INSTITUTE OF CURRENT WORLD AFFAIRS

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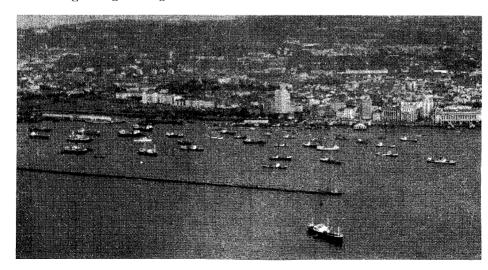
Mr. Richard H. Nolte Institute of Current World Affairs 366 Madison Avenue New York 17, New York

Dear Mr. Nolte,

Singapore is one of Asia's great "million cities" classed by population. At the hub of the cross-roads of Asia, it has been built upon and continues to reflect many of the world's major cultures. Before the coming of the Europeans, it had already felt the impact of Indian and Chinese cultures; and a century before the western cenetration came Islam, apparently more powerful than any preceding impact. In the 19th century, in a world gone wild with trade and industrial progress, Singapore opened as the emporium of Asia. Sir Stamford Raffles, exceeding his instructions, founded the city for Great Britain in the early part of the century. Fighting against Dutch mercantilist policies, he provided the city with the key to its greatness; Singapore was founded as a free port. As a free port it grew rapidly, and as a free port it has remained for the past century and a half one of the major commercial and financial centers of Southeast Asia.

From its very beginning Singapore has been shaped by three major forces: western commerce, British administration, and Chinese immigration.

The geographic location at the cross-roads of Southeast Asia, combined with the status of free port, brought merchants from all over the world. Today all the big names in Asian trade, and many of the lesser and no-names, are represented in the city center. Jardine, Waugh, Matheson, Harrison, Crossfield, and other great names are to be seen everywhere. Though many are British, the companies come from all over the world. The skyline is broken by tall buildings bearing such names as Denmark House, Shell House, The Hong Kong Shanghai Bank, and the American International Building.



Singapore harbor and skyline.





Ships, Lighters, and junks...

The harbor is a teeming tangle of ships: passenger liners and freighters, the rusty hulls of small coastal traders, and a forest of masts of the lumbering junks that ply the South China Seas and the Straits of Malacca. Scurrying between these are small sampans and barges or lighters that carry cargo from the ships to the godowns (warehouses) along Singapore River. Like Hong Kong, goods come from all over the world, and are often available at prices lower than in the country of origin.

With Penang and Malacca, Singapore was a part of the Straits Settlements. After World War II, it became a crown colony, and today it is a state with internal self government. Great Britain retains responsibility for defense and foreign affairs, and shares responsibility for internal security. There is an elected ministerial government with the normal legislative, executive and judicial organs of the western democracies. Most government posts are held by the Chinese, with a sprinkling of Indians, Malays, and others; almost all are English educated. The speaker of the legislative assembly is adorned in a long white wig and a scarlet robe, and is assisted by short wigs in black robes. On the government benches sit members of the Peoples! Action Party (PAP), many from comfortable or wealthy Chinese families. Though few have ever tasted manual labor, they wear the open-necked shirt that signifies identification with the workers, and rejection of the tie as a symbol of the white colar class, which has capitulated to capitalism. The incongruity of wigs in the tropics and leisure-class leaders of "the workers" has become a rather common phenomenon of the new states.

The Chinese came with the first indication that a peaceful trading center was opening. Within four years of the founding of the city, there were 3,000 Chinese; by 1850 there were 28,000, and a decade later the number had reached 50,000. Today, of the approximately 1.7 million, 1.3 million are Chinese.

The Chinese came for trade, for tin, for pepper, and for gambir. In all they came for the opportunity that did not exist for them in an over-crowded China disintegrating under western impact. They came as migrant workers, leaving their women behind, and keeping their eyes on the home-land.

Unlike the uprooted who came to America, the Chinese came to Singapore to make a fortune with which to return to China. And they have continued to display a reluctance to break with the home land. Only gradually has the sex ratio become more balanced, the number of locally born increased, and some sense of identification with Singapore emerged. The development of the latter has really only come in the past decade or so. Prior to then, identification with Singapore meant identification as a British citizen, not as a Singapore citizen.

Today the city shows the marks of the three great forces. There are active political parties and elections, the commercial center, the clock tower of Victoria Memorial Hall overlooking the Singapore Cricket Club, the grotesque sculpture of the Sri Mariamman Hindu Temple and the teeming masses of Chinatown. But there is more. Singapore is looking ahead: to merger with the Federation of Malaya, to the development of national identity, and to industrialization.

