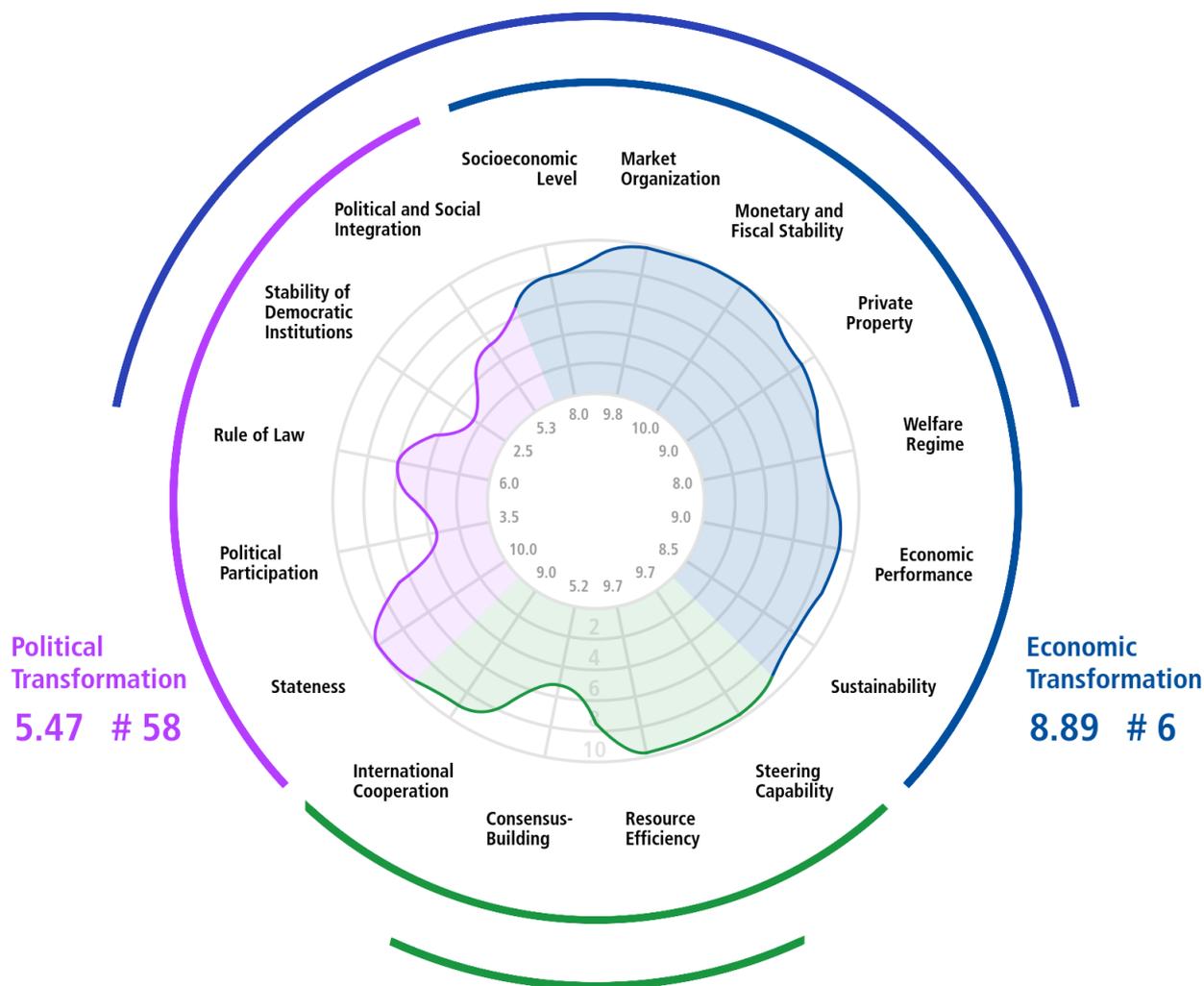


Singapore

Status Index

7.18 # 23

on 1-10 scale out of 137



Political Transformation
5.47 # 58

Economic Transformation
8.89 # 6

Governance Index

6.96 # 8

on 1-10 scale out of 137

This report is part of the **Bertelsmann Stiftung's Transformation Index (BTI) 2026**. It covers the period from February 1, 2023 to January 31, 2025. The BTI assesses the transformation toward democracy and a market economy as well as the quality of governance in 137 countries. More on the BTI at <https://www.bti-project.org>.

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Key Indicators

Population	M	6.0	HDI	0.946	GDP p.c., PPP \$	150689
Pop. growth ¹	% p.a.	2.0	HDI rank of 193	13	Gini Index	-
Life expectancy	years	82.9	UN Education Index	0.865	Poverty ³	% -
Urban population	%	100.0	Gender inequality ²	0.031	Aid per capita	\$ -

Sources (as of December 2025): The World Bank, World Development Indicators | UNDP, Human Development Report 2025. Footnotes: (1) Average annual growth rate. (2) Gender Inequality Index (GII). (3) Percentage of population living on less than \$3.65 a day at 2017 international prices.

Executive Summary

This review period marked a leadership transition in Singapore, with Lawrence Wong succeeding Lee Hsien Loong as prime minister on May 15, 2024. Wong, an economist with a long civil service career, is seen as a stabilizing figure for the People's Action Party (PAP) as it prepares for the next parliamentary election, due by November 23, 2025. While analysts originally expected that election in November 2024, it did not materialize. An April 2024 poll showed public confidence in Wong, and the government introduced financial incentives to address economic concerns. Meanwhile, Singapore held its presidential election on September 1, 2023. Tharman Shanmugaratnam, a widely popular candidate, secured 70.4% of the vote, defeating Ng Kok Song (15.7%) and Tan Kin Lian (13.9%). Despite his strong public appeal, Shanmugaratnam had not previously been selected as prime minister.

Political scandals shook the ruling PAP's credibility in 2023/24. An investigation into ministers Kasiviswanathan Shanmugam and Vivian Balakrishnan's rentals of state-owned bungalows found no misconduct, but the public scrutiny raised questions about privilege. In contrast, Transport Minister Subramaniam Iswaran, who was arrested for corruption in July 2023, resigned in January 2024 and was convicted in September 2024, becoming the first political officeholder convicted in 50 years. The opposition Workers' Party (WP) also faced setbacks. Two members resigned over an extramarital affair in 2023, and leader Pritam Singh was charged in March 2024 for allegedly lying to a parliamentary committee. The charges stemmed from former WP lawmaker Raeesah Khan's 2021 admission of having lied in parliament. Singh pleaded not guilty, with a verdict due in February 2025. Despite legal challenges, the WP retains eight elected seats across three constituencies.

The government continues to use restrictive laws to curtail political speech it deems inappropriate. Using the Protection from Online Falsehoods and Manipulation Act (POFMA), the government has forced individuals and organizations to remove content posted on social media. As of August 1, 2024, 152 orders had been issued since the law took effect in 2019. The government claims that

the measure allows it to deal quickly with falsehoods, but it has especially targeted activists and prominent politicians. Minister for Law Shanmugam has issued 28 POFMA directives, the most of any minister. In particular, the government has increasingly targeted the Transformative Justice Collective (TJC), an anti-death penalty organization, with such directives. The reason is that the government disagrees with TJC's interpretation of national events as posted on the organization's social media channels. This highlights a critical problem: the possibility that there may be multiple valid interpretations of events rather than the single truth the government asserts. Singaporean activist Donald Low, who is based in Hong Kong, also got into legal trouble over speculation he made in a Facebook post. He later took the post down and admitted he had made false allegations. He also apologized to the court. Meanwhile, Lee Hsien Yang, the brother of former prime minister Lee Hsien Loong, was granted asylum in the United Kingdom in October 2024 following a dispute with his brother over the fate of his late father's house. He declared: "I am a political refugee."

Economically, Singapore rebounded strongly from the COVID-19 pandemic, with turnover in the tourism and services sectors returning to pre-pandemic levels. However, rising living costs posed challenges. The goods and services tax (GST) rate increased from 7% in 2022 to 9% in 2024, drawing criticism for its regressive nature because lower-income households bear a disproportionately heavy burden. The government implemented offsets, rebates and cash transfers to mitigate the impact. The inflation rate fell from 5.5% in early 2023 to 2.8% by September 2024, while GDP growth was forecast at 2% to 3% for the year. The government's 2023 budget included initiatives to support young families, the elderly and gig workers. Despite economic recovery, challenges such as the rising cost of living and political controversies underscore a period of significant transition and tension in Singapore's governance.

History and Characteristics of Transformation

Singapore initially gained independence from British colonial rule as part of the Federation of Malaya in 1963, but separated from it in 1965 after political differences with the Malaysian government. Singapore is a parliamentary republic with a unicameral legislature. The legislative body is composed of members elected every five years in a first-past-the-post election, as well as up to nine non-constituency members of parliament (NCMPs) and up to nine nominated members of parliament (NMPs). Currently, Singapore is divided into 31 electoral constituencies, 14 of which are single-member constituencies (SMCs) and 17 of which are group representation constituencies (GRCs). Since 1991, the president of the Republic of Singapore has been the elected head of state. Executive power lies with the prime minister and the cabinet. When Singapore left the Federation of Malaya, its economic and political situation was fragile. As a result, the government worked to facilitate foreign trade. Under the leadership of a team of mainly U.K.-educated lawyers, the PAP came to power in 1959 through a combination of political finesse, visible dedication to the well-being of Singapore and its inhabitants, experience in legal matters, and the strict application of undemocratic measures to suppress dissent against policies it deemed necessary for Singapore's political and economic survival. In the infamous Operation Coldstore

in 1963, the PAP organized the arrest of more than 100 opposition politicians, labor leaders and activists as a means of smoothing Singapore's integration into the Federation of Malaya. When the left-wing Barisan Sosialis Party (Socialist Front, BSP), which had previously split off from the PAP, boycotted the first general election held by the now-independent Singapore in 1968, the PAP won every seat in parliament. Since that time, the PAP has never relinquished its overwhelming parliamentary dominance. Until his death in 2015, the city-state was synonymous with the Cambridge-educated statesman Lee Kuan Yew, who was considered the country's founding father. Under his rule, Singapore experienced rapid economic growth that transformed the city-state into one of the most modern developed countries in the world. In contrast to neighboring Indonesia and Malaysia, there have never been large demonstrations against the government. In the early years of independence, Singapore's leadership successfully integrated a diverse population of Chinese, Malays and Indians into a more or less harmonious whole. The country has successfully managed several leadership transitions.

However, in recent years, the city-state's development model has reached its limits. Economic growth rates have been relatively low, and are likely to remain modest in the near future. The leadership is also facing unprecedented challenges related to the maturing of the economy. Moreover, new internet-based information sources have exposed problems of governance that were once ignored by the monopoly pro-government press. In addition, tight limits on speech make it difficult to calibrate the policymaking process. One problem is that criticism of state policies is interpreted as criticism of the system. Drastic measures that would not be accepted by the courts of more democratic countries are used to discourage dissent (for example, the use of defamation suits to bankrupt opposition politicians). Singapore has traded democracy for wealth and embraced a way of life in which civil liberties, intellectual debate and political parties have become casualties of economic development. The relaxation of some restrictions on political liberties has been followed by renewed restrictions that make it difficult to speak of any substantive liberalization process. Nevertheless, politics has become more competitive over the years. In the 2015 general election, all seats were contested for the first time in recent history. This trend had started with the 2006 general election, when, for the first time since 1988, the presence of opposition parties denied the ruling party an assured re-election victory on nomination day. Although some observers have argued that the PAP's continued success at the polls indicates broad support for authoritarian rule, this is not the case, as most Singaporeans still want checks on government power. This was evident in the 2020 general election, where the PAP suffered another setback in the popular vote and accountability became a major issue.

