The Path to Prosperity:
Singapore's Development in an Increasingly Globalized World

Jacqueline Wong, 21233144
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ABSTRACT

This paper traces the development of Singapore from its time as a British colony to its current state of prosperity and high consumption, examining the factors that has set this city apart from others in the Global South. The advantageous nature of its geography is connected to the geopolitical nature of its independence and economic strategy, as the new People's Action Party of Singapore sought to maximize its city's potential by adapting to the demands of the world market. Post-independent social issues brought about by this rapid economic change are discussed, highlighting the demographic change caused by higher life expectancies and changing gender roles, the impact of government-sanctioned mass public housing, and the widening of cultural and generational gaps as a consequence of the emergence of consumeristic lifestyles. These points aim to facilitate discussion towards patterns of success in the past in relation to potential issues of the future.

The Path to Prosperity: Singapore's Development in an Increasingly Globalized World

Arguably one of the most recognized success stories of post-colonial development in the Global South, Singapore has come a long way since its time as a British entrepot port. Now a glimmering hub of globalized trade, finance and culture, Singapore serves as an effective case study of a city in the global south that has managed to travel in a generally upward trajectory, in contrast to the many that have spiraled into cycles of path-dependent underdevelopment. What were the differential factors that caused Singapore to rise above the rest? How has this rapid development affected the social and political balance of this city-state? To address these thoughts, I find it necessary to first discuss Singapore's history as a British colony, and the significance of its geography as it sought to establish its place in the global periphery (Kratoska 2006, Lam 2015). I will then reflect on the components leading up to Singapore's independence, and the geopolitical changes that resulted in both economic and social transformation soon after (Chua 1998, Kratoska 2006, Shulz 2008). Further expanding on Singapore's economic transformation, I will also be discussing the successful fluidity of its economic policy, as it strategically adapted to the demands of the world market and found its place in the global economy (Henderson 2007, Shulz 2008). Finally, I will be examining the challenges that faced the Singapore government as it planned to accommodate the rapid population and demographic changes brought upon by this new age of prosperity (Cheng 1989, Eng 1992), and the social implications that this growing global influence has had on a nation desperate to keep their cultural identity (Chua 1998, Soh and Yuen 2011, Vaish 2008). In reviewing Singapore's

development since the colonial era, I hope to discuss what it means to thrive as a city from the Global South, while also keeping a critical eye towards the issues of the future.

SINGAPORE AS A STRATEGIC COLONY

Figure 1.1 Map of the Republic of Singapore

The Republic of Singapore is a city-state that includes a main island, as well as fifty five smaller surrounding islands that cover 660 square kilometers, just south of Malaysia (Henderson 34). While the dense population enjoys a modern, cosmopolitan lifestyle, its culture is a result of both Western and traditional Asian influences. The early establishment of Western culture in this area of Southeast Asia is attributed to the British settlement of Singapore in 1819 as a strategic trading post. The area provided a “point of access to the Indonesian archipelago”, where the Dutch were gaining control over the surrounding Dutch East Indies and restricting non-Dutch trade routes (Kratoska 2). It was also already inhabited by Chinese merchants that had “considerable trading experience and a familiarity with regional markets”, due to its location in the Straits of Melaka, allowing the British to take advantage of already established trade networks and institutions (Kratoska 2). The coastal aspect of the island ensured that the post

could easily be defended by the British navy, and therefore became a successful entrepot port that functioned as a collection and processing point for raw products produced in the Malaysian Archipelago to be exported to consuming countries (Kratoska 3). Along with raw products, it also functioned as a collection and distribution point for people, as "Chinese and Indian migrants streamed through Singapore into the hinterland" (Saw 3), looking for work in the Malay territories and in the city itself. The entrepot nature of this city ensured that there was an established flow of international goods and workers even throughout its colonial existence, resulting in a mix of cultures and industries. Although the population consistently remained predominantly Chinese, the mix of Hokkien, Teochew, Cantonese and creole cultures were met with British education, capital and technology (Kratoska 2, Lam 268), and so by the early twentieth century Singapore was already set on a trajectory towards global interaction. Despite its fortunate position of constant economic activity, the characteristics of peripheral existence still remained within the city, with much of its population "undernourished, disease-ridden and poorly housed" and lacking adequate health, education or welfare facilities (Lam 268). It was not until independence that colonial Singapore began to experience the rapid improvement of economic development and living standard that is recognized today.

