in by Temasek and Temasek looks more like an investor and try to force the firms to maximise long term value."

At the sidelines of the same National University of Singapore Business School forum, President and CEO of CapitaLand Group, Liew Mun Leong, conceded that he has in the past corrected the perception of Singapore Incorporated.

Mr Liew said: "I can tell you that the perception of the industry that we have some political connections is absolutely not true. In fact, indeed, sometimes when handling with government departments, we have, I would say even reverse discrimination to make sure there is transparency, to make sure they are handled at a distance. So, definitely, the perception is wrong. But, it is an asset when we go overseas (as) they know how we run thing."

- CNA/ch