The BTI combines text analysis and numerical assessments. The score for each question is provided below its respective title. The scale ranges from 1 (worst) to 10 (best).

Transformation Status

I. Political Transformation

1 | Stateness

The Singaporean state is strong and faces no challenges to its monopoly on the use of force throughout the country. Because of the country's character as a city-state, government control over the use of force is easier to maintain than it would be in a territorial state. Most territorial disputes have been resolved. In 2008, the International Court of Justice (ICJ) ruled that Singapore has sovereignty over Pedra Branca, while Malaysia controls the Middle Rocks. In the following year, Singapore signed an agreement with Indonesia over the maritime border between Sultan Shoal and Pulau Nipa. In 2014, Singapore signed a similar agreement with Indonesia regarding the border between Changi and Batam. Although Malaysia reopened the question of maritime boundaries in 2018 by changing the Johor Bahru port limits, in June 2019 the Malaysian government under Prime Minister Mahathir Mohamad declared that it accepted the ICJ ruling. In January 2020, officials from both governments met in Kuala Lumpur to discuss the implementation of the ruling. However, the issue has continued to roil Malaysian politics. In 2024, a Malaysian royal inquiry accused Mahathir of undermining the nation's sovereignty by unilaterally deciding to drop a legal challenge over the island, a decision that sparked political clashes and calls for a criminal probe.

All Singaporean citizens accept the nation-state as legitimate, and all individuals and groups enjoy the right to acquire full citizenship rights without discrimination. Singapore's ethnic composition is highly heterogeneous and is dominated by the Chinese, who make up 74.1% of the country's population. The second- and third-largest ethnic groups, Malays and Indians, respectively account for 13.6% and 9.0% of the city-state's inhabitants. The Singaporean state has promoted a culturally neutral concept of citizenship since 1965, as manifested in the slogan "One nation, one people, one Singapore." In this way, the government has successfully managed cultural conflicts among ethnic groups in the country and has fostered a high level of acceptance for the concept of the nation-state. The concept of race, however, has been institutionalized by its inclusion on identification cards. Since 2010, children from

Question
Score

Monopoly on the
use of force

10



1

State identity

10



1

mixed backgrounds have been able to choose their race. Race matters with regard to purchasing public housing flats and the requirement to acquire the “mother tongue” associated with a particular ethnicity. According to data provided by the East Asia Barometer, 95% of the city-state’s population say they are proud to be citizens of Singapore. In the last few years, however, there has been growing concern about the cost of living. This was exacerbated by the increase in the goods and services tax (GST) in 2023 and 2024, fueling debates about economic fairness and the evolving social compact. Singapore’s population has also increased significantly – after a slight decrease during the pandemic – to 5.92 million. However, housing prices also cooled somewhat in 2024 after years of increases.

The Singaporean state is secular, and religious dogma has little influence on the legal order or political institutions. Although the constitution does not explicitly define Singapore as secular, the 1966 constitutional commission report points out that the city-state is a secular state in which religious groups have no influence on the decision-making process. Religious leaders and groups are not permitted to comment on political issues under the Maintenance of Religious Harmony Act of 1990. In 2019, the law was amended for the first time. Under the new rules, the Restraining Order was expanded to cover online content, new rules on foreign interference were introduced, laws covering religious harmony were adjusted, and a new tool was introduced to assist in defusing tensions between different religious groups after the commission of an offense. The secular character of the Singaporean state is not affected by the existence of a state Shariah court. The court has jurisdiction when all parties involved are Muslims or when the parties were married under the provisions of Muslim law and the dispute relates to issues of divorce and marriage. The court was established in 1955. The government has sided with religious conservatives regarding the issues of homosexuality and the death penalty because it claims that the majority of the population is conservative. In 2022, the government implemented a measure stating that marriage was allowed solely between men and women, aiming to reduce criticism of its decision to repeal the controversial Section 377A law that had banned sexual intercourse between men. Furthermore, in 2022, the government passed the Online Safety (Miscellaneous Amendments) Bill, which allows the government to force content providers to take down content that could incite racial or religious tensions. The measure thus allows the Infocomm Media Development Authority to make decisions over such content. In October 2023, the government rejected five applications to use Speakers’ Corner for protest events against the Israel-Hamas conflict, citing the possibility of religious divisions and tensions.

No interference of religious dogmas



1

Singapore has a highly differentiated administrative structure and provides all basic public services. The highly trained and skilled administration is among the most efficient in the world. It is professional and implements the policies of the elected government. In addition, the city-state is able to fulfill its proper jurisdictional function and enforce the law throughout the small country. The country's transport network is diverse and highly developed; the road network is particularly extensive and consists of 11 expressways spanning 163 kilometers. Singapore's port is one of the largest container seaports in the world. Singapore Changi Airport, the country's main airport, handled more than 58.9 million passengers and 164,168 aircraft departures in 2023. The public rail network has expanded rapidly over the years. The network averaged about 3.2 million trips a day in 2023. The rapid expansion of the network has greatly increased operating costs, which rose an average of 7% annually in 2012/21, leading to higher fares. Prices increased 7% for adults in December 2023 and 6% in December 2024. According to a 2022 study by McKinsey & Company, Singapore has the second-best public transportation system in the world after Hong Kong. In 2024, Singapore experienced one of the longest-ever disruptions of the Mass Rapid Transit (MRT) rail system on the East-West line, affecting 500,000 out of 2.8 million journeys. The government initiated an investigation and promised to learn from the incident to improve the system's resilience and reliability in the future. The country has an excellent telecommunications infrastructure. In 2023, according to the World Bank, an estimated 94.3% of the country's resident households used the internet. Singapore has remained a major target of hacking, and the government has responded by amending the cybersecurity legislation in 2024. The Cybersecurity (Amendment) Bill, passed on May 7, 2024, covers more entities, enhances reporting obligations and revises penalties. Finally, 100% of the population has access to sanitation and a water source.

Basic administration

10



1

2 | Political Participation

Singapore has universal suffrage and regularly holds general elections. Opposition parties can run in these elections, and political posts are filled according to the results. Voting is compulsory for all resident Singaporeans at least 21 years old. Singapore held its last parliamentary election in July 2020, in which the ruling party suffered a setback, with its vote share falling from 69.9% to 61.2%, nearly returning the distribution of parliamentary seats to that following the 2011 election. The opposition gained 10 seats, a level unprecedented since the country's independence. The Workers' Party maintained its existing seats and gained the newly created Senkang Group Representation Constituency (GRC) seat, the second group constituency to be won by the opposition. In general, elections in the city-state are free of electoral fraud. In case of a vacancy, there are usually by-elections, at least in single-member districts, but it has never been clearly established whether a by-election has to be held or whether this is only at the discretion of the prime minister.

Free and fair elections

5



1

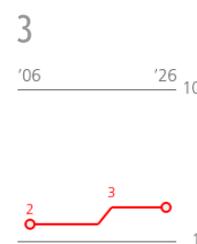
Despite all of these circumstances, elections cannot be considered free and fair. The list of biases in favor of the ruling party is long. First, repressive laws restrict the opposition and control the media. The PAP has used various laws against opposition members, making politicians especially careful about their messages. The mainstream media are also biased, as reports tend to favor the ruling party and criticize the opposition. There is extensive use of gerrymandering to draw electoral boundaries favorable to the ruling party. The campaign period is very short: it is limited to nine days, with a “cooling-off day” on the last day when campaigning is not allowed. This, too, heavily benefits the incumbent. Elected representatives are also responsible for the management of public housing, which allows the ruling party to engage in pork-barrel politics, because it can argue that its constituencies will benefit more. The GRC system, in which a voter casts a ballot for a team of candidates, favors the ruling PAP, which fields prominent ministers in these constituencies against relatively unknown opposition candidates. Furthermore, the election department is under the jurisdiction of the prime minister’s office, raising questions about its independence. Ballots have serial numbers, a feature the government justifies as protection against voter fraud, but which has raised concerns among some Singaporeans that their votes may not be secret.

In the 2020 election, the ruling party sought to maintain its support primarily by emphasizing the need for continuity during a crisis. COVID-19 made the election unusual in many respects. Walkabouts and door-to-door campaigning were allowed, but no political rallies, which usually attract many people interested in politics, were permitted. Candidates received more television airtime, but it remained strictly controlled. Vehicles carrying electoral advertising were allowed, but no speeches were permitted because of concerns that they could attract people. Because of the formation of crowds on Election Day, the government decided on that day to allow the polls to close two hours later, at 10 p.m. in the evening. The next election needs to be held by November 23, 2025, to determine the 15th parliament. Ordinarily, elections are held after a much shorter period of time, but as of the close of the review period, no election had been held.

The secrecy of voting is not in doubt among those who have studied the process, including the opposition, although many people believe voting is not secret.

The Singaporean rulers elected in the city-state’s unfair elections have the effective power to govern. The PAP dominates almost every aspect of the city-state’s political, military and economic life, effectively preventing the emergence of any potential veto actors. The military has strong ties to the PAP; as of 2021, 15 former Singapore Armed Forces officers held senior leadership positions in the public service. While in 2020 more new candidates than previously were women and came from the private sector, many candidates, especially those bound for important positions, were still former military officers. Furthermore, the Government Investment Corporation (GIC), which mainly invests in foreign countries, and Temasek Holdings, which

Effective power to govern



controls most government-linked companies, are controlled by the government. The latter is under the direction of Ho Ching, the wife of the former prime minister and now a senior minister. Religious groups have no direct impact on the PAP's effective power to govern, as they have to register under the Societies Act and are thereby under the government's tight control.

While the constitution grants Singaporeans the rights to association and assembly, these rights have in effect been severely curtailed. Regarding association, the government has passed strict legislation that distinguishes between non-governmental and political organizations. The latter may not receive any funding from foreign sources. Rules governing assembly are even more restrictive; in this case, permits are required but are virtually never granted. Under the Public Order Act of 2010, the police can bar a person from a public space for 24 hours on suspicion of pursuing a political cause. Even indoor forums, allowed if considered private, have been obstructed. The only place for peaceful assembly since 2000 has been the Speakers' Corner, an area of Hong Lim Park that is not near any government offices or the shopping district. Since 2008, registration to speak there is available online and is usually granted if the applicant is a Singaporean citizen or permanent resident. However, many limitations remain, some publicly displayed on a board. For instance, foreigners may not participate in these events. In 2016, the government announced that foreign entities would require permits to sponsor events in Speakers' Corner, a move primarily targeting the LGBTQ+ event Pink Dot, which had been held annually and was drawing increasingly large crowds. In 2017, nonresidents were barred from even attending public assemblies such as Pink Dot. This followed changes to the Public Order Act, which blocked foreigners from promoting any political cause in Singapore. Jolovan Wham, who was found guilty of organizing illegal assemblies without a police permit in January 2019, was again charged with unlawful assembly in November 2020 for briefly holding a smiley outside a police station and taking a picture in a show of support for two climate activists who had been investigated by police for a similar reason. While the charge was eventually withdrawn, it demonstrated that the government was willing to act against any form of unlicensed activism. In 2023, activists sought to organize a peaceful protest about the Israel-Hamas war in Hong Lim Park. Despite this being the only place possible for such assemblies, the government refused to approve it on the grounds that it would threaten peace and harmony between different races and religions. In December 2023, the police opened an investigation into a woman who placed pro-Palestine placards outside the Israeli Embassy and posted photos of it on social media. Three activists were charged under the Public Order Act for leading a rally entailing 140 characters directed at the Singapore government. About 70 people walked with watermelon umbrellas, a symbol of support for Palestine, from a shopping mall to the presidential compound next door. As of the time of writing, the three women faced a fine of up to SGD 10,000 or jail time of up to six months.

