

## COUNTRY PROFILE: SINGAPORE

July 2006

### COUNTRY

**Formal Name:** Republic of Singapore (English-language name). Also, in other official languages: Republik Singapura (Malay), Xinjiapo Gongheguo—新加坡共和国 (Chinese), and Cingkappūr Kudiyarasu (Tamil) சி ங் கப் பூ ர் கு டி யர சு .

**Short Form:** Singapore.

**Term for Citizen(s):** Singaporean(s).

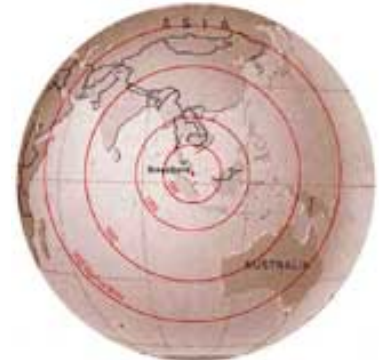
**Capital:** Singapore.

**Major Cities:** Singapore is a city-state. The city of Singapore is located on the south-central coast of the island of Singapore, but urbanization has taken over most of the territory of the island.

**Date of Independence:** August 31, 1963, from Britain; August 9, 1965, from the Federation of Malaysia.

**National Public Holidays:** New Year's Day (January 1); Lunar New Year (movable date in January or February); Hari Raya Haji (Feast of the Sacrifice, movable date in February); Good Friday (movable date in March or April); Labour Day (May 1); Vesak Day (June 2); National Day or Independence Day (August 9); Deepavali (movable date in November); Hari Raya Puasa (end of Ramadan, movable date according to the Islamic lunar calendar); and Christmas (December 25).

**Flag:** Two equal horizontal bands of red (top) and white; a vertical white crescent (closed portion toward the hoist side), partially enclosing five white-point stars arranged in a circle, positioned near the hoist side of the red band. The red band symbolizes universal brotherhood and the equality of men; the white band, purity and virtue. The crescent moon represents a young nation on the rise, while the five stars stand for the ideals of democracy, peace, progress, justice, and equality.



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### HISTORICAL BACKGROUND

**Early History:** The island of Singapore was known to mariners at least by the third century A.D. By the seventh century, when a succession of maritime states arose throughout the Malay Archipelago, Singapore probably was one of the many trading outposts serving as an entrepôt

and supply point for Malay, Thai, Javanese, Chinese, Indian, and Arab traders. A fourteenth-century Javanese chronicle referred to the island as Temasek, and a seventeenth-century Malay annal noted the 1299 founding of the city of Singapura (“lion city”) after a strange, lion-like beast that had been sighted there. Singapura was controlled by a succession of regional empires and Malayan sultanates.

**European Arrivals:** Portuguese explorers captured the port of Melaka (Malacca) in 1511, forcing the reigning sultan to flee south, where he established a new regime, the Johore Sultanate, that incorporated Singapura. The Portuguese burned down a trading post at the mouth of the Temasek (Singapore) River in 1613; after that, the island was largely abandoned and trading and planting activities moved south to the Riau Islands and Sumatra. However, planting activities had returned to Temasek by the early nineteenth century. In 1818 Temasek was settled by a Malay official of the Johore Sultanate and his followers, who shared the island with several hundred indigenous tribal people and Chinese planters. The year 1819 marked the arrival of Sir Thomas Stamford Raffles, the lieutenant governor of the British enclave of Bencoolen (Bengkulu on the west coast of Sumatra) and an agent of the British East India Company, who obtained permission from the local Malay official to establish a trading post. He called it Singapore, after its ancient name, and opened the port to free trade and free immigration on the south coast of the island at the mouth of the Singapore River. At the time, Singapore had about 1,000 inhabitants. By 1827 Chinese had become the most numerous of Singapore’s various ethnic groups. They came from Malacca, Penang, Riau, and other parts of the Malay Archipelago. More recent Chinese migrants came from the South China provinces of Guangdong and Fujian.

**British Colonial Period:** During the 50 years following Raffles’s establishment of his free-trade port, Singapore grew in size, population, and prosperity. In 1824 the Dutch formally recognized British control of Singapore, and London acquired full sovereignty over the island. From 1826 to 1867, Singapore, along with two other trading ports on the Malay Peninsula—Penang and Malacca—and several smaller dependencies, were ruled together as the Straits Settlements from the British East India Company headquarters in India. In 1867 the British needed a better location than fever-ridden Hong Kong to station their troops in Asia, so the Straits Settlements were made a crown colony and its capital Penang, ruled directly from London. The British installed a governor and executive and legislative councils. By that time, Singapore had surpassed the other Straits Settlements in importance, as it had grown to become a bustling seaport with 86,000 inhabitants. Singapore also dominated the Straits Settlements Legislative Council. After the Suez Canal opened in 1869 and steamships became the major form of ocean transport, British influence increased in the region, bringing still greater maritime activity to Singapore. Later in the century and into the twentieth century, Singapore became a major point of disembarkation for hundreds of thousands of laborers brought in from China, India, the Dutch East Indies, and the Malay Archipelago, bound for tin mines and rubber plantations to the north.

During the first half of the twentieth century, Singapore prospered as financial institutions, transportation, communications, and government infrastructure expanded rapidly to support the booming trade and industry of the British Empire. Although Singapore was largely unaffected by World War I (1914–18), still it experienced the same postwar boom and depression as the rest of the world. Along with the influx of Chinese migrants over the previous decades came secret

societies and kinship and place-name associations that grew to have great influence on society. Political activities surfaced in Singapore among the large Chinese population, first in the early 1900s between advocates of reform and revolution in China. Then, in the 1930s there was increased interest in developments in China, and many supported either the Chinese Communist Party or the Chinese Nationalist Party (Guomintang). The Malayan Communist Party (MCP) was established in 1930 and competed with local branches of the Guomintang. Both sides, however, strongly supported China against the rising tide of Japanese aggression. Some years earlier, in 1923, in reaction to Japan's increasing naval power, the British began building a large naval base at Singapore. It was costly and unpopular, but when completed in 1941, this "Gibraltar of the East" posed an attractive target for Japan.

Japan attacked Malaya in December 1941, and by February 1942 the Japanese had taken control of both Malaya and Singapore. They renamed Singapore *Shōnan* ("Light of the South") and set about dismantling the British establishment. Singapore suffered greatly during the war, first from the Japanese attack and then from Allied bombings of its harbor facilities. By the war's end, the colony was in poor shape, with a high death rate, rampant crime and corruption, and severe infrastructure damage. During the 1942–45 occupation period, a favorable view of the colonial relationship had lapsed among the local population, as it had in other British colonies, and upon the return of the British, resulted in demands for self-rule. In 1946 Singapore became a separate crown colony with a civil administration. When the Federation of Malaya was established in 1948 as a move toward self-rule, Singapore continued as a separate crown colony. The same year, the MCP launched an insurrection in Malaya and Singapore, and the British declared a State of Emergency that was to continue until 1960. The worldwide demand for tin and rubber had brought economic recovery to Singapore by this time, and the Korean War (1950–53) brought even further economic prosperity to the colony. However, strikes and student demonstrations organized by the MCP throughout the 1950s continued to arouse fears of a communist takeover in Malaya.

