

SINGAPORE

Introduction

Situated at the tip of the Malay Peninsula, the island of Singapore and 54 adjacent islets constitute the Republic of Singapore and encompass a total land area of 603 square kilometres. The country's population is estimated to be 2.4 million and is predominantly Chinese (76%), with Malays, Indians and a variety of other ethnic groups making up the balance.

Domestic Political Situation

Singapore has been an independent republic since its separation from Malaysia in 1965. The government is a parliamentary democracy with full adult suffrage. The Head of State is President C.V. Devan Nair. Executive power rests with the Prime Minister and his Cabinet, drawn from the Legislature in which the multi-racial People's Action Party (PAP) holds all but one of the 75 seats. Singapore's emergence in the 1960s and 1970s as the dynamic trading, financial, manufacturing and distributing centre for South-east Asia has been primarily the result of the PAP's social engineering and economic policies under the leadership of the Prime Minister.

Since the rise to power of the People's Action Party in the 1959 general election, the PAP has dominated Singapore's Parliament, and its leader, Lee Kuan Yew, has served as Prime Minister. Each subsequent general election (1963, 1967, 1972 and 1977) has given the ruling government a fresh mandate. In the most recent national election held December 23, 1980, Prime Minister Lee Kuan Yew's People's Action Party made a clean sweep of the polls for the fourth time. It was only as a result of a by-election in October, 1981 that an opposition candidate succeeded in winning a seat, the first to do so since the early 1960's.

Prime Minister Lee and the older generation of political leaders continue to dominate the Cabinet but are backed by a younger group of technocrats who are playing an increasingly important role in policy formulation.

Domestic Economic Situation

Singapore has no natural resources but has developed a deep-water harbour on the basis of an industrious labour force and a vital geographic location. Government objectives, therefore, are to ensure Singapore's economic development as a regional service and diversified manufacturing centre. Singapore's economy has maintained a high rate of growth in recent years. Gross domestic product grew