SINGAPORE AS AN INDEPENDENT NATION

For many Global South countries, independence has often been catalytic in the upward trajectory of political and economic development. After the second world war, Britain agreed to make peaceful transitions towards separation from Singapore, leaving the island nation to decide whether integration into Malaysia would be of higher benefit than to become an independent

nation. While Singapore did unite with the Malaysian Federation in 1963, the "two entities proved incompatible" and separated again in 1965 (Kratoska 16). Although it seemed like a natural transition to join the surrounding Malaysian region that shared an ethnic similarity, the divergent priorities between imperialist, urban Singapore and nationalist, rural Malaysia proved to be too significant to overlook (Kratoska 17). This decision to separate due to Singapore's geographical ability to prioritize international business demonstrates the crucial role of geopolitics in the diversion of paths taken by adjacent countries in the Global South. Consequently, the People's Action Party of Singapore headed by founder and eventual prime minister Lee Kuan Yew, rose to power and assumed strong political stability that can be attributed to the many economic and social changes that arose soon after. Putting a focus on education as a main strategy to improve the workforce, the PAP saw a change in social values, promoting the "marriage between educated individuals" and creating "special programs for gifted children" (Lam 273). The resulting competitive nature of its society, along with new government economic policies, greatly contributed to rapid economic growth in the following decades, with Singapore now boasting a GDP per capita of around $56,249, topping global powerhouses such as the United States, who comes in at around $54,630 for comparison (worldbank.org). Such high levels of prosperity have transformed the lifestyles of Singapore inhabitants, who have left their pasts of poverty for an emerging "culture of consumerism" (Chua 981). Due to its nature in the increasingly integrated global market, Singapore has become "a space penetrated by the global marketing strategies of producers of consumer goods" (Chua 986), and as recipients of globalized success, its citizens can afford to participate in the trade-off. Indeed, the once export-oriented city has now reached such high levels of consumption that "the

weight of imported products [exceeds] the weight of exported products", with studies showing the Domestic Material Consumption rates rising "above 50 tonnes per capita" in the year 2000 (Shulz 124-125).

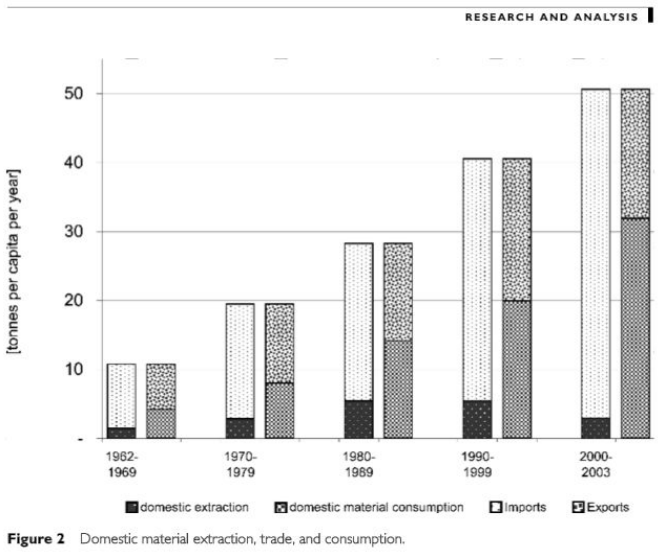

Figure 1.2 Decadal Trends of Domestic Material Consumption from 1962-2003

The "available time and financial capacity to consume leisure" (Chua 981) has increased greatly, in part due to financial prosperity, along with the development of an "increasingly functionally and spatially interrelated" (Soh and Yuen 3) work and leisure environment, as high-speed trains and integrated communities compress time and space. Television watching, window shopping and eating out remain the most frequent leisure activities (Chua 982), reflective of the lifestyles many lead here in Vancouver. Since independence, the Singapore government has gone to great lengths to transform the former British colony, and enjoys the spoils of being the "world's most global country" (Soh and Yuen 2) as a result.

SINGAPORE AS AN INFLUENCE IN THE GLOBAL ECONOMY

The process by which Singapore's economy evolved so rapidly since independence can be described as a direct product of its geography. Being an island with a lack of agricultural territory or significant source of natural resources at its disposal besides its harbour, the nature of its economy has always been dependent on the global market. Since the PAP rose to power, Singapore has intelligently maintained a certain fluidity in its economic strategy, adapting to the needs of the global economy and reaping immense financial benefit as a result. Moving from the manufacturing of rubber and tin, the Ministry of Trade and Industry realized that by the late 70s, its limited space and workforce was becoming "increasingly uncompetitive with regard to labour-intensive and low-technology industries" (Chua 983) and that a new strategy was needed if Singapore was to continue to rise in the global hierarchy. The 1980s were therefore a period of industrial restructuring as the PAP government made efforts to move from a labour-intensive industry to the service sector, inducing multinational corporations with "significant tax breaks to set up operational headquarters" in Singapore (Chua 984) and encouraging financial interests from around the world to interact through its borders. The formation of the Singapore International Monetary Exchange (SIMEX) in 1984 (Shulz 120) is an example of the extent to which the global market responded to Singapore's open door policy, which subsequently became the fourth largest foreign exchange market in the world in less than a decade. Praised as "the most open and competitive economy in the world", it signed numerous free trade agreements with major powers in Asia, Europe and North America (Shulz 121), and welcomed people through its borders, immigrants and tourists alike.