Association /
assembly rights

3

'06 '26 10



1

In Singapore, the freedom of expression is severely limited. Strict government intervention leaves public debate vulnerable to major distortion and manipulation. In fact, parliament can restrict the freedom of speech whenever it considers this to be “necessary or expedient.” Laws such as the Sedition Act, the Defamation Act or the Undesirable Publications Act date to colonial times and heavily restrict the freedom of speech. Singapore ranks poorly on assessments of relative media freedom. Reporters Without Borders’ 2024 World Press Freedom Index ranked Singapore at 126th place out of 180 countries and territories. The organization said that freedom of the press in Singapore was “almost nonexistent.”

Freedom of
expression

3

'06 _____ '26 10

4
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Over time, the government has continually refined its mechanisms of control. In 1991, the government introduced an “Out-of-Bounds-Marker” to indicate when the line of permissible discourse had been crossed. Writers in the mainstream media who cross this line may lose the ability to have their articles published, as did columnist Catherine Lim in 1994 and satirical blogger Li Kin Mun (mrbrown) in 2006.

The government has also effectively sought to gain control over online speech. Beginning in 2013, the government, through the Media Development Authority, required online news websites with “significant reach” to follow the same regulatory framework as traditional news media. Under the licensing framework, online media must remove objectionable content within 24 hours and post a performance bond of SGD 25,000. While some websites have accepted the strict new regulations, they have come under increasingly tight financial restrictions that limit their ability to report independently. For example, The Online Citizen, once a prominent blog, has been reduced to one full-time employee. To weaken the alternative news sector, the government has used the need to restrict foreign involvement in local media as a pretext.

In 2019, the government further tightened its control over online speech with the Protection from Online Falsehoods and Manipulation Act (POFMA). The law gives government ministers broad authority to determine what is false or correct. A minister may issue a correction direction, and affected individuals must either post a correction or delete their content. The law was soon used against opposition parties, dissidents and online media, leading to accusations that it was used for partisan purposes. While those accused can seek redress in court, it appears that they have little chance of success. Serious sanctions are possible if websites receive three correction directions within six months. Supporters argue that because information does not need to be removed, the law is less intrusive than other forms of censorship.

Since then, the government has passed additional legislation to control speech. In October 2021, the government enacted the Foreign Interference (Countermeasures) Act (FICA) that aims to prevent “hostile information campaigns” by foreign actors and so-called local proxies. The broadly worded law was described as a “legal monstrosity with totalitarian leanings” by Reporters Without Borders. In 2022, the government enacted the Online Safety (Miscellaneous Amendments) Bill, which

allows the Infocomm Media Development Authority to force social media companies such as Facebook and YouTube to take down “harmful” content, including material related to sexual violence, advocacy of suicide, terrorism, risks to public health, and material deemed to have a potential to incite racial and religious tensions. Social media websites can also be fined up to SGD 1 million if they do not comply and can be blocked, while internet providers face fines of up to SGD 500,000 for failing to block certain services.

All challenges to the new restrictive framework have failed. On January 3, 2020, the Singapore Democratic Party (SDP) appealed the correction notices it had received in December 2019. Minister of Manpower Josephine Teo rejected the appeal three days later, citing a lack of “sufficient grounds.” In July 2022, the Final Court of Appeal decided that the government had the right to restrict free speech and that “false speech” was not protected under the constitution.

After the government suspended its license, the citizen journalism website The Online Citizen was forced to relocate to Taiwan in 2022. In 2023, its owner, Terry Xu, was fined \$18,000 for contempt of court after sharing an open letter by an Australian citizen calling the fairness of Singapore’s justice system into question. POFMA has been used primarily to target opposition parties and media sources supportive of opposition causes. By October 2024, 14 of 15 cases had been directed at such sources. As of October 1, 2024, there had been 123 correction directions. In November 2024, Kokila Annamalai became the first activist in Singapore to defy POFMA regulations by not sharing a correction notice on her social media channels. She was angered by the notice because it asserted that some death row inmates “abuse the court process by filing last-minute applications to stymie their scheduled execution,” which she considers to be an inherent right of prisoners. As a consequence, she could face up to five years in jail, a \$50,000 fine or both.

3 | Rule of Law

The constitution provides a structure for the separation of powers. However, the ruling PAP has an ongoing monopoly on power and permeates all state institutions. As a result, it is difficult to differentiate between government bodies and the ruling party. The chief justice of the Supreme Court is appointed by the president, who selects from a range of candidates chosen by the prime minister. The president makes additional appointments to judicial positions on the advice of the prime minister’s office. Subordinate judges can be dismissed or transferred at the executive’s discretion. Jury trials were abolished in 1969. Because of the PAP’s ongoing monopoly on the executive branch, these selection procedures and high-handedness ensure that the PAP continues to influence the judicial branch. The Singaporean legal scholar Thio Li-ann has thus pointed out that the legislative and executive are “practically fused via the cabinet.” The strong influence of the PAP on the judiciary

Separation of powers

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'06 _____ '26 10

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was shown in an April 2010 High Court decision. The court overruled a lower court's decision to acquit five activists who had been charged with conducting a procession without a permit. The lower court's verdict was viewed as a landmark decision. However, there are still very few cases in which the judiciary has disagreed with the executive. On August 15, 2016, the Singapore government passed a controversial bill that made it easier to charge individuals with contempt of court, thus reducing the ability to criticize legal proceedings. In 2017, Jolovan Wham became the first person to be prosecuted under the new law. Moreover, the PAP dominates the Singaporean parliament. This means there is little effective debate. While the growing number of opposition members has to some extent fostered debate, the opposition Workers' Party has frequently shied away from challenging the ruling party. The lack of a meaningful parliamentary check on power was most evident in the decision to remove Section 377a of the penal code, which criminalized male homosexual intercourse and had been vocally supported by the ruling party for many years. Following this decision, the government sought to strengthen the definition of marriage as being solely between a man and a woman in order to prevent same-sex marriages, shielding this definition from future judicial oversight. This potentially limited the judiciary's ability to check executive and legislative action, at least in this regard. Finally, the existence of POFMA continues to give broad powers to the executive. Oversight is very limited, and the only challenge to an order issued under the law failed in 2022.

The judiciary in Singapore is structurally independent and can interpret and review laws, legislation and policies. It is supported by well-defined channels of appeal and efficient court administration. In the 2023 Rule of Law Index, which evaluates accountability, just laws, open government and accessible justice, Singapore was ranked 17th out of 142 countries and 4th among 15 regional nations, reflecting its robust legal framework. However, its score on the index marked a decline from the previous year.

One significant issue is that criticism of the legal system and court procedures can lead to serious legal repercussions. Critics argue that judicial decisions in politically sensitive cases may not be entirely free of influence from political decision-makers. The dominance of the ruling People's Action Party (PAP) over Singapore's political landscape has raised concerns about the judiciary's independence. For instance, in a notable 2015 case, the court awarded the former prime minister SGD 150,000 in a defamation lawsuit against a blogger. The judge ruled that the blog post had severely undermined the prime minister's credibility. This decision followed a pattern of similar lawsuits targeting opposition figures and foreign media outlets.

Despite these concerns, there are instances where the judiciary has demonstrated independence. In January 2017, the Court of Appeal rejected the government's assertion that the Ministry of Defense (Mindef) qualified as a "person" under the Protection from Harassment Act in a case against the sociopolitical website The Online Citizen. The court ruled that Mindef, as a well-resourced government agency,

Independent
judiciary

5

'06 '26 10



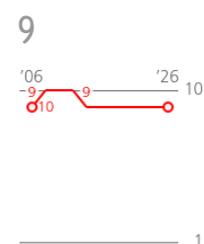
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could not be considered a “helpless victim.” Similarly, in February 2020, the judiciary ruled that the government bears a burden of proof in demonstrating the falsehood of online speech based on a “balance of probabilities,” rather than the stricter standard of “beyond reasonable doubt.” Nevertheless, the judiciary rarely challenges the executive. There remains a prevailing belief that the judiciary should not overstep its role by encroaching on legislative authority.

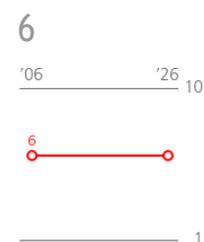
In Singapore, officeholders who break the law and engage in corruption generally attract adverse publicity and are prosecuted rigorously under established laws. The country pays its government officials the world’s highest salaries for such figures, and the fight against corruption is a key component of the ruling PAP’s policy. There were 215 corruption-related reports in 2023, a decrease of 8% from 234 reports in 2022. Of these, public sector cases were a minority, at 14% of all cases registered for investigation in 2023. It is unclear why the number of corruption cases and complaints has declined over the years. In 2024, former Transport Minister Subramaniam Iswaran was found guilty of four counts of receiving illegal gifts and obstruction of justice. He was sentenced to one year in prison. This was the first time in almost half a century that a minister was charged and imprisoned. While most corruption investigations in Singapore result in convictions, there are cases where evidence of wrongdoing is not established. The most prominent case during the period under review was that of ministers Kasiviswanathan Shanmugam and Vivian Balakrishnan regarding their rentals of state-owned bungalows on Ridout Road. The investigation, led by Senior Minister Teo Chee Hean and the Corrupt Practices Investigation Bureau (CPIB), concluded that there had been no abuse of power, conflict of interest or personal gain by the two ministers in their rentals of state-owned properties, with both transactions found to be aboveboard and in accordance with proper procedures.