In 1953 a British commission recommended partial internal self-government for Singapore. In this milieu, other political parties began to form in 1954. One was the Labour Front led by David Marshall, who called for immediate independence and merger with Malaya. The same year, the People's Action Party (PAP) was established under the leadership of Lee Kuan Yew, a Cambridge-educated lawyer. The PAP also campaigned for an end to colonialism and a merger with Malaya. Following Legislative Assembly elections in 1955, a coalition government was formed with Marshall as chief minister. As a result of further talks with London, Singapore was granted internal self-government while the British continued to control defense and foreign affairs. In 1957 Malaya was granted independence, and the next year the British Parliament elevated the status of Singapore from colony to state and provided for new local elections.

The PAP swept the elections held in May 1959, and Lee Kuan Yew was installed as the first prime minister. The PAP's strongest opponents were communists operating in both legal and illegal organizations. The most prominent was the Barisan Sosialis (Socialist Front), a left-wing party that retained favor in the 1960s and early 1970s. There also were fears that communists within the PAP would seize control of the government, but moderates led by Lee held sway. In 1962 Singaporean voters approved the PAP's merger plan with Malaya, and on September 16, 1963, Singapore joined Malaya and the former British territories on the island of Borneo—Sabah

and Sarawak—to form the independent Federation of Malaysia. Only Brunei opted out of the federation.

**Singapore as Part of Malaysia:** Between 1963 and 1965, Singapore was an integral part of the Federation of Malaysia. Union with Malaya had always been a goal of Lee Kuan Yew and the moderate wing of the PAP. Once the PAP ranks were firmly under Lee's control, he met with the leaders of Malaya, Sabah, and Sarawak to sign the Malaysia Agreement on July 9, 1963, under which the independent nation of Malaysia was formed. Lee declared Singapore's independence from Britain on August 31, 1963; dissolved the Legislative Assembly; and called for an election to obtain a new mandate for the PAP pro-merger government. Many political opponents of the merger were jailed, and the PAP won a majority of seats in the assembly. Despite threats of military confrontation (*Konfrontasi*) from Indonesia and actual raids on Sabah and Sarawak by Indonesian commandos, the merger took place on September 16, 1963. The new federation was based on an uneasy alliance between Malays and ethnic Chinese. Communal rioting ensued in various parts of the new nation, including usually well controlled Singapore. In the end, the merger failed. As a state, Singapore did not achieve the economic progress it had hoped for, and political tensions escalated between Chinese-dominated Singapore and Malay-dominated Kuala Lumpur, the capital of Malaysia. Fearing greater Singaporean dominance of the federation and further violence between the Muslim and Chinese communities, the government of Malaysia decided to separate Singapore from the fledgling federation.

**Independent Singapore:** After separation from Malaysia on August 9, 1965, Singapore was forced to accept the challenge of forging a viable nation—the Republic of Singapore—on a small island with few resources beyond the determination and talent of its people. Under the leadership of Lee Kuan Yew and the PAP, the new nation met the challenge. *Konfrontasi* with Indonesia ended in 1966, while trade with Japan and the United States increased substantially, especially with the latter, since Singapore became a supply center for the increasing U.S. involvement in the Second Indochina War (1954–75). In 1967 Singapore joined Brunei, Indonesia, Malaysia, the Philippines, and Thailand in forming the Association of Southeast Asian Nations (ASEAN) for the purpose of promoting regional stability, economic development, and cultural exchange. In 1968 Britain announced its decision to withdraw from its military bases in Singapore within three years. Because of defense implications and the amount of British spending (accounting for about 25 percent of the gross national product [GNP] of Singapore), this was sobering news. The government called for new elections, seeking a new mandate to proceed. Because the PAP won all 58 parliamentary seats, the government was able to pass stricter labor legislation and thus help overcome the nation's reputation for frequent labor disputes and strikes. Former British naval base workers were retrained to work in what became the Sembawang Shipyard, and eventually a major shipbuilding and ship repair center. By the 1970s, Singapore had achieved status as a world leader in shipping, air transport, and oil refining. No longer was Singapore as dependent on peninsular Malaysia for its economic prosperity.

**Economic Success:** In the 1970s through the 1990s, Singapore experienced sustained economic growth. Along with Hong Kong, South Korea, and Taiwan, it was called one of the “Four Tigers” of Asian economic prosperity. Labor-intensive industries were relocated to other ASEAN nations and were replaced by high-technology industries and services. The PAP developed a stable and corruption-free government, marked by strong central development

planning and social policies. Despite paternalistic and at times authoritarian governmental practices and one-party dominance, the PAP maintained its large popular mandate. A Singaporean identity, distinct from that of the Malay and Chinese, emerged as the nation increasingly integrated itself into the global economy. In 1990 Lee Kuan Yew stepped down as prime minister, and Goh Chok Tong, the first deputy prime minister and first minister of defense, took over as part of the succession to a new generation of leaders. The Asian economic crisis of 1997–98 was not the major setback for Singapore that it was for other Southeast Asian nations; the regional economic downturn did bring fluctuating growth rates to Singapore but no serious problems. Except for oil-rich Brunei, Singapore remained the most prosperous nation in the region. After 14 years in office, in 2004 Goh stepped down in favor of Lee Hsien Loong, the minister of finance and son of Lee Kuan Yew. The elder Lee agreed to stay on as minister mentor and Goh as senior minister in order to oversee the transition of the new generation of leaders. Lee Hsien Loong was confirmed in office in a democratic election held on May 6, 2006.

## GEOGRAPHY

**Location:** Singapore is located in Southeast Asia between Malaysia and Indonesia at the narrowest point of the Strait of Malacca, one of the world's strategic sea routes connecting the Indian Ocean with the South China Sea. Lying off the southern tip of the Malay Peninsula, Singapore is connected to Malaysia by a causeway.



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**Size:** The land area claimed by the government in 2004 was 699 square kilometers; the water area was 10 square kilometers, for a total national area of 709 square kilometers. The area has increased through land reclamation and landfill projects along the coast. Since 1988 the total land area has increased by some 63 square kilometers.

**Land Boundaries:** Singapore is an island nation with no land boundaries. Malaysia lies to the north across the Johore Strait and Indonesia to the south across the Strait of Malacca.

**Length of Coastline:** Singapore comprises one main island and 58 islets. The total coastline in 2005 was 193 kilometers. Since 1988, the coastline has increased by 55 kilometers as a result of extensive land reclamation and landfill projects.

**Maritime Claims:** Singapore claims a territorial sea of three nautical miles, as well as an exclusive fishing zone beyond the territorial sea as defined in treaties and practice.

**Topography:** Singapore is mainly low-lying, with rounded granite hills, especially in the island's center. At 166 meters above sea level, the highest point is Bukit Timah Peak. Low but steep ridges are found in the west and southwest. To the east is a large region of generally flat alluvial soils, where streams have cut steep-sided valleys and gullies. Singapore was once covered with tropical rain forest and surrounded by mangrove swamps, but as the island urbanized, hills were leveled and swamps drained. By 2005 forest covered only about 4,000 hectares, or 6.6 percent of the land area. The gently undulating central plateau contains a water catchment area and a nature preserve.