The tourism industry gained much attention from the PAP, as it was a significant method by which Singapore could capitalize on its greatest asset, its location. A strategic investment by a city whose future depends greatly on its presentability to the rest of the world, the government has spent hundreds of billions of dollars in an attempt to "portray Singapore as a 'Renaissance City' of culture and the arts" (Henderson 37). This included "examples of heritage such as ethnic enclaves and colonial buildings" as well as "nature-based sites like the zoo and...botanic gardens" (Henderson 37). The renaissance mentality also materialized in the way Singapore aimed to promote itself, stressing its "multiculturalism, clean...environment, and fascinating syntheses of East and West, old and new" (Henderson 37). Along with examples of culture, it also aimed to serve all aspects of international business, attracting service sector functions such as medical and financial conferences and consistently being ranked "Asia's top convention city" year after year. However, it also prioritized universal entertainment in its attempt to be a "fun", "24-h city", offering various activities like shopping malls and nightclubs, even going so far as redacting its own moral code by reversing its long-standing ban on casinos in exchange for the attraction of bigger shows and conventions (Soh and Yuen 5). In its effort to create a clean, enticing image for itself to survive in the global economy, Singapore has completely changed both the economy and the culture of its small nation.

Figure 1.3 Sentosa, Singapore's multi-billion-dollar tourist peninsula

SINGAPORE AS FULLY URBANIZED CITY-STATE (Issues in Planning)

As Singapore attracted more international interest while simultaneously raising the standard of living, the resulting demographic change presented the government with challenges in adapting to the growing population. It is worth noting that while this is a common issue for many cities in the Global South, the 'pull' of economic opportunity was the driving factor of Singapore's growing urban population, which eliminated many of the issues that accompany urban growth due to a 'push' of desolate rural influences (Edgington Lecture, DATE). Instead of rural-urban migration, the causes of population growth were due largely to imported labour, who "contributed to development needs without increasing permanent population" (Lam 271), and the high standard of living that resulted in a "rapid decline in death rate" (Saw 14). This resulted in the PAP issuing a "two-child family" policy, that "emphasized the quality over quantity of children" (Cheng 169).

Population Growth, 1947–2010

Year	Population	Increase	Annual Growth Rate
1947	938,144	—	—
1957	1,445,929	507,785	4.5
1970	2,074,507	628,578	2.8
1980	2,413,945	339,438	1.5
1990	3,047,132	633,187	2.4
2000	4,017,733	970,601	2.8
2010	5,076,721	1,058,988	1.2

Table 1.1 Singapore's Population Growth 1947-2010

As the literacy and job opportunities for women increased however, the PAP saw cause for concern as the population seemed to drop in the 1970s (see Table 1.1)**.** This was attributed to a much greater level of "female economic independence" (Cheng 167), as prioritization of child

bearing was set aside in favour of the competitive, meritocratic values that this society now held. Late marriage was also a suspected factor, as the "traditional tendency of Chinese males marrying females with lower education" resulted in men reporting difficulty in finding wives (Cheng 168). The combination of declining fertility and improved life expectancy resulted in an "acceleration of the aging process" (Cheng 168) in the population and workforce, moving the PAP to change their "two-child" policy to a "three or more" policy in 1986, even arranging events "aimed at promoting social interaction between the [highly educated] sexes" (Cheng 171). This proved to be an unnecessary concern however, as the population continued to increase at rapid rates in the following decades.

Perhaps one of their most well-known policies in managing the growing number of citizens was the formation of the Housing Development Board, and their mass construction of public flats. The majority of today's population, up to ninety percent, lives in planned public housing estates as a result of the government's focus on "the pursuit of deliberate urbanization after independence" (Eng 177). Through the Compulsory Land Acquisition Act of 1966 which allowed unimpeded clearance of land for development, the government was able to ensure the "systematic transfer of population from the congested city core to the suburbs" (Eng 177) as the business and entertainment sectors grew more prominent. The city-state is now arranged in a web of regional centers - hubs for "business, employment, shopping, entertainment and cultural activities- in short...a mini-downtown" (Eng 180) - connected by highly advanced railway systems that allow efficient transportation between work and recreation, and surrounded by public housing.

