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Singapore: Intimations of a Budding Global City

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Now that the general elections are over, the government's focus is on the marquee 'Singapore 2006' (or S2006) event, a 'mega happening' in September 2006. S2006 will be the single largest international event hosted by Singapore. With the global media presence and attention, S2006 provides a platform for Singapore to project its aspirations as a global city to the 16,000 delegates and visitors to the combined meetings of the International Monetary Fund and World Bank group. There will be about 300 other smaller meetings and events during that time.

To offer that special and warm welcome to visitors, the government has just launched its 'Four Million Smiles' campaign to drive home the message of every Singaporean playing a part in making S2006 a success. The Smiles campaign ostensibly seeks to reflect the hospitality, friendliness, spirit, warmth and unity of Singaporeans. As Prime Minister Lee Hsien Loong reiterated at the campaign launch, 'Singaporeans must stand united and proud of our country, ready to welcome the delegates and visitors warmly'.

In already campaign-fatigued Singapore, oddly, this new campaign seems timely. A recent Reader's Digest 'Global Courtesy test' survey placed Singapore relatively low on courtesy among 35 major cities. It should be noted that Singapore has an on-going national courtesy campaign (first launched in 1979 and which is now subsumed under the Singapore Kindness Movement).

S2006 is part and parcel of Singapore's massive endeavours to be a global city amid concerns that the gravitational pull of China and India will threaten the viability of Southeast Asia and Singapore in the international economic order. Singapore has constantly acted on its acute sense of vulnerability and endeavoured to keep Southeast Asia and Singapore relevant economically and politically. It does this through international outreach (such as economic road-shows) and staging key events with significant media spotlight (e.g., the International Olympic Council meeting) and active and often didactic diplomacy. All these efforts have the singular aim of raising Singapore's international presence, making the Singapore brand name resonate with the key decision-makers while profiling its putative soft power as a city-state of growing global importance.

In June, the government launched its infocomm masterplan, 'Intelligent Nation 2015' (iN2015) as part of its vision of transforming Singapore into 'an intelligent nation and a global city powered by infocomm'. Again, driven by concerns of economic competitiveness, iN2015 builds on earlier infotechnology and infocomm plans. The latest masterplan seeks to provide 90 per cent of homes with broadband access and 100 per cent computer ownership for all homes with school-going children. It

also aims to triple Singapore's infocomm export revenue to \$\$60 billion as well as generate some 80,000 additional jobs by 2015.

In tandem with its global city aspirations, Singapore is striving to enhance its global connectivity, talent pool and cost-competitiveness. It continues to aggressively grow its air hub for businesses, cargo handling, and passengers. Its Changi International Airport Terminal 3 is scheduled for completion in 2008. Changi will then be able to handle 64 million passengers annually and the largest passenger aircraft like the Airbus A380s.

These infrastructure efforts are complemented by aggressive economic diplomacy to enlarge Singapore's economic space. Singapore is working steadily towards a fully liberalised aviation policy with its key economic partners. The guiding philosophy behind the high-level efforts is a 'shared market approach' emphasising mutual benefits and the futility of erecting barriers of various kinds to keep out competition. In its latest air services agreement (ASA) with the European Union (EU), all European airlines can fly between any EU member state and Singapore. In turn, Singapore can pursue liberalisation of its bilateral ASAs with individual EU member states.

The mantra of thinking alike for mutual benefit is particularly strong in Singapore's quest for a bilateral open skies agreement with Australia. Earlier this year, the Australian government turned down Singapore's dogged request for national carrier Singapore Airlines to fly the lucrative trans-Pacific air route. Although the dust has hardly settled, Singapore is seeking a review of Australia's decision through the biennial review mechanism provided for under the 2003 Singapore-Australia Free Trade Area agreement. The Australians are not keen to couple the FTA review, scheduled to begin this July, with the negotiations for an open skies agreement. During PM Lee's June visit to Australia, he urged the Australians to 'cooperate productively' and to understand and accept the realities of globalisation and economic openness while doing business based on 'mutual give and take'.

WATCHPOINT: It will remain a key challenge for Singapore to persuade its key economic partners to embrace globalisation and trade liberalisation in the manner that it does. For the foreseeable future, Singapore will have to 'give' more than it 'receives' to maintain its economic relevance.