**Principal Rivers:** The Singapore River is only 4.1 kilometers in length but historically was an important resource for early settlers and traders. The Singapore River has five tributaries: the Geylang, Kallang, Pelton, Rochor, and Whampoa rivers. Also there are other small streams, some of which flow directly into the sea through mangrove swamps, lagoons, or broad estuaries. Several of the large streams have been damned at their mouths to form freshwater reservoirs. Singapore has 10 major reservoirs, both coastal and inland.

**Climate:** Only two degrees north of the equator, Singapore has a tropical climate; elevated temperatures are moderated by sea breezes and high humidity. There are two monsoon seasons, the northeastern (dry) monsoon from December to March and the southwestern (wet) monsoon from June to September. Even between the monsoon seasons, afternoon and early evening thunderstorms frequently occur.

**Natural Resources:** Fish and deepwater ports.

**Land Use:** Only 1.6 percent of the land is arable. In 1967, 25 percent of the land was in agricultural use, but by 1988, despite increases through land reclamation, that percentage had decreased to 8.5 percent and is predicted to shrink to 3.2 percent by 2030. Singapore has no irrigated land, and none of the land is planted to permanent crops. More than 60 percent of the land is devoted to residential, industrial, commercial, institutional, and infrastructure spaces.

**Environmental Factors:** The major environmental issues are industrial pollution, limited freshwater resources, waste disposal, and seasonal smoke and haze resulting from forest fires in Indonesia.

**Time Zone:** Singapore is in a single time zone, eight hours ahead of Greenwich Mean Time.

## SOCIETY

**Population:** Singapore's population was reported by the government at 4,351,400 in July 2005, an increase of some 333,660 since the 2000 census. Of this total, 3,553,500 were citizens or permanent residents. Foreign estimates for July 2006 put the total population at 4,492,150. In 2005 the annual population growth rate, based on total residents, was 1.9 percent, and population density was estimated at 6,222 persons per square kilometer.

**Demography:** According to Singapore's official demographic statistics for 2005, the national age structure was as follows: 19.7 percent 0–14 years of age, 72.0 percent 15–64 years of age, and 8.3 percent 65 and older. The birthrate was 10.0 births per 1,000 population, and the death rate was 4.3 deaths per 1,000. Life expectancy at birth was estimated at 81.6 years for women and 77.9 years for men—or 79.7 years total. The infant mortality rate was estimated at 2.1 per 1,000 live births, while the total fertility rate was estimated at about 1.24 children born per woman. The gender ratio at birth was 0.987 males per female.

**Ethnic Groups:** According to the 2000 census, ethnic Chinese make up 76.8 percent of the population. The largest group are descendants of Hokkien-speaking migrants from southern

Fujian Province in China. The second largest group are descendants of Teochiu speakers from northeastern Guangdong Province in China. The third largest group are those whose Yue-dialect ancestors came from the Guangzhou area of Guangdong Province. The Chinese population also includes Hakka (guest family) from upland areas of both Guangdong and Fujian and other groups from coastal areas of Fujian. The remainder of Singapore's population is Malay (13.9 percent), Indian (mostly Tamil, 7.9 percent), or other (1.4 percent).

**Languages:** Singaporeans speak many different languages, and the majority speak at least two languages. Malay is the national language and one of the four official languages, along with Chinese, Tamil, and English. Chinese is the majority language, spoken by about 76 percent of the population. The major Chinese dialect is Minnan, followed by Yue (Cantonese), Mandarin, Hakka, Mindong, Puxian, and Minbei. Although the postindependence generation and most Chinese migrants to Singapore over the centuries spoke southern Chinese dialects, since 1979 the government has promoted fluency in Mandarin Chinese. Other languages, in order of use, are Malay (about 15 percent), English (about 9 percent), and Tamil (about 4 percent). Less frequently spoken languages, in order of use, include Malayalam, Baba Malay (a Malay-Chinese creole), Punjabi, Madurese, Sinhala, Gujarati, and Javanese.

**Religion:** According to the 2000 census, 2.9 million Singaporeans professed adherence to a religious faith. Of these, Buddhists and Daoists made up 51.0 percent of the total, or 64.4 percent of the Chinese population and 13.9 percent of the "other" ethnic composition. Islam had the second largest following at 14.9 percent, or 99.6 percent of the Malay population. Christians represented 14.6 percent of religious believers and 53.3 percent of the "other" ethnic category. Hindus made up 4.0 percent of believers, or about 55.5 percent of the Indian population. Other religions made up only 0.4 percent of the total, and 14.8 percent professed no religious affiliation.

**Education and Literacy:** The British-inspired education system includes six years of compulsory primary school, four years of secondary school, and two years of junior college for those aspiring to higher education. All children between age six and 14 are required to attend school, and school attendance in 2005 was almost universal at both primary and secondary levels. English is the primary medium of instruction. In 2003 Singapore claimed 175 schools, 299,993 students, and 12,025 teachers at the primary level and 162 schools, 206,426 students, and 10,830 teachers at the secondary level. At the postsecondary level, Singapore maintained two centralized institutes with 851 students and 103 teachers and 16 junior colleges with 23,708 students and 1,956 faculty members. Postsecondary education also includes Singapore Polytechnic, which in 2004–5 had 13,738 full-time students; the Institute of Technical Education with 21,796 students; and the National Institute of Education with 5,092 students. Singapore has two public universities: the National University of Singapore, founded in 1905, with 31,735 undergraduate and graduate students in academic year 2005–6; and Nanyang Technical University, founded in 1955, with 25,715 undergraduate and graduate students in academic year 2005–6. A third, government-funded, privately managed institution, the Singapore Management University, was established in 2000 and has grown to more than 3,800 undergraduate and graduate students in 2005–6. Together, these three universities enroll in excess of 61,250 students. Public expenditures on education totaled 2.7 percent of the gross domestic product for

school year 2004–5. Literacy is estimated at 95 percent overall, and 57.8 percent of Singaporeans have secondary school diplomas or even higher qualifications.

**Health:** The state of health in Singapore is good by international standards. According to the Ministry of Health, rising standards of living, high levels of education, good housing, safe water supply and sanitation, quality medical services, and the active promotion of preventive medicine all have helped to significantly boost the health of Singaporeans. The leading causes of death in Singapore are cancer, heart disease, pneumonia, and cerebrovascular diseases. At the end of 2005, the Ministry of Health reported that 2,641 Singaporeans were infected with human immunodeficiency virus (HIV); of these cases, 1,481 had developed full-blown acquired immune deficiency syndrome (AIDS) cumulatively since 1985, 255 were new HIV cases in 2005, and 100 were new AIDS cases.

Two health care delivery “cluster” systems are available to Singaporeans. The western cluster, the National Healthcare Group, provides comprehensive public health care through a network of four hospitals, one national center, nine polyclinics, three specialty institutes, nine business divisions, and more than 11,000 staff members. The eastern cluster, Singapore Health Services, offers three hospitals, five national specialist centers, a network of primary health care clinics, and more than 12,000 staff members. Medical insurance is available via Medisave for hospitalization and some outpatient services, Medifund for those unable to pay for their medical expenses, Medishield for catastrophic illness, and Eldershield for senior citizens with severe disabilities. In 2005 Singapore had 29 hospitals with 11,830 hospital beds, as well as 6,748 physicians (1.6 physicians per 1,000 population or one physician for every 640 persons) and 20,167 nurses and midwives (4.6 nurses per 1,000 population or one nurse for every 220 persons). Traditional Chinese medicine also is widely practiced. In fiscal year (FY) 2005, 6.3 percent of total government expenditures was spent on health care.