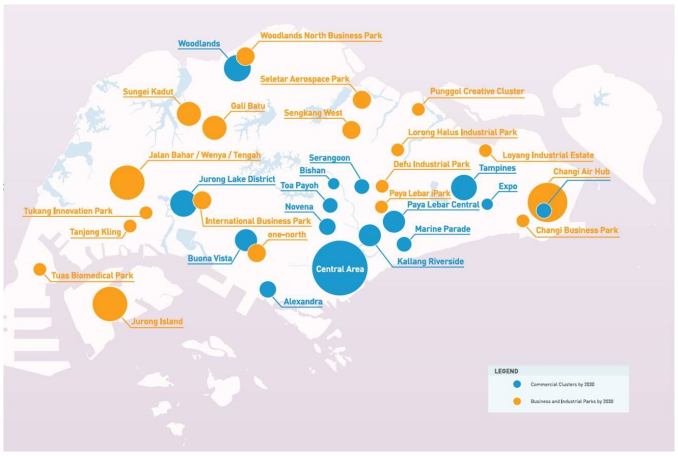

Figure 1.4 Regional Centers of Singapore

This "totally urban" city-state (Cheng 168) has not materialized without cost, however. As expected, this mass gentrification has brought much criticism from older generations, who often were forced to moved out "under social tension and fear" (Soh and Yuen 8), carrying living memories of a lost, more 'authentic' Singapore.

SINGAPORE AS AN EVOLVED CULTURAL IDENTITY (Social issues)

While increasing globalization has transformed Singapore's economy for the better, it has also accentuated the widening cultural and generational gaps between its diverse population. Since its colonial times, Singapore has always struggled with cultural identity. Unlike the surrounding Malay region, or its competitors such as Hong Kong or South Korea, its ethnic makeup is comprised of not one but three major ethnic groups: Chinese (75%), Malay (13%) and Indian (9%), due to its history of trade and immigration (Soh and Yuen 4). As a result, the importance of a national identity rests in the common traditions and values of the Asian city, which can be threatened by the globalized nature of its economy due to the constant flow of new information and people that saturates the local culture. Singapore's pro-immigration policy,

while beneficial for the economy, “engenders tension among the local community” whose concerns lie within the “urban and economic capacity needed to sustain a larger population”, especially with those communities who already struggle with population density and financial well-being (Soh and Yuen 5). The fear of cultural dilution is present, stemming from Singapore’s time as a British colony as English education was “resented by the Chinese population” as it “marginalized job opportunities” for those who attempted to stay true to their Chinese roots and forgo the transition to English (Lam 268). This problem is continued in the form of Singapore’s extremely high rate of technological connectivity; 978 out of every 1000 people are mobile phone subscribers (Vaish 217). English is the main language used in all types media, and many are worried that “English is spreading disastrously over all nations and threatening mother tongues with language loss” (Vaish 221).

While it is unlikely that the languages themselves are endangered, it is the “loss of Asian identity and...values” (Vaish 223) through the exposure of “Euro-American popular culture” (Vaish 231) that is of main concern. This is especially substantiated through the divides between the older, more traditional generation and the newer, more liberal one. The consumeristic culture adopted by many of the younger population is heavily criticized by those who still “recall the conditions of deprivation prior to industrialization” (Chua 982), and consider the highly-visible consumption practices a product of the “unhealthy cultural penetration of the West/America” (Chua 988). This “anti-West” ideology, which prevails despite the increasingly integrated nature of its society, comes from the belief that American culture is synonymous with the “moral laxity of liberalism” which may lead the subsequent generation away from treasured, traditional values (Chua 988). In predictable response, the youth seem to dress only “to shock their elders” (Chua

990), and find pleasure in enjoying the leisure time that they can justifiably afford. This social divide, while conflicting in the short-run, is crucial as the next generation redefines what it means to be Singaporean in this new age of globalization. While older generations hold desperately onto their pasts, Singapore's future lies with young millennials that find identity in cultural liminality, and value in an increasingly globalized world.

CONCLUSIONS

Through recognition of the advantageous nature of its geographical location and the flexible manner of which it adapted to the global market, Singapore has discovered a way to rise above its colonial history and remain one of the top contenders in the global hierarchy. While most of the economic and living standard improvements after independence can be attributed to the planning and leadership of the People's Action Party of Singapore, this paper has argued that the rapid upward economic trajectory of a city often carries many underestimated social consequences as it adapts to fluctuating demographics, urban population housing, and the struggle to preserve cultural identity. This case study is a stark reminder that no success comes without a cost, and that an increasingly globalized world must be approached with caution and a significant respect for local consequences.

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