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U.S.-Singapore Relations

Overview

With a land area about three times that of Washington, DC, and a population of 5.9 million, the city-state of Singapore has long punched above its weight diplomatically. Its stable government, strong economic performance, educated citizenry, and strategic position along key shipping lanes afford it considerable leverage and a prominent role in regional and global affairs. Singapore has been a stalwart U.S. partner in both trade and security cooperation, and an advocate of a strong U.S. role in the Indo-Pacific. At the same time, Singapore's leaders aim to strike a balance among powers and maintain close relations with China.

The U.S.-Singapore Free Trade Agreement (FTA)—the United States' first bilateral FTA with an Asian country—went into effect in January 2004 and trade has increased since. In 2022, Singapore was the 15th largest U.S. trading partner, with \$78 billion in total two-way goods trade. The city-state is also a destination for substantial U.S. foreign direct investment (FDI). Singapore is a member of the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP) that replaced the Trans-Pacific Partnership (TPP), from which the United States withdrew in 2017. It also is part of the Biden Administration's Indo-Pacific Economic Framework (IPEF) initiative.

Mutual security interests also undergird ties between Singapore and the United States. Although Singapore is not a U.S. treaty ally, many U.S. and regional observers consider the U.S. security partnership with the city-state to be one of the strongest in the Asia-Pacific region. In August 2021 the two nations announced new agreements to address climate change, cybersecurity, and supply chain resilience. The two countries also cooperate on the U.S.-Singapore Third Country Training Program, which has provided capacity-building programs for other Southeast Asian governments since 2011.

Singapore Politics

The People's Action Party (PAP) has won every general election in the city-state since the end of the British colonial era in 1959, aided by its success in delivering consistent economic growth as well as Singapore's fragmented opposition and electoral procedures that strongly favor the ruling party. In recent years, some observers have pointed to changes in the political and social environment that may portend more political pluralism, including generational changes and an increasingly international outlook among Singaporeans. The PAP remains dominant, however. In the most recent nationwide elections, held in July 2020, the PAP won 83 of 93 seats in parliament, with 61% of the popular vote, down from almost 70% five years earlier. The Workers' Party won 10 seats, a record number for an opposition party. About 96% of eligible Singaporeans voted, as they are legally required to do except in

uncontested races. Singapore must hold its next general elections by November 2025.

Singapore's leaders increasingly speak of a generational shift in the country's leadership. Singapore's first prime minister, Lee Kuan Yew, led the country for 32 years and was widely heralded as the architect of Singapore's success as a nation and its rapid economic development, although much of the country's authoritarian practices derived from Lee's efforts to constrain political opposition. Lee's eldest son, Lee Hsien Loong, has served as Prime Minister since 2004. PAP leaders say a "fourth generation" of leaders will take the reins of government in the coming years, and indicate that Finance Minister Lawrence Wong is Prime Minister Lee's likely heir apparent.

Figure 1. Singapore



Despite the generational shifts, the PAP still acknowledges a "contract" with the Singaporean people, under which some individual rights are curtailed in the interest of maintaining a stable and prosperous multiethnic society. PAP leaders also speak of the need to reform the party to respond to the public's concerns, which appear to focus on the rising cost of living, wealth disparities, and an influx of immigrants. (Roughly 2.1 million of Singapore's 5.9 million permanent residents are non-citizens.)

The government of Singapore has long taken a hard line on corruption, and attributed much of its success to clean government. However, Singapore weathered a series of corruption scandals in 2023. In July, Transportation Minister S. Iswaran was arrested as part of an anti-graft investigation by the Corrupt Practices Investigation Bureau, and placed on leave from the government. Also in July, the Speaker of Parliament and a Member of Parliament were forced to resign over an "inappropriate relationship," and the Foreign and Home Affairs Ministers came under parliamentary scrutiny for potentially renting government-owned properties at below market rates—for which they were ultimately found not guilty.

The United States has criticized some aspects of Singapore's political system. The U.S. State Department's Country Report on Human Rights Practices for 2021 contended that "government leaders used defamation lawsuits or threats of such actions to discourage public criticism, coerce the press, and intimidate opposition politicians." The political careers of several opposition politicians have been marked by characteristic obstacles erected by the ruling party, including being forced to declare bankruptcy for failing to pay libel damages to prominent PAP members.