**Welfare:** The Central Provident Fund is Singapore’s compulsory national social security savings plan. It was established in 1955 to ensure the financial security of all workers either retired or no longer able to work. Citizens and permanent residents are eligible to participate. Since the early 1990s, contributions of 40 percent of the gross wages of employees under 55 have been mandated, but employee and employer share the burden equally. Singaporeans can use these funds to invest in approved securities, to purchase homes in government housing projects, or to pay for hospitalization and retirement. The government makes major expenditures—43 percent of total government spending in 2005—for “social development.” Some 93 percent of Singapore residents (citizens and permanent residents) own their own homes. Of these, 72.3 percent reside in high-density buildings in four-room or larger apartments.

## ECONOMY

**Overview:** Singapore has a highly developed and successful free-trade economy. Maintaining a free and open multilateral trading system is essential for Singapore’s national well-being, and Singapore trades with any other state when it is to their mutual benefit. Singapore enjoys an open and corruption-free environment with stable prices and the second highest standard of living in Asia (following Japan). The economy depends heavily on the export trade, particularly in the



electronics and manufacturing sectors. Because of solid economic policies and practices, Singapore recovered more quickly from the 1997–98 economic crisis than other Southeast Asian nations.

**Gross Domestic Product (GDP)/Gross National Income (GNI):** According to Singapore's official government statistics, the country's GDP for 2005 was US\$116.8 billion, an 8.6 percent increase over 2004. Per capita GDP in 2005 was US\$26,833 up from US\$427 in 1960 and US\$4,859 in 1980. GNI per capita for 2005 was US\$26,706, up from US\$434 in 1960 and US\$4,662 in 1980. Using purchasing power parity, GDP in 2005 was estimated as US\$132.3 billion, or US\$29,900 per capita. Singapore has the second-highest per capita GDP in Asia, after Japan.

**Government Budget:** As reported by the Ministry of Finance for fiscal year (FY) 2005, Singapore's revenues were US\$17.4 billion, and expenditures were US\$18.2 billion. In FY 2006, operating revenue was projected at US\$18.3 billion and expenditures at US\$19.4 billion. In 2005 cumulative domestic government debt totaled US\$126.7 billion, or 108 percent of GDP.

**Inflation:** The inflation rate in Singapore was 1 percent according to 2005 estimates.

**Agriculture, Forestry, and Fishing:** As an economic category, agriculture, forestry, and fishing are not large enough to be reported as a part of the gross domestic product (GDP) but are instead subsumed under industrial production. In 1960 Singapore had 20,000 small farms on 14,000 hectares of land. By 1995 farmland had been severely reduced and was concentrated on 1,500 hectares of agrotechnology parks that housed modern intensive farms. By 2004 Singapore had only 266 farms on 803 hectares of land. In 2000 the government established the Agri-Food and Veterinary Authority of Singapore to oversee the agrotechnology parks (including the current 67 vegetable farms and five egg-laying farms), the development of agrotechnology and agribiotechnology (knowledge of agriculture and molecular biology applied to large-scale, intensive farming), and the promotion of investments in the agri-industry. Singapore's agricultural products include, in order of value, rubber, copra, fruit, orchids (15 percent of the world market), vegetables, poultry, eggs, and ornamental fish (30 percent of the world market). In 2004 Singapore produced about US\$143 million in agricultural products, including livestock and fish, for both domestic consumption and export. Since the 1980s, the government has made a concerted effort to conserve the surviving forest areas of Singapore. The last reported timber harvests were in 1992, when 25,000 cubic meters of sawnwood were produced. Around this time, a mere 100 hectares of forest and 600 hectares of mangrove swamps had survived. Fishing is by capture (36 percent) and aquaculture (64 percent). The total catch in 2004 was 7,579 tons of fish and shellfish.

**Mining and Minerals:** None other than minor amounts of stone quarrying.

**Industry and Manufacturing:** Industry accounted for 33.6 percent of the gross domestic product (GDP) in 2005. Singapore's primary industries in order of value are electronics, chemicals, oil drilling equipment, petroleum refining, rubber processing and rubber products, processed food and beverages, ship repair, and offshore platform construction. Manufacturing output grew by 12.8 percent in 2005 and employed 20.5 percent of the workforce.

**Energy:** In 2004 Singapore produced nearly 36.8 billion and consumed nearly 33.2 billion kilowatt-hours of electricity. Singapore produced no oil or natural gas but consumed an estimated 749,000 barrels per day in 2004 and 5.3 billion cubic meters in 2003, respectively. Although Singapore is 100 percent dependent on imports of oil and natural gas, it ranks as one of the world's top three crude oil refining and trading hubs. Singapore's crude oil refining capacity is estimated at 1.3 million barrels per day. However, India, Malaysia, and Thailand are challenging Singapore's regional petroleum refining dominance. In keeping with government policy, natural gas usage is rising rapidly. By 2003 this relatively environmentally clean source of energy, carried by pipeline from neighboring Malaysia, accounted for 60 percent of electricity generation.

**Services:** Services produced 66.4 percent of the gross domestic product and occupied 68.7 percent of the labor force in 2005. Major services include financial services, life sciences, and entrepôt trade.

**Banking and Finance:** The Monetary Authority of Singapore is responsible for regulating the country's banking and investment sector. In May 2006, Singapore had about 500 local and foreign financial services companies, including 108 commercial banks and 154 insurance companies. Singapore's stock exchange, the Singapore Exchange (SGX), has separate divisions for the trading of securities and derivatives.

**Tourism:** In 2005 Singapore welcomed some 8.9 million arriving visitors, not counting Malaysians who entered by land across the Johore Strait. Most visitors to Singapore in 2005 came from Indonesia (20.3 percent), China (9.6 percent), Australia (6.9 percent), Japan (6.6 percent), India (6.5 percent), and Malaysia (6.5 percent; not including those arriving by land).

**Labor:** Of 2.3 million Singaporeans employed at the end of 2005, 68.7 percent worked in services, 20.5 percent were employed in manufacturing, 10.1 percent were employed in construction, and 0.7 percent were employed in other sectors. According to the Ministry of Manpower, the annual average unemployment rate for 2005 was 3.1 percent.

**Foreign Economic Relations:** Located on the strategic Strait of Malacca, Singapore is a major trading hub and home to the world's busiest port. The nation's prosperity has been built on a pro-free trade policy. In May 2006, the director general of the World Trade Organization observed that Singapore, with its strong tradition of open markets, benefits from bilateral as well as global trade agreements, unlike most small countries that relinquish their interests in bilateral negotiations with larger and more powerful trading partners.

**Imports:** Singapore's imports totaled around US\$210.7 billion in 2005. Machinery and equipment, mineral fuels, chemicals, and foodstuffs are Singapore's major import commodities. The major import partners in 2005 were Malaysia (13.7 percent), the European Union (11.6 percent), the United States (11.6 percent), China (10.3 percent), Japan (9.6 percent), Taiwan (5.9 percent), Indonesia (5.2 percent), Saudi Arabia (4.5 percent), South Korea (4.3 percent), and Thailand (3.8 percent).