Civil rights are constitutionally guaranteed but are partially violated in the Singaporean state despite the government’s assertion in the 2016 Universal Periodic Review (UPR) that it is “fully committed” to the protection of human rights in Singapore. However, in 2021, the government stressed its response to “existential threats” in its approach to human rights. It maintains that human rights should take into account a country’s specific conditions. The mechanisms and institutions to prosecute, punish and redress violations of civil rights are partly in place but often prove ineffective. Singapore has yet to sign most international human rights treaties and has not implemented a national human rights institution that could monitor the situation. Moreover, the Singaporean authorities continue to deprive individuals of the right to justice by using laws that allow detention without trial. Most prominently, the Internal Security Act (ISA) enables detention orders to be renewed every two years, effectively allowing the state to rearrest the same people repeatedly. Recently, the number of arrests has increased. For instance, on February 10, 2020, a 17-year-old secondary school student was detained over his support of the Islamic State group. In December 2020, it was revealed that a Singaporean was arrested in March 2019

Prosecution of office abuse



Civil rights



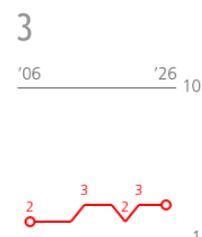
for allegedly taking part in the Yemeni civil war. Cases such as these have been used to justify continuing the act, which in the past was used against opposition activists, creating a chilling effect on political opposition. The most infamous case is the 1987 arrest of 16 mostly Catholic social activists for their alleged involvement in a Marxist conspiracy. A number of those arrested later accused the government of torturing them during their detention. The Criminal Law (Temporary Provisions) Act, which permits arrest and detention without a warrant or judicial review, was extended for another five years in 2018 after a heated debate, with all Workers' Party members voting against it. The law was also amended and now includes a list of offenses to be covered, including secret society activities, unlicensed moneylending, drug-trafficking, kidnapping and organized crime. The Sedition Act criminalizes speech with a seditious tendency, but does not define sedition. Both acts provide the government with legal cover to take action against its critics, thereby allowing it to violate civil rights in Singapore on a massive scale. The Public Order Act of 2009 further limited the constitutional right of assembly by requiring a permit for "cause-related" activities, even for a single individual. Which types of activity are included is left entirely to the government's discretion. The Public Order and Safety (Special Powers) Act (POSSPA) of 2018 gives the police special powers in certain situations, including ordering people to stop taking pictures and videos. This can severely limit journalists' ability to report on incidents. In 2022, Singapore made progress by repealing Section 377A of the Penal Code, which had criminalized consensual sex between adult men. At the same time, however, the government passed a law defining marriage as being between a man and a woman, making it more difficult to achieve marriage equality. During the period of review, the government continued to justify the use of the death penalty, even in drug-related cases. Following a review of the mandatory death penalty provision, judges now have more flexibility with regard to murder cases, but the mandatory death penalty still applies for drug-trafficking and drug-manufacturing cases. There is widespread popular support for the harsh penalty. The Ministry of Home Affairs conducted surveys in 2021 – 2023 that purported to show increasing support for the penalty. However, at the same time, a movement against the death penalty has also gained prominence. Despite the lack of evidence, the government believes the punishment serves as a deterrent, which supposedly explains the minimal nature of the drug problem in the city-state. The majority of executions (and all five in 2023) are for drug offenses. On July 28, 2023, Saridewi Djamani became the first woman to be executed in almost 20 years. She had been sentenced to death in 2018 for trafficking 30 grams of heroin.

4 | Stability of Democratic Institutions

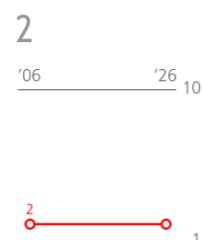
Although Singapore’s system of checks and balances is weak, its key institutions are stable. The ruling PAP controls all institutions in the city-state, thereby effectively containing political opponents. The executive is strong, and its dominant position negatively affects the horizontal separation of powers in the country. The prime minister and the cabinet make all key political decisions, and parliament is subordinate to them. The Singaporean parliament is dominated by the PAP, which has won the majority of seats in every election since independence. While the visibility of parliamentary debates has increased since the 2011 general election, the overall intensity is still comparatively low. The 2015 general election showed that opposition to PAP policies may not be rewarded with votes, as the ruling party increased its vote share. The capability of the PAP-dominated legislature to monitor the government is heavily circumscribed. The only opposition party, the Workers’ Party, has made only limited use of its ability to challenge the government. Despite the introduction of the elected presidency in 1991, which gives the head of state some potential to monitor parts of the government, that oversight has not occurred in practice. While the president has some important powers, it is not clear that the officeholder can make use of them in practice. The first popularly elected president, Ong Teng Cheong, sought to make use of his discretionary power to review the budget and was rebuffed. In 2011, the government also asserted that the president should not publicly oppose it. The judiciary, which has gained some independence, is still subject to severe constraints. Any criticism of the judiciary is heavily punished. The mainstream media are also under the control of the government and exercise heavy self-censorship, which means that negative news is always muted, if not ignored. In sum, it is difficult to get an objective assessment of performance, as the ruling PAP dominates all institutions and continues to block democratization. A number of institutions are designed to curtail the emergence of effective democratic institutions. The opposition Workers’ Party has faced continuous legal challenges, which have made its work more difficult. In particular, the criminal charges in 2024 against the party’s leader came a serious blow to the party shortly before the next election, which must be called by November 2025.

The People’s Action Party (PAP) government has shown a preference for a dominant party system over a competitive democracy. At a party conference in December 2014, then-Prime Minister Lee Hsien Loong openly expressed his opposition to the concept of checks and balances, which he argued could lead to “gridlock” and hinder the government’s ability to act decisively. Lee emphasized the PAP’s belief that its governance record demonstrates the superiority of a dominant party system and warned that without the PAP, “there will be no more able team of ministers... no progress for Singapore, no future for Singapore.” He equated the absence of the PAP to a “checkmate” for the nation.

Performance of democratic institutions



Commitment to democratic institutions



To maintain its dominance, the PAP has used its control over the administrative state and media to undermine the credibility of opposition parties. Furthermore, the government has used constitutional and electoral mechanisms to limit political competition. After the government-supported candidate narrowly won the 2011 presidential election with just 35.2% of the vote, the government made changes to the electoral process for the 2017 presidential election. The government restricted candidacy to the Malay community, effectively disqualifying prominent figures such as Tan Cheng Bock. Ultimately, Halimah Yacob, a former speaker of parliament, became Singapore's first female and Muslim president after she was declared the sole eligible candidate; no electoral contest took place.

At the end of November 2024, Prime Minister Lawrence Wong expressed concerns about the PAP's prospects in the next general election, citing the public's desire for more opposition voices. Wong warned that the loss of a "stable and strong and good government" posed a significant risk to Singapore, equating effective governance exclusively with the PAP's continued rule. This stance reflects the PAP's enduring skepticism toward competitive democracy and its prioritization of stability and dominance over pluralistic governance.

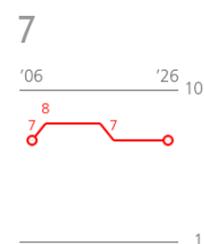
5 | Political and Social Integration

The Singaporean party system is moderately stable and socially rooted. It is a predominant party system with the ruling People's Action Party (PAP) as the largest and most successful party. The PAP has won every election since independence and holds a two-thirds majority in parliament. Lawrence Wong, a respected technocrat, is currently prime minister, and the ruling party hopes this will ensure its dominance in parliament. However, elections, which must take place by November 2025, have not yet been called, and it is unclear how the election will turn out because of the absence of opinion polls. In the previous election, in July 2022, the PAP suffered a setback at the polls, with its share of the vote declining to 61.2% from 69.9% in 2015. This was only slightly better than its worst result in 2011, when it was 60.1%.

The ruling party has commanded the support of the majority of the population for most of the period since independence. Electoral volatility has generally been low, although it has risen in recent years, with swings of about 8% to 9%. The main opposition Workers' Party has also steadily increased its representation, from six to 10 seats in the 2020 election. The ruling PAP secured 82 seats. The newly formed Progress Singapore Party (PSP) received the remaining two non-constituency member of parliament (NCMP) seats.

In recent years, the Workers' Party has established itself as the most credible opposition party. During the review period, it held all six elected opposition seats, and has received slightly more than a 50% share of the vote in the constituencies it has contested. It is the oldest opposition party, founded in 1957. It was also the first

Party system



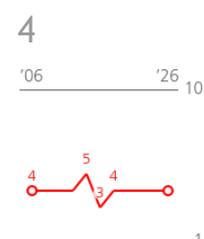
to break the electoral monopoly of the ruling party, in the 1981 Anson by-election. While the Workers' Party is now the most prominent opposition party, the opposition camp is fragmented into many smaller parties. Even the WP competes in only a minority of seats during general elections. In the 2020 general election, there were three new parties: Peoples Voice, established in October 2018; Progress Singapore Party, founded in March 2019; and Red Dot United, formed in May 2020. The Singaporeans First party was dissolved in June 2020. Following the 2020 election, on December 24, yet another new party was formed by former Reform Party members. Perhaps ironically, it is called Singapore United Party.

Attempts to create an opposition coalition have so far failed, largely due to the Workers' Party's lack of interest. The newly formed Progress Singapore Party placed second with 40.8% in the 24 seats it contested but failed to win any directly elected seats. The party attracted Lee Hsien Yang – the brother of the prime minister at the time – as a member. However, the younger Lee decided not to contest any seats. Both the Singapore Democratic Party and the National Solidarity Party improved on their previous election results. The remaining opposition parties received fewer votes than before. The newly created Red Dot United received about 25% of the votes in the wards it contested.

Unlike the Malaysian party system, which experienced a major electoral upset in 2018, political parties in Singapore are not openly grounded in ethnicity and can be considered catchall parties. As a result, party polarization along ethnic lines is notably weak. Nonetheless, due to the ethnic dominance of the Chinese population, party politics are strongly shaped by Chinese interests. The most powerful positions are controlled by ethnic Chinese with similar socioeconomic backgrounds. To counteract this effect somewhat, all political parties are required to nominate candidates of different ethnicities in the GRCs. However, this in fact makes it more difficult for opposition parties to contest these seats, because they must compete in constituencies currently represented by senior government officials. In addition, the 2016 decision to limit nomination criteria for the elected presidency has a similar effect, granting minority representation at the expense of allowing a potential challenger to gain support.

Few interest groups can operate independently of the PAP in the city-state. The spectrum of interest groups ranges from social organizations, such as environmental groups and community organizations that assist the poor, to professional associations such as the Law Society of Singapore. The National Council of Social Service, a statutory body established by parliament, is an umbrella organization that includes about 400 welfare organizations, such as the Young Men's Christian Association (YMCA). Historically, employers' associations have had no political weight, and trade unions – unified under the National Trades Union Congress (NTUC), a pro-government umbrella organization closely tied to the ruling party – have adopted a cooperative relationship with the government. As a consequence, organized strikes

Interest groups



have disappeared. Independent civic groups can act only within the narrow limits set by Singaporean authorities under strict regulations such as the Societies Act, and they can comment on “political” issues only if they register as political societies. This set of rules places strict limitations on these organizations. Moreover, the Sedition Act strictly restricts discussion of race and religion. Cooperation between civic groups is difficult and often short-lived. In the review period, the few small protests that took place were legally confined to Speakers’ Corner. The government has grown uneasy with some forms of growing activism. In October 2016, the government announced that foreign entities seeking to sponsor events in Speakers’ Corner must apply for a permit. This was ostensibly done in the context of the increasingly popular Pink Dot event, held each spring, which has drawn very large crowds. Organizers say the event has become too large for the park, with attendance rising from 1,000 in 2009 to a record 28,000 in 2015. The government has subsequently enforced stricter regulations banning participation by non-Singaporeans and limiting event sponsorships. Moreover, the repeal of Section 377A (criminalizing sex between males) has removed a major issue of contention. This has slightly reduced the number of participants. However, Singaporeans continue to support the event. In 2024, the event had 64 corporate sponsors and 41 individual sponsors. It was attended by thousands of people and by prominent politicians from different parties. Among those at the event were Eric Chua, Darryl David, Carrie Tan and Derrick Goh from the ruling PAP; Jamus Lim, Louis Chua and He Ting Ru from the WP; and Jeffrey Khoo and Lim Cher Hong from the PSP.

