

A Critical Review of Linda Y. C. Lim's *Singapore's Economic Development: Retrospection and Reflections*

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About the Book

Title: Singapore's Economic Development: Retrospection and Reflections

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This book looks at Singapore's economic development from post-independence to today's global economy. It examines the strategies, policies and results that made Singapore one of the best economies in the world. Anyone interested in Singapore's history and economy can read the book which covers the pros and cons. So, this book is a must read for anyone who wants those seeking to understand one of Asia's most amazing economic success stories.

The book has 13 chapters. The first section gives an overview of Singapore's economic development over the last 50 years. Under Lee Kuan Yew, its first prime minister, Singapore launched a growth plan after independence in 1965. The city-state's rise was driven by progressive policies, good governance and economic openness. Singapore exploited its geographical advantage in the early years to become a major shipping and trade hub. Governance in Singapore played a big role in its economic development. The ability of Singapore's leaders to make bold decisions, implement tough economic reforms and attract foreign investment was key to overcoming the country's challenges. By focusing on education, infrastructure and investment in human capital, Singapore was able to overcome its size and lack of natural resources.

Efficiency, technocracy and pragmatism of the Singapore model were the key drivers of Singapore's economic transformation. A long-term focus was made possible by the state's active involvement in the economy through targeted policies, political stability, an effective bureaucracy and low levels of corruption. By making tough trade-offs and maintaining popular support, Singapore's leaders navigated economic transformations and the country to prosperity. Other developing economies in Asia and Africa use Singapore's model as a reference. Strong leadership, emphasis on education, investment in infrastructure and development of human capital are the key takeaways. Singapore's investments in logistics, telecommunications and transportation transformed it into a global corporate hub. Lee Kuan Yew's visionary leadership played a pivotal role in shaping the country's direction. However, Singapore's success is more achievable because of its small size, homogeneous population and lack of natural resources; so other developing countries should adjust their policies accordingly.

The state-led development model of Singapore is examined in the book with a realistic and results-driven approach. It looks at the role of government in infrastructure investment, industrial policy and economic planning. The book also covers Singapore's entrepreneurial strategy which includes setting up state-owned enterprises in industries like finance, telecommunications and transportation. It debunks the critics' argument that this stifles private sector innovation by avoiding excessive regulation.

Another big focus in the book is the evolution of Singapore's finance industry. Since 1971, the monetary authority of Singapore has been guiding the country's finance industry and monetary policy. The book looks at Singapore's financial sector reforms which have made the country one of the top financial hubs in the world. Singapore's focus on the finance industry is to diversify the economy and reduce its reliance on manufacturing. Singapore attracted foreign banks, insurance companies and investment firms by building a strong finance sector. The book explains how Singapore's regulators struck a balance between growing the finance sector and ensuring financial stability. Singapore's public financial management is efficient and transparent with a balanced budget and strong fiscal reserve. The government's approach to public debt and broad-based consumption taxes is key. Singapore's fiscal discipline has been the key to economic resilience but rising social spending in healthcare and social welfare may challenge its sustainability in the future. Singapore has invested in education and vocational training to develop the workforce and the country's economic strategy has been focused on labour policy and productivity gains. High value industries like research and development, technology and finance have emerged from this.

Singapore's open economy is one of the key factors of its success. The book looks at Singapore's trade policies and its attraction of foreign direct investment (FDI). Singapore's location, infrastructure and regulatory environment have made it a favourite destination for multinational corporations. The book also looks at Singapore's role in regional trade agreements particularly within ASEAN. Singapore has been at the forefront of regionalization efforts to integrate its economy with its neighbours and reduce trade barriers. Another big issue in the book is Singapore's demographic shift. Over the past 50 years, the city-state has gone through significant demographic changes with low birth rate and fast ageing population. The impact of these changes on the workforce and the long-term economic prospects of the country is covered in the book. To mitigate the effects of demographic transition, the government has put in place initiatives such as encouraging immigration and increasing fertility rates. The authors argue that resolving demographic issues is key to Singapore's future. Social stability and economic prosperity have been facilitated by Singapore's housing policy which is managed by the government's Housing and Development Board. Productivity has increased with affordable housing near areas of employment. Its vast social safety net which includes the Central Provident Fund system for housing, healthcare and retirement is a reflection of the country's reputation as a welfare state. Lastly, the book looks at Singapore's overall economic success, its government policy, industrialization, human capital development and global trade. The book highlights the government's role in shaping the economy while acknowledging the challenges it faces in a rapidly changing world. It also looks at sustainability, inequality and the implications of state intervention. The book's comprehensiveness is one of its strengths. By combining different perspectives, the book presents a 360-degree view of Singapore's economic achievements. With multiple authors, the book is readable by everyone – academics, decision-makers and corporate executives.