**Exports:** Singapore's exports totaled US\$241.9 billion in 2005. The major exports are machinery and equipment (especially electronic components and parts), consumer goods, chemicals, and mineral fuels and petroleum products (processed for re-export). The major export partners in 2005 were Malaysia (13.2 percent), the European Union (12.0 percent), the United States (10.2 percent), Hong Kong (9.4 percent), China (8.6 percent), Japan (5.5 percent), Thailand (4.1 percent), Taiwan (3.9 percent), and South Korea (3.5 percent).

**Trade Balance:** Singapore maintains a favorable balance of trade. In 2005 exports totaled US\$241.9 billion, exceeding imports of US\$210.7 billion.

**Balance of Payments:** Singapore's current account balance was US\$35.1 billion for 2005.

**External Debt:** The U.S. government estimated that Singapore had US\$24.7 billion of external debt in 2005.

**Foreign Investment:** Foreign direct investment (FDI) in Singapore totaled US\$15.36 billion in 2005. The cumulative value of FDI was US\$155 billion at the end of 2003. Most investment is concentrated in manufacturing, financial services, and commerce and comes primarily from the United Kingdom (16.1 percent), the United States (15.4 percent), and Japan (13.5 percent).

**Currency and Exchange Rate:** Singapore's currency is the Singapore dollar (S\$). The interbank exchange rate on July 10, 2006, was US\$1 = S\$1.57538. The Singapore dollar is made up of 100 cents. Coins are minted in denominations of S\$0.05, S\$0.10, S\$0.20, S\$0.50, and S\$1. Coins of S\$0.01 are in circulation but no longer minted. Banknotes are issued in denominations of S\$2, S\$5, S\$10, S\$50, S\$100, S\$1,000, and S\$10,000.

**Fiscal Year:** April 1 to March 31, which the government refers to as the financial year.

## TRANSPORTATION AND TELECOMMUNICATIONS

**Overview:** Singapore has a sophisticated urban transit network of light rail, metro rail, and buses to move commuters throughout the urbanized nation. As the home of the world's busiest port, Singapore provides free-trade zones and shipping services at a strategic juncture of shipping lanes and water, air, and land trade routes.

**Roads:** Singapore has 3,188 kilometers of roads. Of this total, 150 kilometers are expressways. A causeway links the Singapore road system to Malaysia's road system across the Johore Strait. The Ministry of Transport reported that at the end of 2004 Singapore had 419,470 mostly private automobiles, 20,407 taxis, 13,173 buses, and more than 137,316 commercial and other vehicles plus 137,029 motorcycles and scooters.

**Railroads:** Singapore has only 23 kilometers of railroad track, all operated by Malaysian Railways and technically located on Malaysian territory per an agreement brokered in 1965. The line provides passenger service three times daily from Singapore's Keppel Station across a 1.2-kilometer causeway that spans the Johore Strait to the Malaysian mainland and Kuala Lumpur.

Weekly luxury train service also is available from Keppel Station to Chang Mai and Bangkok, Thailand, with connections to Kuala Lumpur.

**Rapid Transit:** Singapore's principal public mass transit system is operated by Singapore Mass Rapid Transit (SMRT) Corporation, which also runs light rail, bus, and taxi services. In fiscal year (FY) 2005, SMRT trains conveyed 402.59 million passengers on the system's 89.4 kilometers of above- and underground track. The system has 16 underground stations, 34 elevated stations, and one station at grade and operates on two lines, the North-South and East-West lines. The Bukit Panjang Light Rail Transit system is a fully automated service that carried 37,800 passengers per day in FY 2005, using some 7.8 kilometers of elevated guideways and serving 14 stations. More than 1 billion passengers rode on SMRT and SBS Transit buses in FY 2004. SBS Transit, which started as a bus company (Singapore Bus Services) in 1973, began light rail and its mass rapid transit operations in 2003. By 2005 SBS was operating two mini-metro light-rail feeder lines and one full metro line—the North East Line—with 14 operational underground stations and 20 kilometers of track. SBS and SMRT metro lines intersect at key interchange points.

**Ports:** The Port of Singapore, with a deep harbor and a strategic location, is the busiest in the world. More than 130,000 ships arrived with about 1.15 billion gross registered tons (GRT) in 2005. In the same year, the port handled 423.3 million tons of general and bulk cargo and 23 million twenty-foot equivalent units of containers. The port has three major anchorages—the Eastern, Western, and Johore sectors—which offer specialized locations for various types of cargo and ships of various sizes and purposes, including foreign warships. There are five port terminals, each specializing in different types of cargo, and some 15 kilometers of wharves. The port has seven free-trade zones, six for seaborne trade and one for air cargo. Goods are stored in these zones for processing and reexportation with minimum customs formalities. Singapore also offers extensive technology-driven warehouse and oil storage facilities. More than 3,000 ships are registered in Singapore, which itself has the fifteenth largest merchant fleet in the world, numbering 900 ships of 1,000 GRT or more for a total of 23.1 million GRT. The major ships include 136 bulk carriers, 84 cargo ships, 96 chemical tankers, 4 combination bulk carriers, 8 combination ore and oil carriers, 186 container ships, 41 liquefied natural gas carriers, 10 specialized tankers, 3 livestock carriers, 2 multifunctional large-load carriers, 5 roll-on/roll-off carriers, 1 short-sea passenger ship, and 32 vehicle carriers.

**Inland and Coastal Waterways:** Singapore has no significant inland waterways. Its waterways on the Strait of Malacca coast are heavily trafficked by maritime ships.

**Civil Aviation and Airports:** Singapore has 10 airports, mostly for military use, two of which have paved runways of more than 3,047 meters. The main international airport is Singapore Changi Airport, whose major passenger and air cargo facilities are located on the northeast side of Singapore, about 20 kilometers from the city center. Seletar Airport, 13 kilometers from downtown Singapore, also handles some commercial traffic. Singapore's main airline is Singapore Airlines (SIA), a scheduled international carrier serving 90 destinations in 37 countries throughout the world. SIA provides both passenger and cargo service, using 117 relatively new Airbus and Boeing aircraft. Originally SIA was 100 percent state-owned, but the government's stockholding in SIA has decreased to 56 percent. Silkair, with a fleet of 11 Airbus

aircraft, provides service to numerous Southeast Asian cities plus selected destinations in China and India. Two other Singapore private airlines, Tiger Airways and ValuAir, provide short-trip regional service. Singapore handled some 1.8 million tons of air cargo in 2005.

**Pipelines:** Singapore had 139 kilometers of natural gas pipelines in 2004.

**Telecommunications:** Telecommunications policy, regulation, and promotion are the responsibility of a government agency, Infocomm Development Authority of Singapore. Postal and telecommunications services are provided by Singapore Telecommunications (SingTel), which is 68 percent owned by Temasek Holdings, a government holding company that is 32 percent privately owned. Seventeen FM stations and two shortwave stations broadcast to some 2.6 million radios as of 2003. Seven television broadcast stations also were in operation in 2003, and more than 1.3 million televisions were in use. Singapore had 1.85 million landline telephones and 4.2 million cellular phones (equivalent to some 978 subscribers per 1,000 population) in use in 2005. The highly touted telephone system uses submarine cables to Malaysia (both Peninsular Malaysia and Sabah), Indonesia, and the Philippines, as well as two earth satellite stations relaying to Intelsat satellites (one each) positioned over the Indian and Pacific oceans. Singapore had 2.4 million Internet users and some 440 Internet subscribers per 1,000 population in 2005.