Singaporeans have an ambivalent relationship with democratic norms. According to data from the East Asia Barometer, 80% of Singaporeans express a desire for democracy and 85% believe democracy is the most suitable form of government for the country. Data from the 2012 World Values Survey support these findings (90.5% believed a democratic system is very or fairly good), and in the 2021 survey, 87% said democracy was at least somewhat important. In a 2021 Pew Research Center poll, 82% of Singaporeans indicated they were satisfied with how democracy was working in their country, the highest such figure among all countries surveyed. However, only slightly more than half of Singaporeans believe that elections or the right to criticize those in power are essential characteristics of a democracy. Furthermore, a majority of Singaporeans feel that the current government resembles a complete democracy, not an authoritarian system. In addition, 84.6% of Singaporeans are very or fairly satisfied with the way democracy works in their country. In addition, 15.5% of Singaporeans view the city-state as a full democracy and 75.5% feel that Singapore is a democracy but with minor problems. Only 3.8% of Singaporeans believe their country is not a democracy. Following the surprising electoral success of the PAP in the 2015 general election, some argued that the population had become supportive of authoritarianism. However, a post-election survey by the Lee Kuan Yew School of Public Policy showed that 89% of the population considered checks and balances to be either important or very important,

Approval of
democracy

n/a

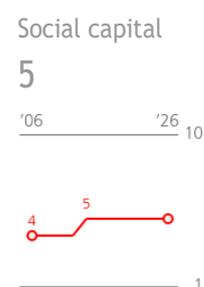
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an increase from previous surveys. An increasing number of people also saw a need for alternative voices in parliament. This view was shared by 86% of the people in the survey. A National University of Singapore survey in 2018 also indicated that people saw themselves as possessing limited democratic rights. For instance, 35.5% were dissatisfied with their right to criticize the government. A 2020 Blackbox survey showed that a majority of Singaporeans, including 75% of those between the ages of 21 and 24, thought that more electoral choice would be beneficial for Singapore's democracy. In August 2020, 57% said the government had a good grasp on the pandemic, while 29% were neutral and 15% said the government did not have a good grasp. This appeared unlikely to significantly shift people's attitudes toward the government.

According to the 2023 Asian Barometer survey, the share of Singaporeans who believed the country was a full democracy had increased from 9.2% in 2020 to 12.4%. Most citizens said they believed Singapore to be a democracy with "minor problems."

There is a fairly low level of trust within the Singaporean population. Social and cultural barriers divide the population, especially with regard to the growing number of foreign workers. In the 2020 World Values Survey, only 34.4% of respondents agreed that "most people can be trusted." Higher levels of trust can be observed in relationships among relatives and neighbors. Among Southeast Asian countries, Singapore ranks at the bottom in terms of membership rates in societal associations. A substantial 90.1% of Singaporeans are not members of any societal association, according to data from the Asian Barometer Survey. Mistrust is especially pronounced between the state and newly emerging independent civil society organizations. While levels of social capital remain notably low in Singaporean society, the growing willingness of some civil society groups to promote issues of public concern has revealed a small but dedicated group of individuals willing to come together to fight for the protection of heritage (e.g., Golden Mile Complex, Clementi Park), nature preservation (e.g., Clementi Forest, Dover Forest), human rights (anti-death penalty, LGBTQ+ rights, migrants' rights, etc.) and other social concerns.



II. Economic Transformation

6 | Level of Socioeconomic Development

Poverty and inequality exist in Singapore but are less visible than in other countries. Key indicators show a very high level of development. The country's score on the 2022 UNDP Human Development Index was 0.949, the second-highest such figure in Asia, trailing only Hong Kong. Globally, Singapore ranked ninth overall on the index. The country's level of development permits freedom of choice for all citizens and is comparable to that of OECD countries. Despite its high level of development, the country is marked by significant inequality. The Gini coefficient indicates a wide gap between the rich and the poor in Singapore. According to government data, in 2023 this stood at 0.371 after government transfers (0.433 before government transfers), the lowest such level in two decades. The government gives credit to its Workfare program, which provides wage supplements for low-income workers, and the Progressive Wage Model for the improvement. In 2022, the overall loss in HDI due to inequality was 13.1%. The 2009 U.N. Development Report showed that Singapore had the second-highest income gap among 38 countries with very high human development, trailing only Hong Kong. The income gap was partly caused by the high costs of housing, food and transportation. In 2018, Oxfam ranked Singapore at the bottom among countries with regard to reducing inequality, while the 2022 report showed Singapore among the top risers on this measure, up 27 spots. However, the report continued to criticize the country's tax regime and the lack of a minimum wage. Spending on education, health and social protection is also low compared with other countries in the region. At the same time, the government resists setting an official poverty line, which makes it difficult to estimate the number of poor people in the country. While income disparities persist, gender inequality is relatively minimal. Singapore scored 0.036 on the 2022 Gender Inequality Index. It ranked as the eighth-most-equal country in the world. The literacy rate among women in 2021 was estimated at 96.0%, slightly less than the rate among men (99.0%). In sum, Singapore shows a very high level of development, but it also has a worrisome income gap.

Question
Score

Socioeconomic
barriers

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Economic indicators		2021	2022	2023	2024
GDP	\$ M	436591.4	509017.8	505439.5	547386.6
GDP growth	%	9.8	4.1	1.8	4.4
Inflation (CPI)	%	2.3	6.1	4.8	2.4
Unemployment	%	4.6	3.6	3.4	3.2
Foreign direct investment	% of GDP	33.3	29.4	26.2	27.8
Export growth	%	8.8	4.9	5.7	5.4
Import growth	%	8.9	5.8	5.3	6.6
Current account balance	\$ M	86435.3	93770.6	89403.3	96015.2
Public debt	% of GDP	141.7	154.3	172.8	173.5
External debt	\$ M	-	-	-	-
Total debt service	\$ M	-	-	-	-
Net lending/borrowing	% of GDP	1.7	1.5	-	-
Tax revenue	% of GDP	12.7	11.8	13.9	-
Government consumption	% of GDP	10.6	9.2	10.0	10.6
Public education spending	% of GDP	2.8	2.5	2.1	2.2
Public health spending	% of GDP	3.1	2.8	-	-
R&D expenditure	% of GDP	-	-	-	-
Military expenditure	% of GDP	2.6	2.6	2.7	-

Sources (as of December 2025): The World Bank, World Development Indicators | International Monetary Fund (IMF), World Economic Outlook | Stockholm International Peace Research Institute (SIPRI), Military Expenditure Database.

7 | Organization of the Market and Competition

Market competition is consistently defined and promoted at both the macroeconomic and microeconomic levels in Singapore. State-guaranteed rules ensure equal opportunities for all market participants. The informal sector is very small. Singapore receives very high rankings in the World Bank's 2024 Business Ready report. It is ranked first in the category of operational efficiency, and also receives high scores in areas such as business entry, utility services, taxation and business insolvency. The Heritage Foundation also ranked Singapore as the world's freest economy in 2024, and notes the country's strong protection of property rights and effective implementation of anti-corruption efforts as being especially important. Although

Market
organization

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key sectors such as the telecommunications and media sectors have been privatized in the past, government-linked companies (GLCs) managed by the PAP-controlled Temasek Holdings, the country's second-largest investment company, play an important role in several sectors. GLCs produce nearly two-thirds of the country's GDP and include prominent companies such as Singapore Airlines, which was ranked the world's second-best airline in a 2024 survey by Skytrax. According to the 2021 ASEAN Corporate Governance Scorecard, four of Singapore's companies were ranked among the top 20 firms in the Association of Southeast Asian Nations (ASEAN), down from five in 2019, while over 25% of the region's asset-class companies were from Singapore. Singapore's total score has steadily improved since the index began in 2012. At the same time, many of the top-ranked companies are at least partially owned by the Singapore government. Although GLCs operate largely independently, they compete directly with private sector companies. Competing small and medium-sized enterprises in the private sector had difficulty obtaining bank loans to build their businesses and did not play an important role in the city-state's economy during the period under review. Singapore's dependence on GLCs poses potential risks, as shown during the global financial crisis. Financial experts have – to no avail – sometimes demanded that the state allow for a more balanced and competitive economy, with an increasing number of private sector companies, in order to make Singapore's economy more resilient.

The Singaporean authorities enforce comprehensive competition laws to prevent the emergence of monopolistic structures and conduct. The efficient functioning of Singapore's markets is safeguarded by the Competition Act of 2004, which is largely modeled on the UK Competition Act of 1998. The legislation covers both foreign-owned and domestic companies. The provisions were implemented in phases. First, the Competition Commission of Singapore (CCS) was set up in January 2005 to investigate and regulate anti-competitive behavior, and it was renamed the Competition and Consumer Commission of Singapore (CCCS) in 2018. The law includes provisions on anti-competitive agreements, decisions and practices; abuse of dominance; enforcement; appeal processes; and other areas. These provisions came into force one year later. Remaining provisions relating to mergers and acquisitions were implemented in July 2007. However, important sectors such as telecommunications, media, energy, postal services and the airport have been exempted from the Competition Act of 2004. The telecommunications sector is overseen by the Info-communications Development Authority (IDA), which has issued a code of practice for competition. Notably, these exempt sectors include some businesses that are monopolies managed directly by the government or controlled by Temasek Holdings. There were no new developments during the period of review.

Competition policy

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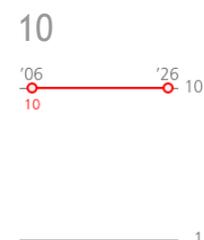


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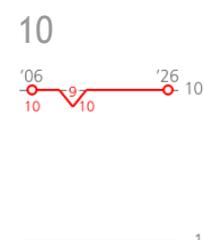
Singapore's economy is among the most open in the world in terms of foreign trade. The country strongly supports the multilateral trading system. Singapore grants at least most-favored-nation treatment to all its trading partners, and the most-favored-nation tariff rate stands at zero. The only exceptions are six lines for alcoholic beverages, which are subject to specific rates. Furthermore, the city-state has bilateral trade and investment agreements with countries in various regions of the world. As of 2024, 27 such agreements have been implemented. As a founding member of ASEAN and the Asia-Pacific Economic Cooperation (APEC) forum, Singapore actively participates in reducing trade and non-trade barriers between member countries. Singapore has ratified 12 regional free-trade agreements (FTAs) and digital economy agreements (DEAs), which include some of the largest combined trade agreements in the region. During the 2023 review period, Singapore signed an FTA with the Mercosur trade bloc (Argentina, Brazil, Paraguay and Uruguay), marking the first trade deal between Singapore and a South American bloc. The agreement, known as the Mercosur-Singapore Free Trade Agreement (MCSFTA), was signed on December 7, 2023. In addition to these, the country has inked 15 bilateral FTAs with Australia, China, Costa Rica, India, Japan, Jordan, South Korea, New Zealand, Panama, Peru, Sri Lanka, Taiwan, Türkiye, the United Kingdom and the United States. This demonstrates that the FTA network is still expanding.