U.S.-Singapore Defense Cooperation

The U.S.-Singapore Strategic Framework Agreement (SFA) formalizes the bilateral security relationship between the United States and Singapore. The agreement, which was signed in 2005, builds on the U.S. strategy of "places-not-bases"—a concept that aims to provide the U.S. military with access to foreign facilities on a largely rotational basis, thereby avoiding sensitive sovereignty issues. The agreement allows the United States to operate resupply vessels from Singapore and to use a naval base, a ship repair facility, and an airfield on the island-state. The U.S. Navy also maintains a logistical command unit in Singapore that serves to coordinate warship deployment and logistics in the region. Singapore's Changi Naval base is one of the few facilities in the world that can accommodate a U.S. aircraft carrier, allowing for regular port visits. Singapore-stationed U.S. littoral combat ships and P-8 Poseidon aircraft have performed patrols in the South China Sea, participated in exercises with other countries, and provided disaster relief. Singaporean troops have served in non-combat roles at U.S. Central Command and at the Combined Joint Task Force's headquarters.

The U.S. and Singapore hold dialogues and other cooperative initiatives on a range of security issues, including cybersecurity, counterterrorism, and space. In August 2021, the United States and Singapore signed three MOUs to deepen communication on cybersecurity. Singapore has also played a role in global counterpiracy efforts, including serving as the Commander of the Gulf of Aden counterpiracy Combined Task Force-151 in 2018.

Singapore is a substantial market for U.S. military goods, with \$8.38 billion in active sales under the Foreign Military Sales system in March 2023. In addition, from 2019 through 2021, the United States authorized the permanent export of over \$26.3 billion in defense articles to Singapore via Direct Commercial Sales (DCS). In January 2020, the State Department approved Singapore's request to procure four F-35 jets, with the option to purchase eight more. Over 1,000 Singapore military personnel are assigned to U.S. military bases, where they participate in training, exercises, and professional military education. Singapore has operated advanced fighter jet and helicopter detachments in the continental United States for over 25 years.

Law Enforcement Cooperation

The United States and Singapore engage in ongoing law enforcement cooperation. Singapore is a transit point for millions of air passengers annually. Singapore's busy port also is a trans-shipment point. The State Department's 2020 Country Reports on Terrorism said, "Singapore remained a committed, active, and effective CT (counterterrorism)

partner." Among U.S. priorities are improving Singapore's port security, where the Department of Homeland Security hopes to see Singapore make greater use of advance manifests to screen containers through its busy port, as well as strengthening the bilateral extradition treaty.

Singapore Economy and U.S. Trade Relations

Singapore has a pro-trade liberalization policy: it has a mature, globalized economy, virtually no agricultural sector, and its manufacturing industry is focused on specialized products such as high-end electronics and pharmaceuticals. Singapore's GDP per capita (PPP) is one of the world's highest at over \$116,400. The value of Singapore's annual trade throughput is more than three times the country's annual GDP, and in 2022, its port handled about 578 million tons of cargo, making it one of the world's busiest. China is Singapore's largest trading partner. The United States is its biggest foreign investor: in 2020, the stock of U.S. foreign direct investment in Singapore totaled \$271 billion. Some 5,400 U.S. companies operate in Singapore.

As a highly trade-dependent economy, Singapore has concluded at least 19 bilateral and multilateral free trade agreements FTAs. Singapore is an active participant in the Biden Administration's Indo-Pacific Economic Framework (IPEF) initiative, and participates in IPEF's pillars on trade, supply chains, clean energy, and fair trade.

Singapore's Regional Role

Singapore is a founding member of the Association of Southeast Asian Nations (ASEAN), the 10-member regional forum that helps Southeast Asia's relatively small countries manage regional conflicts and influence regional diplomacy, particularly vis-à-vis China. Singapore portrays itself as a useful balancer and intermediary in international affairs, using its strong ties to all major powers to promote cooperation and providing a bridge to developing countries in fora like international climate negotiations.

Singapore has praised greater U.S. engagement in Asia, yet has been careful to warn that anti-China rhetoric or efforts to "contain" China's rise would be counterproductive. Singapore's ties with Beijing are multifaceted and extend to cultural, political, educational, and, increasingly, defense exchanges. Singapore adheres to a one-China policy, but has an extensive relationship with Taiwan, including an agreement signed in 1975 that allows Singapore troops to train in Taiwan. A June 2021 Pew Research Center report underscored that Singaporean views of China and its leadership are broadly positive, despite a global trend of more skeptical views of Beijing.

Some observers believe Singapore could play an important role in diplomacy surrounding the political crisis in Burma (Myanmar), where the military seized power in a February 1, 2021, coup d'état. Singapore is one of Burma's largest trading partners and sources of direct investment, and reportedly has been an important banking and health-care center for senior Burmese military officials.

Ben Dolven, Specialist in Asian Affairs

Emma Chanlett-Avery, Specialist in Asian Affairs

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