## GOVERNMENT AND POLITICS

**Government Overview:** Singapore is a parliamentary republic. The constitution for the State of Singapore, based on that promulgated on June 3, 1959, was amended in 1965 at independence. The presidency is largely ceremonial, and the prime minister is the most powerful political figure. The current prime minister, Lee Hsien Loong, however, has been in office only since August 12, 2004, and serves under the advice of his father, long-time prime minister and now minister mentor, Lee Kuan Yew. The younger Lee assumed the office of prime minister when the incumbent Goh Chok Tong, who succeeded Lee Kuan Yew in 1990, stepped down, but Lee's mandate was democratically confirmed in an election held on May 6, 2006. Goh Chok Tong serves as senior minister. The People's Action Party (PAP), founded in 1954, has governed without serious opposition since 1959.

**Constitution:** The constitution of the Republic of Singapore, promulgated in 1965, has undergone two major revisions, once in 1985 and again in 1999. Based on English common law, it has 14 parts and 153 articles. Although it provides all the mechanics for a liberal democracy, Singapore's one-party rule for more than 45 years has not offered the opposition a meaningful chance to develop.

**Executive Branch:** The president is Sellapan Rama—S.R.—Nathan, who ran unopposed and was elected to a six-year term by direct popular vote on August 18, 1999. He was sworn in for his first term on September 1, 1999, and on September 1, 2005, was sworn in for a second term without even being required to stand for election after the government declared his opponent ineligible to run. The largely ceremonial president and head of state is assisted by the Council of Presidential Advisers (CPA), a body established by constitutional amendment in 1991. The

president is required to consult the CPA before he vetoes the government budget or appoints government nominees to key posts. In other matters, such as withholding assent to certain bills passed by parliament, appointments to statutory boards, and withholding concurrence in regard to detention of persons in times of national emergency, the president may use his discretion on consulting the CPA. The CPA has six members: two appointed by the president at his discretion, two nominated by the prime minister, one put forward by the chief justice of the Supreme Court, and another suggested by the chairman of the Public Service Commission. CPA members are appointed to initial six-year terms and can be reappointed for additional four-year terms. The current chairman of the CPA is Sim Kee Boon.

The head of government is the prime minister. The current incumbent, Lee Hsien Loong, has held office since August 12, 2004, and concurrently serves as minister of finance. The prime minister is assisted by a senior minister (since August 12, 2004, Goh Chok Tong, the former prime minister), a minister mentor (since August 12, 2004, Lee Kuan Yew, the prime minister's father), two deputy prime ministers, and 14 other ministers. The president appoints as prime minister a member of Parliament believed likely to command the confidence of the majority of the members of Parliament. There is no set tenure for the office of prime minister. On the advice of the prime minister, the president appoints the other members of the cabinet. The cabinet, responsible collectively to the Parliament, oversees government policies and day-to-day administration of the affairs of state.

**Legislative Branch:** The unicameral 84-seat Singapore Parliament is modeled after the Westminster system of parliamentary democracy where members are voted in at regular general elections and the leader of the majority party is invited by the president to assume the post of prime minister. The prime minister then selects ministers from elected members of Parliament to form the cabinet, which in turn runs the executive branch of government. When the new Parliament first convenes, a speaker is elected. Each Parliament sits for five years from the date of its first session after a general election, and general elections are to be held within three months of the dissolution of Parliament. Members are elected by universal suffrage. The president appoints a maximum of nine "nominated members" from among persons who have rendered distinguished public service, brought honor to the republic, or made notable contributions in the fields of arts and letters, culture, the sciences, business, industry, the professions, social or community service, or the labor movement. Parliament also can seat up to six "non-constituency members" to represent a political party or several parties not a part of the government, although nominated and non-constituency members are prohibited from voting on amendments to the constitution, money and supply bills, no-confidence measures, and removal of the president from office. The constitution further provides for group representation in Parliament of the Malay, Indian, and minority communities.

**Judicial Branch:** The judicial branch is headed by a Supreme Court, whose chief justice is appointed by the president on the advice of the prime minister. Other Supreme Court judges then are appointed by the president on the advice of the chief justice. The Supreme Court consists of the Court of Appeals and the High Court. Supreme Court judges or former Supreme Court judges can sit as judges on the Court of Appeals and the High Court, as designated by the president after consultation with the prime minister. Judges normally serve until age 65. Subordinate courts include criminal courts, criminal mentions courts (at which charges are first placed), and traffic,

night, coroners', civil, and family courts, plus various other tribunals and services that support the subordinate court system. The Syariah Court, established in 1955, adjudicates Muslim marriages, divorces, property dispositions, and other matters relating to Muslim inheritance, betrothal, marriage, and divorce.

**Administrative Divisions:** Singapore is a unitary state with no second-order administrative divisions.

**Provincial and Local Government:** Singapore has no provincial or local government although there are some advisory bodies based on the 23 electoral divisions.

**Judicial and Legal System:** The legal system is based on English common law. According to Article 2 of the constitution, the laws of Singapore include written laws and any legislation of the United Kingdom or other enactments or instruments in operation in Singapore. Common law and any custom or usage having the force of law in Singapore also are in effect according to Article 2. Representation by legal counsel is provided by law, but the right to trial by jury was abolished in 1959 for all except capital offenses, and all jury trials were abolished in 1969.

**Electoral System:** Suffrage begins at 21 years of age and is universal and compulsory. Singapore has 23 electoral divisions or constituencies. Nine single-member constituencies and 14 group representation constituencies, each with between three and six individuals, are represented by 75 members of Parliament. Singapore has only two kinds of elections, presidential and parliamentary. According to the constitution, the president is elected by popular vote for a six-year term, but the current president, Sellapan Rama Nathan, was nominated unopposed and was elected to the presidency on August 18, 1999. He was sworn in for a second term on September 1, 2005, after the government had declared potential opponents ineligible to run. The leader of the majority party in Parliament or—although this has never happened—the leader of a majority coalition is normally appointed prime minister by the president. The People's Action Party (PAP) dominated the most recent parliamentary elections held on May 6, 2006, as it has every election since 1959. The PAP, headed by Lee Hsien Loong, won 66.6 percent of the vote and 82 of the 84 seats in Parliament, including 37 seats that the opposition declined to contest. A third "non-constituent" seat was awarded to the opposition. The Workers' Party of Singapore gained one regular and one non-constituent seat. The Singapore Democratic Alliance won a regular seat.

**Politics and Political Parties:** The majority party, which has been in power since 1959, is the People's Action Party (PAP). Of the opposition parties, only the Workers' Party of Singapore (WP) and the Singapore Democratic Alliance (SDA), an umbrella group, hold seats in Parliament. The SDA consists of the Singapore National Malay Organization (Pertuhan Kebangsaan Melayu Singapura—PKMS), National Solidarity Party (NSP), Singapore's People's Party (SPP), and Singapore Justice Party (SJP). Two opposition parties not holding seats in Parliament are the Democratic Progressive Party (DPP) and Singapore Democratic Party (SDP). In the May 2006 parliamentary elections, the Singapore government continued its customary tradition of intimidation against opposition candidates, which consisted mainly of costly defamation lawsuits. Following the 2006 elections, the Asian Network for Free Elections, a watchdog group based in Bangkok, recommended that Singapore establish an independent election commission, which now reports to the prime minister.