In Singapore, the banking system is solid and oriented toward international standards, with functional banking supervision and minimum equity capital requirements. There is a well-developed, functioning capital market, including the Singapore Exchange (SGX) as the stock exchange. In addition, there is a strong bond market that serves as a regional center for private equity, venture capital and asset management. In 2011, the Monetary Authority of Singapore (MAS) announced capital rules with revisions set at higher levels than the Basel III standard. Singapore's capital markets are well developed, and its banks are increasingly using complex derivatives for the purposes of risk management and hedging. Financial services accounted for about 13.8% of Singapore's GDP in 2023. In 2024, there were 132 commercial banks in Singapore. Of these, six were local and 126 were foreign. Commercial banks are licensed under and governed by the Banking Act. Despite the effects of the global financial crisis, the country's financial institutions remained stable and maintained ample liquidity. Furthermore, the government guarantees all Singaporean dollar (SGD) and foreign-currency deposits by individuals and non-bank customers in licensed banking institutions. However, the guarantee is for a maximum of \$20,000 and was introduced only after Hong Kong offered a similar guarantee. Currently, there are three dominant banking groups in Singapore. The largest is the government-controlled Development Bank of Singapore (DBS). The ratio of non-performing loans to all loans in the sector decreased slightly from 1.4% in 2017 to 1.3% in 2018 and 2019. According to the Monetary Authority of Singapore, the share was 1.58% in the second quarter of 2024. The government has continued its rigorous enforcement of laws. In 2023, Singapore had the biggest money-laundering case in its history, involving assets worth about \$3

Liberalization of foreign trade



Banking system



billion, which also makes it one of the largest such actions in the world. The probe, which started in 2022, identified a group of people sending money from abroad to Singapore. Ten foreigners were arrested and convicted. As part of their plea deals, they surrendered \$900 million in cash and assets. Seventeen other suspects have fled Singapore. In November 2024, authorities reported that assets worth about \$1.85 billion from 15 of the 17 suspects who had evaded the authorities had been surrendered to the state. In December 2024, the first person involved in assisting the money launderers, a former relationship manager of Chinese nationality at Citibank, pleaded guilty to 10 charges, including money-laundering and forgery.

8 | Monetary and fiscal stability

In Singapore, inflation and foreign-exchange policies are aligned with other economic policy goals within an adequate framework. The Monetary Authority of Singapore (MAS), which operates with a high degree of autonomy yet remains closely aligned with government priorities, maintains a managed-float regime. The inflation rate in Singapore has been brought under greater control. In 2023, it was 4.8%, and was projected to have fallen to 2.5% in 2024. This suggests that inflation is returning to a more stable path, especially compared with other countries. In October 2024, the Consumer Price Index stood at 116.756, down from 117.12 in September, with the 2019 index level serving as 100. Overall, prices in the month increased 1.4%, with the highest increases coming in the food, housing and education sectors. The Singapore dollar remained resilient, a trend credited to the earlier lifting of COVID-19 restrictions and a tightening policy stance that preceded that of the Federal Reserve in the United States. The exchange rate at the end of 2023 was USD 1 to SGD 1.34. According to data provided by the World Bank, the real effective exchange rate was 117.5 in 2023.

The Singaporean government's fiscal and debt policies promote macroeconomic stability, supported in part by institutional constraints. After the government was forced to tap its reserves in 2009 due to the global financial turmoil, the country's budget has fluctuated between deficits and surpluses. Since the COVID-19 pandemic, the government has largely faced continuous deficits. In 2023, the budget showed a deficit of SGD 3.57 billion. For 2024, a small budget surplus of SGD 0.78 billion was expected. The budget has thus been balanced as a consequence of an increase in taxes. In 2023, Singapore's debt-to-GDP ratio was 174.8%, which is very high by international standards. The reason for the high debt ratio is that the government borrows money from the Central Provident Fund (CPF) pool and channels it into investments. Moreover, strong institutions and governance, as well as large fiscal reserves, ensure that Singapore's credit rating is not at risk. In May 2024, Moody's reaffirmed Singapore's AAA credit rating with a stable outlook because the country continues to have large reserves. Nonetheless, the government, through the GLCs in particular, has been raising a large amount of cash in the international market through bond issues to capitalize on the low-interest-rate regime, and this has to be managed carefully to prevent excesses.

Monetary stability

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Fiscal stability

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9 | Private Property

Rights and regulations governing property acquisition, benefits, use and sale are well defined and widely enforced in Singapore. The Heritage Foundation's 2024 Index of Economic Freedom again stated that Singapore has Asia's strongest property rights regime, ranking first in the region despite some decline in recent years. The Singaporean judiciary effectively protects private property, and contracts are secure. Singapore has ensured that its property and copyright laws align with the principles underlying global laws on intellectual property rights. However, there are limitations on foreign ownership. State acquisition of land is often priced below the prevailing market price. Politicians who lose a defamation suit against the ruling PAP often must file for bankruptcy if they cannot pay the exceptionally high damages awarded. Outspoken opposition politicians run the risk of losing their assets. Beyond offering sub-market compensation for compulsorily acquired properties, the government, which controls the largest land bank acquired very cheaply in the 1970s, now makes enormous profits by tendering such properties for sale.

In Singapore, private companies are often portrayed as the primary engines of economic production and given appropriate legal safeguards. In the past, the privatization of state companies proceeded according to market principles. Moreover, government-linked companies (GLCs) are run like private companies. In addition, Singapore received very high rankings in the business entry and location categories of the World Bank's 2024 Business Ready report. In particular, the country's relatively smooth bureaucratic procedures foster private entrepreneurship. The government provides capacity-building programs for private enterprises, promoting innovation and helping them to transform their businesses to stay competitive and relevant through grants, support schemes and other programs focusing on digital solutions, market expansion and workforce upskilling. However, the dominant role of GLCs (for example, in the telecommunications and multimedia sectors) is often viewed as an obstacle to the development of private enterprises. Suing the government in legal disputes is very difficult because legal costs are very high. Moreover, the government has ownership stakes in many companies either directly through its investment corporations or indirectly through companies owned by investment corporations. The data on these structures are not fully clear. The major listed companies of Temasek alone account for 20% of the country's total market capitalization. Studies have found that government-linked companies, despite being subject to the same market pressures, have an advantage over private enterprise.

Property rights

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Private enterprise

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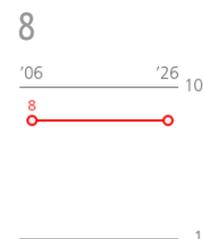


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10 | Welfare Regime

Social safety nets are well developed but do not cover all risks across all strata of the population. In Singapore, some segments of the population remain at risk of poverty. Social security schemes are largely centered on individual contributions to the social insurance programs. All of the schemes targeting the poor are thoroughly means-tested. A growing number of people have received government aid. In fiscal year 2023, about 22,960 households received a total of \$105.1 million in financial help from the government's ComCare social assistance scheme, down from \$112.5 million the previous year. From a longer-term perspective, this was a significant decrease over the period of the COVID-19 pandemic; the government credited the decline to the ongoing economic recovery. The government has officially rejected the notion of welfare, which it thinks would undermine the city-state's work ethic and reduce its ability to compete with neighboring economies. The Central Provident Fund (CPF) is the primary social security institution for Singaporeans and permanent residents. As of September 2024, there were 4.2 million members. Contributions to the CPF go into three accounts: the Ordinary Account, where savings can be used to buy a home, pay for CPF insurance and fund investments and education; the Special Account, for investment in retirement-related financial products; and the Medisave Account, for approved medical insurance. Between July and September 2024, \$3.2 billion was withdrawn for retirement, \$3.5 billion for the purposes of buying homes and \$1.6 billion for health care. One concern is the CPF system's lack of transparency. Moreover, people have been worried about increases in the minimum sum required for members to withdraw a monthly retirement income after age 55. Many people have drawn on CPF funds to pay for housing or health care, and so cannot meet that threshold. This is in part due to a relatively low percentage of public expenditure on health (3.5% of GDP in 2021, although this has increased over time). Health care costs in Singapore are rising due to factors such as an aging population, medical advances and operational expenses like wages, which account for 60% of hospital costs. While a universal health care system coexists with a private health care sector, there are growing concerns about the affordability of health care, as co-payments in Singapore depend on the pricing of services rather than on income. In recent years, the government has expanded subsidies, improved efficiency through initiatives like generic drug use and smart wards, and enhanced the MediShield Life coverage so that it includes outpatient and home-based care.

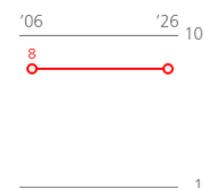
Social safety nets



Equality of opportunity is largely achieved in Singapore. Women and members of ethnic and religious groups have near-equal access to education, public office and employment. The literacy rate among women is 96.0%, compared with 99.0% among men. However, one in two workers say they have felt some form of discrimination, for instance on the basis of race, age or gender, according to a 2022 survey by the gender equality group AWARE. Those with disabilities were especially likely to report having felt the effects of discrimination. Moreover, women are under-represented in professional and managerial roles, in part due to a lack of flexible working hours. Only 29% of members of parliament are women, a figure that rose slightly following the 2020 election. The gender pay gap in Singapore has narrowed. In 2023, full-time female employees between the ages of 25 and 54 earned an average of 14.3% less than their male counterparts, with this gap narrowing from 16.3% in 2018, according to a study published by the Ministry of Manpower (MOM) in 2024. A Blackbox study in 2022 found that 43% of Singaporean women felt that their gender impacted their pay and salary levels. However, nearly half of Singaporeans (48%) said in a 2024 Ipsos survey that the promotion of women's rights had gone so far as to involve discrimination against men. In terms of ethnicity, Malay households are on average poorer than those of the Chinese majority. A 2018 survey by the Institute of Policy Studies-OnePeople.sg found that 51.6% of Malays said they at least sometimes felt discriminated against when applying for a job, a slight increase relative to previous survey rounds. Similarly, almost 60% of Malays and 56% of Indians reported experiencing discriminatory treatment in their work environments. Malays have been underperforming in the job market since the 1980s. As legislation penalizes public debates on race, it is unlikely that this issue will be resolved in the near future. On a positive note, the International Convention on the Elimination of All Forms of Racial Discrimination (ICERD) was signed in October 2015 and ratified in November 2017. The government also introduced a bill against workplace discrimination in November 2024, which was slated for discussion in 2025. Low-income families and people with low skills levels are finding it increasingly difficult to make a living in Singapore. Social mobility levels in Singapore appear to be moderately low compared with other countries, although the government has no data on it.

Equal opportunity

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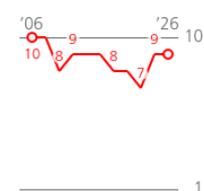


11 | Economic Performance

Singapore's economy grew by 4% in 2024, well above 2023's rate of 1.1%. Singapore's current account balance showed a surplus of \$99.13 billion in 2023. The inflation rate was 4.8% in 2023, down from 6.1% the year before. The unemployment rate for 2023 was 1.9% (according to government statistics; according to World Bank statistics, it was 3.5%), a slight decline from previous years. However, unemployment rates among Singapore residents and citizens were slightly higher than previously. These rates were respectively 2.7% and 2.9% in 2023. Tax revenue amounted to 12% of GDP in 2022. Foreign direct investment totaled 34.9% of GDP in 2023, an increase over the previous year.

Output strength

9



12 | Sustainability

Environmental concerns are taken into account but are sometimes subordinated to economic concerns and efforts. Environmental regulations and incentives are in place and are largely enforced. Industrial pollution, limited natural freshwater resources and waste disposal shortcomings are viewed as the nation's primary environmental problems. In this regard, the Singapore Green Plan 2030 (introduced in 2020) is the government's blueprint for achieving a net-zero-emissions society and economy by 2050. The near- to medium-term goals are to quadruple solar energy deployment by 2025, reduce landfill waste by one-third by 2030 and plant 1 million new trees by 2030. The decline in natural areas over the past 30 years and the reliance on air conditioning have meant that Singapore is heating up twice as fast as the rest of the world. Furthermore, the city-state is the 28th-highest consumer of fossil fuels among 219 countries, according to data provided by the U.S. Energy Information Administration.