Merger with Malaya has been a long standing goal of the ruling party in Singapore. Now Malaysia makes merger seem imminent. This week there was a small breakthrough. Malaya's Prime Minister, Tengku Abdul Rahman, issued a grave warning to Singapore; if Malaysia does not come about, it may be necessary to close the causeway, that thin strip of land that connects the Federation with Singapore. Following this, Lim Chin Siong, the Secretary of the Barison Socialis Party, promised that his party would not oppose Malaysia. It is not yet certain what this promise means, but if it does indicate a real change in Barison policy, it would remove one of the greatest obstacles to Malaysia. I am still predicting that Malaysia and merger will come in time for the celebration of the fifth anniversary of Malayan independence, in August of this year.

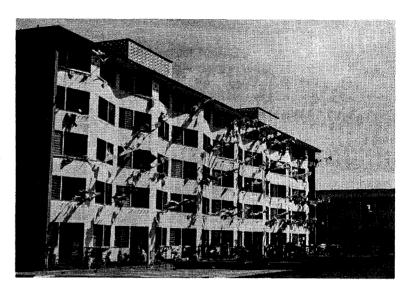
With the cessation of migration and the acquisition of self government, the Chinese now have more of a stake in Singapore than they ever had before. Migration helped to keep alive the ties with the homeland, and colonial status offered little incentive or scope for local participation in government. The current situation is certainly one in which a sense of national identity can develop, but it will not come overnight. The fierce sense of cultural superiority of the Chinese will for some time make it difficult for them to come to terms with the requirements of a new Malayan state.

Finally, Singapore has seen that it cannot continue life simply as an entrepot. If the state is to gain full economic development, it must have an industrial base. This decision is reflected in the development plan for 1961-1964. The plan calls for M\$871 million in capital expenditures in the five-year period. The two largest categories in the total are Industry and Commerce: M\$337 million, and Social Development: M\$350 million. In industrial development, the state may engage directly in industrial ventures, or it may grant loans and other forms of assistance to private entrepreneurs. Two large industrial sites are now in the making. The organizational vanguard of industrialization lies in the Economic Development Board. Under the able direction of E.J. Mayer, an Israeli civil servant on loan to Singapore, the Board is engaging in a wide range of activities to attract foreign capital and to bring out the entrepreneurial talents of Singapore's own population.

Almost half of the expenditure on Social Development will be on housing. In this field the Housing Development Board is moving ahead very rapidly

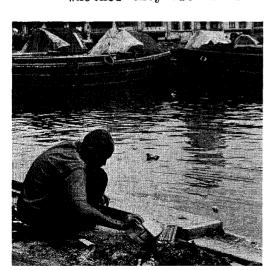
constructing good, low-cost apartment buildings. Second only to housing is education, with M\$94 million planned for capital expenditure in the five years. The great need for housing and schools arises from the very high rate of population growth, above 3% per year. The planners have not decided to invest in population control, however, arguing that the short run effects of even rapid

fertility decline would only be an easing on the state's maternity services; the real problems would still remain.



However, the government does have a family planning program, and the Family Planning Association is going on with its very valuable work. This morning's paper announced that the birth rate had dropped last year from 37.8 to 35.5 per thousand, for which the family planners took some credit. They can be forgiven if they extrapolate from this the prediction that the crude birth rate could be down to 20 per thousand by 1970; growthmanship is ubiquitous. If they do attain that low level of births it will probably be the most rapid decline in the crude birth rate the world has yet seen, including Japan.

At the moment Singapore's future looks bright. The government has a strong sense of urgency in development matters, and an equally strong sense of social and economic justice. The opposition is articulate and extreme, but perhaps not so extreme as to preclude the order necessary for development. The state is, however, plagued with a variety of fence-sitters. Many Chinese would rather not commit themselves because they are not certain who ultimately will rule Southeast Asia. And the large agency houses are conservative in their investments because they feel uncertain about the future. In this era, however, fence-sitting is a dangerous game. The state needs the commitment of its inhabitants and the investments of its entrepreneurs in order to build the opportunity and security the inhabitants and entrepreneurs want. Thus it can be argued that the brightness of Singapore's future is directly related to the sense of commitment and urgency felt by all of its inhabitants, whether they are citizens or transient money-makers.



Sincerely,

Auf D. neso

Chinese New Year in Singapore joss-sticks and paper money burned for the ancestors; fire-crackers to frighten off evil spirits.