**Mass Media:** The media industry is regulated by the government's Media Development Authority. All newspapers in Singapore are required by law to be public companies and are regulated by the government. Major daily newspapers are published in various languages. English-language publications include the venerable *Straits Times*, founded in 1845; *Business Times*; and three tabloids, *The New Paper*, *Streets*, and *Today*. Chinese-language newspapers include *Lianhe Wanbao*, *Lianhe Zaobao*, *Shin Min Daily News*, and *Toh Lam Hhat*. Two other dailies are the Malay *Berita Harian* and Tamil *Tamil Murasu*. Weekly newspapers are offered in English and Malay, and most newspapers can be accessed on the Internet. There also is a lively magazine circulation with 17 domestic English, one Malay, and nine Chinese titles. Most broadcasting is produced by radio and television companies owned by the Media Corporation of Singapore and Radio Corporation of Singapore. Other radio stations include Radio Heart, Rediffusion, and SAFRA (Singapore Armed Forces Reservists' Association) Radio. Cable, satellite, and traditional television broadcasters include CNBC (formerly stood for Consumer News Business Channel) Asia Pacific, Singapore CableVision, Singapore Television 12; SPH (Singapore Press Holdings) MediaWorks, and Television Corporation of Singapore. Broadcasts are in Chinese, English, Malay, and Tamil, but primarily in Chinese and English.

**Foreign Relations:** Singapore maintains diplomatic relations with 165 nations. Overseas, it has seven high commissions, 17 embassies, two permanent representations to the United Nations (UN), and 14 consulates general and consulates. Singapore hosts embassies or high commissions of 55 nations, 37 foreign consular posts, and offices of eight international organizations. In addition, more than 60 nonresident foreign ambassadors are accredited to Singapore. Singapore seeks to maintain a credible defensive military to undergird its foreign policy. It promotes good relations with its neighbors and any nation wishing to establish friendly relations. As a founding member of the Association of Southeast Asian Nations (ASEAN), Singapore is committed to maintaining a secure peaceful environment in and around Southeast Asia and in the Asia-Pacific region. After breaking off a long-term diplomatic relationship with the Republic of China on Taiwan in 1990, Singapore established relations with the People's Republic of China. Since this change, numerous high-level delegations have traded visits and have developed a wide range of political, economic, cultural, and scientific and technical exchanges. Tensions over Singapore's relations with Taiwan—emanating from both Beijing and Taipei—continue. Continued good relations with the United States are based on bilateral free trade and close military ties.

**Membership in International Organizations:** Singapore is a member of the Association of Southeast Asian Nations (ASEAN), the Nonaligned Movement, the United Nations (UN), and numerous other international organizations, including the Asian Development Bank, Asia Pacific Economic Forum, Bank for International Settlements, Colombo Plan, Commonwealth, Forum on Small States, Group of 77, International Atomic Energy Agency, International Aviation Organization, International Bank for Reconstruction and Development, International Chamber of Commerce, International Confederation of Free Trade Unions, International Criminal Police Organization, International Development Association, International Federation of Red Cross and Red Crescent Societies, International Finance Corporation, International Hydrographic Organization, International Labour Organization, International Maritime Organization, International Monetary Fund, International Olympic Committee, International Organization for Standardization, International Red Cross and Red Crescent Movement, International Telecommunication Union, Multilateral Investment Geographic Agency, Organisation for the



Prohibition of Chemical Weapons, Permanent Court of Arbitration, UN Conference on Trade and Development, Universal Postal Union, World Confederation of Labor, World Customs Organization, World Health Organization, World Intellectual Property Organization, World Meteorological Organization, and World Trade Organization.

**Major International Treaties:** Singapore is a signatory to the Treaty on the Non-Proliferation of Nuclear Weapons; Comprehensive Nuclear Test-Ban Treaty; Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons; and Convention on Biological and Toxin Weapons. Singapore also is party to the ASEAN Agreement on Transboundary Haze Pollution, Montreal Amendment to the Montreal Protocol on Substances that Deplete the Ozone Layer, United Nations (UN) Convention to Combat Desertification, UN Convention on Biological Diversity, UN Framework Convention on Climate Change, and Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and Their Disposal. It also is a party to the Endangered Species, Hazardous Wastes, Law of the Sea, and Ship Pollution agreements.

## NATIONAL SECURITY

**Armed Forces Overview:** The Singapore Armed Forces (SAF) had 72,500 personnel on active duty in 2005, 35,000 of whom were conscripts. The service components are the army, numbering 50,000, with 35,000 conscripts; navy, 9,000, with 1,800 conscripts; and air force, 13,500, with 3,000 conscripts. There are an estimated 312,500 personnel in reserve status (army, about 300,000; navy, about 5,000; and air force, about 7,500). The SAF is led by a chief (a major general) supported by army, navy, and air force chiefs of staff. As of 2006, the Ministry of Defence was headed by Teo Chee Hean, who also oversees the administration of the Defence Policy Group, Defence Administration Group, Singapore Armed Forces, and Defence Science and Technology Agency.

**Foreign Military Relations:** The British Far East Command and the British naval presence in Singapore formally ended in 1971. At that time, Singapore became a participant in the Five-Power Defence Arrangement with Australia, Malaysia, New Zealand, and the United Kingdom, and a joint military force was in place until 1975. Singapore continues to provide facilities for servicing foreign naval vessels, but its official policy disallows the establishment of a naval base on the island by another country. Under the five-power arrangement, joint military and naval maneuvers are held annually. Singapore supports a strong U.S. military presence in the Asia-Pacific region. In 1990 the United States and Singapore signed a memorandum of understanding (MOU) that allows U.S. access to Singapore facilities at the Paya Lebar Airbase and the Sembawang wharves. In accordance with the MOU, the U.S. Navy established a logistics unit in Singapore in 1992. Furthermore, U.S. fighter aircraft are deployed periodically to Singapore for exercises, and U.S. Navy vessels visit Singapore. The MOU was amended in 1999 to permit U.S. naval vessels to berth at the Changi Naval Base, which was completed in 2001. In October 2003, Singapore and the United States announced their intention to expand cooperation in the area of defense and security and to negotiate a Framework Agreement for a Strategic Cooperation Partnership. Areas of cooperation include counterterrorism, counterproliferation of weapons of mass destruction, joint military exercises and training, policy dialogue, and technology

exchange. Singapore has conducted joint naval exercises with the United States and has joined the United States-led Proliferation Security Initiative. Joint naval and air force exercises are held annually with Australia. Singapore maintains relationships with the armed forces of Australia, Brunei, France, Thailand, and the United States, primarily for the purpose of training. Although it does not have diplomatic relations with Taiwan, Singapore maintains training facilities there. Most of Singapore's major military imports since 1998 have been purchased from the United States. It also has acquired submarines from Sweden and has a frigate on order from France.

**External Threat:** Singapore faces a potential military threat from Malaysia if historical tensions were to reemerge. In particular, Singapore fears that the Malaysian state of Johor could cut off its water supply, an act that would be regarded as a *casus belli*. Singapore also is concerned about the possibility of a terrorist strike sponsored by the Indonesia-based Jemaah Islamiah (Community of Islam) or the Moro Islamic Liberation Front, a Philippines-based separatist group.