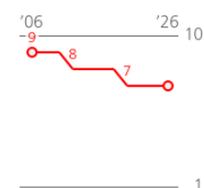
The Energy Conservation Act, enacted in 2013, mandates energy efficiency requirements for large energy users and promotes energy management practices. In 2022, 99% of the city-state's energy use came from fossil fuels, with just over 0.5% from renewable energy projects. Of total energy consumption, 86% comes from oil and 13% from natural gas, while electricity generation is 92% from gas and 3% from oil. While options for low-emission energy production are limited by the physical constraints of the city-island state of less than 737 square kilometers – land is too scarce for solar parks, commercialized waterways cannot be turned into wind farms and there is simply no space to build nuclear power plants – the city-state is still lagging behind other high-income economies in regard to green development, environmental justice and the overall energy transition.

In 2020, the government introduced a carbon tax as part of its strategy for transitioning to a low-carbon economy, applying to all facilities that produce 25,000 metric tons or more of greenhouse gas emissions. The initial rate was set at \$5 per tCO₂e, but has since been revised upward; the new rate was to take effect in 2024, with further increases in 2026 and 2027. It is the first carbon tax scheme that allows high-quality international credits to be used to offset emissions, as agreed in the Paris Agreement. The Resource Sustainability Act, passed in 2019, focuses on reducing waste and promoting recycling, particularly in the areas of e-waste, food waste and packaging waste.

Since 2022, sustainability reporting has been mandatory for all companies listed on the Singapore Exchange (SGX). However, environmental impact assessments (EIAs) are still not required by law; they are conducted in secret and only when the government deems them necessary, a practice that lags behind many other countries in the region. There has been growing demand to pass a law concerning EIAs, which

Environmental
policy

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are used more transparently in many other Southeast Asian countries, but the government has not yet done so out of concern that such a measure could reduce its flexibility. The Nature Society (Singapore) has strongly criticized the EIA for the Mandai project. In October 2020, the government enacted new biodiversity impact assessment guidelines that provide greater clarity and standardization. Singapore has cleared an increasing number of its few remaining patches of forest. A 2023 study found that Singapore is set to lose 7,331 hectares of secondary forest – equivalent to about 10% of the island’s land area and 1.2 times larger than all its parks and nature reserves combined – over the next 10 to 15 years due to the country’s urban development plan.

Singaporean education policy ensures high-quality education and training, and the research and technology sector is dynamic and competitive. Investment in education and training is clearly above average, as is investment in R&D. Public expenditure on education amounted to 2.2% of GDP in 2023, a slight decrease compared with 2.5% of GDP in 2022. The government emphasizes educational efficiency, while spending on after-school tuition, private schools and higher education remains significant. Expenditure on R&D amounted to 2.2% of GDP in 2020, which is about the same as the OECD average. Singapore has six public universities, five polytechnics, two arts institutions, 13 foreign institutions and the Institute of Technical Education (ITE). Singapore’s universities rank among the best in the world. The Times Higher Education ranking placed the National University of Singapore at 17th in the world and third in Asia in 2025. The sound education policy and the high level of expenditure on R&D are highlighted by the World Economic Forum’s Growth Global Competitiveness Report 2019, which ranked Singapore first out of 140 economies. The city-state was also the highest-ranked economy in Asia. Moreover, Singapore’s students performed better than the OECD average in the subjects of reading, mathematics and science in the 2022 Programme for International Student Assessment (PISA) tests. Nevertheless, education remains highly examination-driven and assessment-oriented, reducing incentives for critical thinking and creativity. The emphasis on exams also leads to high levels of emotional stress among young people. The government has sought to address this problem. In 2023, mid-term exams were removed for all primary and secondary school levels. The overemphasis on university rankings has also come under increasing criticism.

Education policy /
R&D



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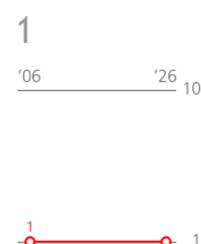
Governance

I. Level of Difficulty

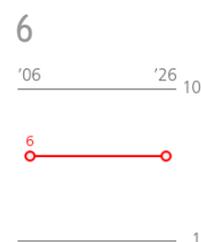
The Singaporean government faces few structural constraints on its capacity to govern. Neither the state of infrastructural development nor poverty constrains the Singaporean administration. The country's level of difficulty is comparable to that of OECD countries. The country is not exposed to natural disasters such as typhoons or earthquakes. Moreover, the educational system routinely graduates a highly skilled workforce. Despite a number of high-profile cases in recent years, the level of corruption is notably low, and the fight against corruption is a key component of the ruling PAP's policy. However, the greatest structural constraint is the small size of the city-state, which requires Singapore to import key resources such as water (from Malaysia) as well as foreign workers. This makes cordial relations with neighboring countries especially important. Moreover, the lopsided ethnic composition of the citizen population (75.6% Chinese, 15.1% Malay, 7.6% Indian, 1.7% others according to the Department of Statistics in 2024) requires skillful handling to avoid confrontation and foster a unified Singaporean identity. This was seriously challenged during the Little India Riot in December 2013, but the government officially denied that racism played a role in the conflict. As most of the rioters were from India, the event drew attention to the problems produced by the massive immigration of low-wage workers to Singapore in recent years. Finally, the population is rapidly aging, which poses a challenge to the government. According to the Singapore government's 2023 population report, citizens 65 and older now constitute 19.9% of the population, compared to 12.4% a decade ago.

Civil society traditions are fairly weak in Singapore, and are mostly limited to informal community assistance. During the colonial period, civil society was characterized by ethnic and religious groups such as clan associations and church, temple and mosque congregations. These organizations played an important role during decolonization. Today, the landscape of voluntary organizations is narrow and plagued by limitations imposed by the Singaporean government. In general, two different cultures of civil society have emerged within the NGO landscape. A group of more liberal organizations monitors human rights or observes the government's behavior regarding opposition politicians. In addition, there are a number of special interest groups that deal with issues such as women's rights, the environment or heritage preservation. Although these groups have carefully avoided politics, there have been instances when they have become more activist, particularly in response

Structural constraints



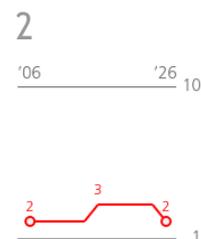
Civil society traditions



to controversial policies. For example, environmental groups have opposed land projects, and gender rights organizations have pushed for stronger anti-discrimination measures. However, restrictions under laws such as the Societies Act and POFMA continue to limit their influence, making civil society largely reactive rather than proactive.

Generally, Singapore has few incidents based on social, ethnic or religious differences, and conflict intensity tends to be low. Since independence, the political elite have managed ethnic and religious cleavages by promoting a multiracial and multireligious concept of citizenship. While Singapore has rejected the “melting pot” idea – Singaporean ID cards, for instance, contain ethnic identifiers – this model of conflict management has helped stabilize the city-state’s heterogeneous society and has inhibited violent outbreaks for more than three decades. Consequently, there is no organized mobilization along ethnic or religious cleavages. The Singaporean government uses authoritarian methods to restrict public debate on questions of race or religion, which serves to mask some tensions. A majority of Indians and Malays, for instance, say they have experienced discrimination in the workplace. While conflict involving migrants remained a concern during the period under review, no major incidents resembling the Little India riot of 2013 occurred. The COVID-19 pandemic did not lead to any serious confrontations. The government has made some efforts to reduce tensions by slightly curbing the number of new immigrants. This has raised concern within the business community, which relies on a flow of cheap labor and on the ability to fill positions for which there are labor shortages. As of June 2024, about 40% of Singapore’s workforce was made up of foreign workers. With rising housing prices and greater competition in the job market, Singaporean citizens continue to complain about the influx of foreign workers. During the period under review, the government tightened rules for expatriate workers by raising the salary threshold for a work visa. In September 2024, Pope Francis urged the Singaporean government to seek fair wages for more than 1 million low-wage foreign workers.

Conflict intensity



II. Governance Performance

14 | Steering Capability

The Singaporean government effectively sets strategic priorities and generally maintains them over extended periods. Its centralized governance model and long-term planning framework give it the capacity to prioritize and organize policy measures. Strategic planning divisions exist in several ministries within the Singaporean government. At the central level, the government has established the Center for Strategic Futures (CSF), which addresses emerging strategic challenges. In 2017, the government set up the Future Economy Council to provide a venue for private sector leaders and academics to help shape economic strategies. During the period under review, the government continued to focus on social problems and rising income inequality. This included measures to help the poor and to curb the inflow of foreigners. In Singapore, the state's ability to sustain its strategic priorities is not constrained by actors outside the government such as powerful economic interests or foreign governments. However, the ruling PAP allows only very limited political space for civil society and other independent voices to influence government policy. Moreover, the government does not currently envision further democratization of the public sphere or the extension of democratic norms. The government also tends to use short-term measures to address social problems, such as one-time handouts to poorer people. For instance, in response to the increase in the goods and services tax (GST) in 2023 and 2024, the government provided vouchers to low-income citizens to offset the increase.

In general, the Singaporean government is able to implement its policies effectively. Singapore is able to engage in highly effective policy implementation thanks in part to the absence of a true parliamentary opposition and the PAP's dominance of almost every aspect of the city-state's political, military and economic life. There are many examples. Following the global financial crisis, the government quickly implemented a stimulus package to boost Singapore's economy. During the period under review, the government implemented tighter regulations on immigration. In 2024, the government announced that salary thresholds for foreign Employment Pass applicants would be raised starting in 2025 in order to prioritize high-skilled talent and address local job competition and public concerns about workforce policies. Moreover, it implemented higher stamp duties on property purchases by foreigners and companies as a means of containing rising property prices, which are in part driven by property speculation. Singapore also implemented tight regulations on air pollution and traffic, making it one of the cleanest places in Asia. One example of this is the highly unpopular Electronic Road Pricing gantries, which charge drivers

Question
Score

Prioritization

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Implementation

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for road use. Paired with the Certificates of Entitlement, this probably makes Singapore one of the most expensive countries in which to own a private car. Prices for the gantries were again increased and otherwise adjusted during the review period. However, besides effectively micromanaging many aspects, the executive has not carried out structural and qualitative changes in the political system to facilitate a transformation toward a more open and participatory regime, as found in liberal democracies. This raises the concern that the implementation of unpopular policies might lead to long-term resentment toward the government and thus pose a risk to long-term stability.

The Singaporean government responds to mistakes and failures by making changes. The city-state's administration demonstrates considerable flexibility and a capacity for learning, especially with regard to market reforms. In addition, the government regularly seeks advice from financial experts and academics to implement good practices in the financial sector. Past experience informs policy implementation. For instance, the government's swift response to the COVID-19 pandemic drew on its experience with the SARS crisis in 2003. The government is also eager to implement new technologies, as seen in the Smart Nation initiative, which was launched in 2014. The vision was refreshed in 2024 as Smart Nation 2.0, which seeks to use technology more effectively. However, the government can be criticized for focusing on particularistic and power-preserving goals rather than on a broader social agenda. In this context, the political elite has refrained from allowing greater political freedoms or improving the democratic nature of elections. There is a belief that narrow technocratic solutions serve the country best. The governing elite believes its system is the best in the world and may even be a preferable alternative to liberal democracy. As such, the system has attracted attention from many authoritarian regimes, including China, as a potential role model for improving rule by a single dominant party without the need to allow democratic participation in politics. In sum, the government's projects cannot be considered proof of its learning process or its commitment to democratic norms.