**Defense Budget:** Military expenditures in fiscal year (FY) 2005 were estimated at US\$5.87 billion, or about US\$1,349 per capita, representing about 5 percent of the gross domestic product (GDP). The projected defense budget for FY 2006 is US\$6.37 billion, an 8.5 percent increase over the previous year. Projected defense spending for 2006 represents 22.5 percent of the total federal budget.

**Major Military Units:** The army has three combined arms divisions, a rapid deployment division, and a mechanized division. Included in these organizations are nine infantry brigades with both active-duty and reserve personnel. The navy has a fleet with two flotillas and a submarine squadron and coastal, naval logistics, and training commands. The air force is organized into 20 combat, reconnaissance, transportation, support, and helicopter squadrons. It also has one squadron of unmanned aerial vehicles and an air defense division with four field defense squadrons.

**Major Military Equipment:** The army has an estimated 450 tanks (including 80 to 100 main battle tanks), 294 armored infantry fighting vehicles, more than 1,280 armored personnel carriers, 206 towed artillery pieces, an estimated 18 self-propelled artillery pieces, a variety of mortars, more than 30 antitank guided weapons, rocket launchers, recoilless launchers, 30 air-defense guns (some of which are self-propelled), and 75 or more surface-to-air missiles. The navy has three submarines with antisubmarine warfare capability, six corvettes, six fast missile attack craft, 11 offshore patrol vessels, four mine countermeasures ships, four amphibious ships, and two logistics and support ships. The air force has 111 combat aircraft, 110 helicopters, and 64 unmanned aerial vehicles. The air force's air defense division has air-defense guns, anti-aircraft and anti-ship missiles, and mobile radar equipment.

**Military Service:** Singapore has compulsory military service for males reaching the age of 18 and voluntary service for those reaching 16 years of age. The conscription term of service is 24 months. Reservists attend annual training until age 40 for enlisted ranks and age 50 for officers.

**Paramilitary Forces:** Singapore's paramilitary consists of 93,800 active-duty personnel and 44,000 reserves. The active-duty paramilitary encompasses the Civil Defence Force, the Singapore Police Force, and the Singapore Gurkha Contingent.

**Foreign Military Forces:** In 2005 the United States had 89 liaison personnel assigned to Singapore (39 air force and 50 navy). New Zealand had an 11-person liaison support unit stationed in Singapore.

**Military Forces Abroad:** Since 1991, Singapore has taken part in 11 peacekeeping missions in various capacities, including the provision of medical support, provision of military advisers for national reconciliation, and supervision of United Nations (UN)-sponsored elections in Namibia, Guatemala, Cambodia, South Africa, and Afghanistan. Singaporeans also have held senior appointments in UN peacekeeping operations. In 1993, at the request of the UN secretary general, Singapore provided a special envoy to head a mission to broker a peaceful settlement between Russia and the Baltic States. In 1997 Singapore became only the seventh country to sign the memorandum of understanding on UN Standby Arrangements. Under its commitments, Singapore provides planning officers, military observers, medical personnel, and police officers on standby for the support of UN peacekeeping missions. Singapore forces also participated in the UN Transitional Authority in East Timor (UNTAET) and the UN Mission in East Timor (UNMISET) during the unrest in East Timor before and after its independence from Indonesia in 2002. In 2005 Singapore military and police personnel were serving in UN Iraq/Kuwait Observer Mission (UNIKOM), Eritrea and Ethiopia (UNMEE), and East Timor (UNMISET), and also in New York at the UN Department of Peacekeeping Operations. The Singapore Armed Forces (SAF) provided medical and other humanitarian aid to Indonesia following the earthquake and tsunami in December 2004 and the earthquake in March 2005.

Additionally, in 2005 Singapore sent some 230 SAF personnel to flight training in Australia, 500 for helicopter training in Brunei, and 200 for flight training in France. The SAF maintains a joint artillery and combat engineer training camp in Thailand and a flight training detachment in the United States. The SAF also has three training camps (for infantry, artillery, and armored forces) in Taiwan. In 2002–4 there was discussion by Singapore about possibly moving some or all of these facilities to China's Hainan Island.

**Police and Internal Security:** The Singapore Police Force has an estimated strength of 12,000, including 3,500 conscripts. There also are 21,000 reserve police officers. The Singapore Police Force includes the Police Coast Guard, which has inshore patrol craft and about 60 other boats.

**Terrorism:** Singapore perceives a threat from international terrorist organizations. As a consequence, the Five-Power Defence Arrangement, to which Singapore belongs along with Australia, Malaysia, New Zealand, and the United Kingdom, was expanded after 2001 to include counterterrorism. The Indonesia-based Jemaah Islamiah (Community of Islam), an affiliate of al Qaeda, has operational units in peninsular Malaysia, Singapore, Australia, and Papua New Guinea. Another terrorist group of concern is the Moro Islamic Liberation Front, a Philippines-based separatist group. Singapore maintains a high level of readiness and cooperation in the area of counterterrorism, especially in the wake of terrorist bombings in neighboring Indonesia, in Bali in 2002, and Jakarta in 2003. Singapore is believed to hold in indefinite detention between

36 and 40 individuals who are suspected of links to terrorist organizations. In February 2006, Mas Selamat Kastari, who was accused of plotting to crash an airplane into Changi Airport in retaliation for Singapore's imprisonment of fellow Jemaah Islamiah members, joined the detainees when he was deported to Singapore after spending four years in custody in Indonesia. Particular emphasis has been placed on protective and preventive actions against attacks on critical infrastructure, cyberterrorism, and chemical and biological attacks. Maritime piracy, long a problem in the immediate area, is of special concern to Singapore. The threat of a terrorist ship hijacking, possibly with the placement of conventional or nuclear explosives onboard, has led Singapore to increase maritime security on its own and with its neighbors.

**Human Rights:** The Ministry of Home Affairs's Internal Security Department enforces the Internal Security Act as a counter to potential espionage, international terrorism, threats to racial and religious harmony, and subversion. According to the U.S. Department of State's 2005 *Country Reports on Human Rights Practices*, the government maintains effective control over all security activities, but there were some reports of human rights abuses of detainees by security forces during the year. The government generally respects the human rights of its citizens, but, nevertheless, retains broad powers to limit citizen rights and to handicap the political opposition. Caning, in addition to imprisonment, has been a routine punishment for numerous offenses. Preventive detention has been used to deal with espionage, terrorism, organized crime, and narcotics. Citizens' privacy rights occasionally have been infringed, and the government has restricted freedom of speech and freedom of the press and limited other civil and political rights. Government pressure to conform has resulted in the practice of self-censorship by journalists.

The government has instigated court proceedings and defamation suits against political opponents and critics. Such suits have consistently been decided in favor of the government, a phenomenon that inhibits political speech and action and leads observers to believe that the ruling party uses the judicial system for political purposes. During 2005 a moderate level of debate occurred in the media on various public issues. However, the government has continued to prohibit discussion of sensitive ethnic or religious issues and has restricted freedom of assembly and freedom of association, and some religious groups, such as the Jehovah's Witnesses and the Unification Church, have been banned.