15 | Resource Efficiency

The Singaporean government makes efficient use of all available human, financial and organizational resources. The government's administrative personnel are highly professional. The existence of competitive recruitment systems and high public sector salaries make the Singapore Civil Service one of the most efficient bureaucracies in the world. The state operates with a balanced budget and maintains a low level of debt, which contributes to economic stability. The country's public accounts are also subject to independent audits, ensuring accountability and transparency. Consequently, the functioning of the administrative system is exemplary throughout the Singaporean bureaucracy. Senior officers from the Singapore Armed Forces are regularly deployed to the administrative service as well as to GLCs after retirement,

Policy learning

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Efficient use of assets

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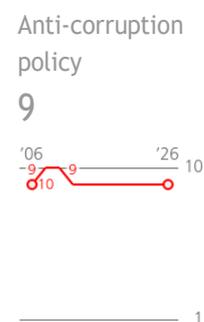
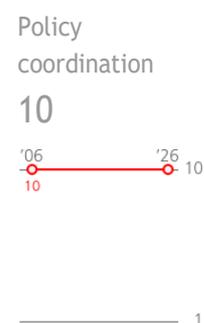


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a practice that raises questions about nepotism, though one could argue it also reflects meritocratic practices. The largest government-linked company, Temasek Holdings, which is under the direction of Ho Ching, the former prime minister's wife, continues to be subject to questions about its efficiency. Of particular concern is the company's limited transparency. Leaked cables suggested problems during the attempted leadership transfer at the company. During the review period, the government increased spending on social welfare, health care and education for its aging population. As a result, there was a budget deficit in 2023 (\$3.57 billion or 0.5% of GDP), which was expected to improve in 2024, when the government forecasted a small surplus of \$0.78 billion (0.1% of GDP). The improvement mainly reflects increases in the rates for the goods and services tax, asset taxes, personal income tax and motor vehicle taxes. Considering the level of challenge, resources are used in a targeted manner to deal with the country's problems.

The government effectively coordinates conflicting objectives and acts coherently. Under the hierarchical, bureaucratic leadership of new Prime Minister Lawrence Wong, a technocrat, the cabinet continued to handle conflicts over economic or social policies effectively and achieved policy coherence. The government uses a centralized decision-making process, allowing effective management of conflicting objectives across ministries and departments. It promises well-balanced trade-offs among policy goals. During the review period, there was no externally visible friction within the government. State administration departments are able to coordinate with one another. The Prime Minister's Office coordinates the activities of the ministries. For example, the National Security Coordination Secretariat (NSCS) – located in the Prime Minister's Office – coordinates national security planning and intelligence issues, while the National Population Secretariat (NPS) – also in the Prime Minister's Office – coordinates the various government agencies involved in population-related issues. In addition, responsibilities within the government are assigned in a transparent manner. Compared with other countries in the region, the government's capacity to coordinate conflicting objectives and interests is highly effective.

The Singaporean government has largely succeeded in containing corruption, and integrity mechanisms are in place and effective. Levels of corruption in the civil service are by far the lowest in the region. Numerous safeguards and rigorous audit controls are in place in the city-state. The Corrupt Practices Investigation Bureau (CPIB) is incorporated into the Prime Minister's Office and investigates corruption in the public and private sectors. It derives its jurisdiction from the Prevention of Corruption Act, enacted in 1960. However, CPIB's placement under the Prime Minister's Office has raised some concerns. Furthermore, a potential problem for public accountability in Singapore is the lack of a Freedom of Information Act, which would allow Singaporeans to access more government information. To date, the government has rejected all demands to enact such a law. The government has argued that releasing such information may not be in the national interest and would not necessarily improve governance. Furthermore, the extremely high salaries of

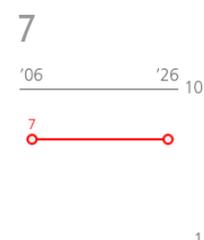


ministers and high-ranking civil servants have increasingly been criticized and viewed as legalized corruption. In addition, the strong affiliation between the ruling PAP and the state administration is viewed as problematic, especially with regard to the high salaries paid in the higher ranks of the administration. Holding a high position within the ruling PAP increases the likelihood of obtaining a lucrative job in the public service. Allegations of nepotism have often been met with defamation lawsuits, followed by apologies. Moreover, according to Michael D. Barr, “it is no secret that a dynasty has emerged as the ruling force in Singapore.” The former prime minister’s brother and sister have also publicly accused him of trying to establish a dynasty. They have suggested that Li Hongyi, the oldest son of former prime minister Lee Hsien Loong, might be chosen to become prime minister in the future. In October 2024, former Transport Minister Subramaniam Iswaran was sentenced to 12 months in jail for obstructing justice and receiving more than \$300,000 in gifts. This was the first time a former cabinet member had been jailed in the city-state’s history. In 2023, there were 215 corruption-related reports compared to 234 in 2022. Most of the reports – a total of 86% – were in the private sector. In 2023, 111 people were prosecuted for corruption, 105 of whom were in the private sector. The conviction rate in 2023 was 99%.

16 | Consensus-Building

While Singaporean political and social actors agree on the importance of democracy, they cannot reach consensus on its form. The ruling PAP continues to refrain from implementing democratic reforms that would facilitate transformation. It maintains that liberal democracy as practiced in the West is unsuitable for Singapore’s ethnically and religiously heterogeneous society. The government instead believes in an elitist form of democracy that measures only the degree of support for its policies. Former Prime Minister Lee Hsien Loong said in 2022 that the party aimed for a strong mandate, which it needed to act decisively. Opposition to liberal democracy was perhaps expressed most clearly by Education Minister Ong Ye Kung, who said in 2017 that one-party rule may be Singapore’s way to succeed, as it would be based on robust internal competition rather than competition with opposition parties. After gains by the opposition in the 2020 general election, the government decided to provide more formal recognition for the position of leader of the opposition. This position went to Workers’ Party (WP) chief Pritam Singh, entitling him to 40 minutes of speaking time normally allotted to officeholders. While this can be seen as a small step toward a more democratic system, the government still generally resists democratic values. The prosecution of Singh in 2024 for giving false evidence under oath during parliamentary committee hearings shows a willingness to maintain tight control over the political opposition. A verdict was set to be issued on February 17, 2025. At the same time, the opposition remains deeply divided both with regard to the desired form of democracy and the appropriate path to achieving it. This is reflected in the failed attempts to create an opposition coalition. The main opposition

Consensus on goals



party, the Workers' Party, has declined to join such a coalition. The WP has consistently avoided openly challenging the ruling party, and advocates gradual change from within. This suggests it is difficult to achieve consensus even within the opposition seeking to put the country on a path toward democracy.

In Singapore, all major political and social actors agree on the goal of a market-based economy. However, political parties differ in how much they support increased investment in social welfare and redistribution. The ruling party generally favors a market-based approach, although it also advocates a fair and just society as its primary goal. It is perhaps not surprising that opposition parties call for greater investments in welfare. For instance, in December 2022, the Progress Singapore Party called on the government to re-evaluate the public housing market, which has made it increasingly difficult for many young Singaporeans to find their own apartments. Prominent academics such as Donald Low and Cherian George have also supported broadening the social safety net, minimizing inequality and increasing wealth taxes. However, they have also recently moved out of Singapore, suggesting declining opportunities for such policy alternatives. Nevertheless, there is no politically relevant actor who is able to derail either the reform process or the expansion of the market economy. During the review period, the government rejected the idea that buying rail assets amounts to nationalization of the rail system. The assets were bought by the Land Transit Administration (LTA), because expansion, replacement and upgrading of the system was seen as being too expensive for private operators.

With the ruling PAP controlling the parliamentary majority in Singapore, anti-democratic actors are in full control of the government, and reformers continue to have no power to bring about democratic reforms. In the face of the potential emergence of greater checks, the government has defended its elitist form of governance. This was apparent when it refused to hold a competitive presidential election in 2017 and declared that the elected president does not have the power to speak independently. Moreover, despite recognizing the electoral gains of the Workers' Party, the government has pursued a legal strategy targeting the party, which threatens the rise of opposition parties and the deepening of democracy. While interest groups such as the military and local entrepreneurs have often played an important role as anti-democratic veto powers in neighboring countries (and still do), in Singapore these groups have been successfully co-opted by the political leadership and have a strong stake in the existing political system. In general, the ruling party sees itself as the only capable political party, and it views any other party as a threat to the survival of the city-state. The ruling party believes Singaporeans vote for the opposition only because they know the ruling party will be re-elected. In 2023, Prime Minister Lawrence Wong said he supports democracy with a “responsible opposition.” He said, “We stand for a democracy that is maturing, a serious government and a serious opposition; we say yes to all that. But we say no to populism and political opportunism ever taking root in this house and in Singapore.”

Anti-democratic actors

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The problem, however, is that the government has the power to define what constitutes serious opposition and what is political opportunism, a term often used against critics of the government.

While Singapore's political leadership has continued to contain cleavage-based conflicts despite the city-state's ethnic and religious heterogeneity, immigration flows are leading to more conflicts. However, the government has managed conflicts arising from the growing number of foreign workers. In 2013, Singapore experienced its largest political protest, attended by a few thousand participants. Official announcements of curbs on foreign labor have somewhat reduced discontent, but latent unhappiness persists. This also applies to foreign workers, who still live in precarious conditions, even though the government has sought to mitigate the most serious problems. In 2013, Singapore also saw its first riot since 1969 in Little India. Since then, there has been no similar event, which should not be seen as a resolution of the underlying problems. Discontent over the inflow of immigrants from India and China continues to fester below the surface, because the topic is sensitive and can lead to government censure.

The city-state's political leadership recognizes and accommodates civil society actors' interests only when they do not interfere with government policies. It may consult business groups and other NGOs on select issues. However, laws pertaining to NGOs and other civil society groups continue to severely limit the space for civic activity. Any initiatives that foster a critical dialogue among Singaporean citizens must register under the Societies Act and be subject to oversight by the government. The government consults only with civil society groups that do not take an oppositional stance, which it characterizes as politicizing an issue. In recent years, there has been growing political activism from comparatively independent-minded civil society groups. Organizations such as the Nature Society and the women's rights group AWARE have become more assertive and frequently engage the government through various means. However, they remain small and have limited resources. Foreign funding is not allowed for organizations that have overtly political goals. While coalitions and alliances between civil society groups, such as the Coalition of Singapore NGOs (COSINGO) in 2011 and the Alliance of Like-Minded Civil Society Organizations in 2016, have been established, they have focused on a single issue (in these cases, making a report to the U.N. Universal Periodic Review (UPR)). Moreover, as the COSINGO experience shows, such coalitions have remained short-lived. There are also deep divisions within society that pose an obstacle to cooperation. Civicus, an international non-profit focused on strengthening civil society, downgraded its rating of Singapore's civil society in its Civicus Monitor 2022 from the category of "obstructed" to "repressed." This is the second-worst rating a country can receive. Overall, the influence of civil society actors in the political process thus remains insufficient.

Cleavage /
conflict
management

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Public
consultation

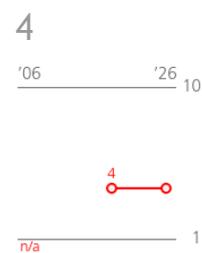
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The political leadership has not pursued a process of reconciliation with victims of past injustices resulting from detention without trial under the Internal Security Act (ISA). The arrests of more than 100 left-leaning opposition politicians in Operation Coldstore in 1963, as well as the arrest of 16 people in the so-called Marxist conspiracy in 1987, remain contentious to this day. The government claimed that those arrested under the ISA were communists intent on destroying the country, but others contest this. For instance, historian Thum Ping Tjin stated at a book launch in November 2013: “Were the Barisan and the other detainees of Operation Coldstore part of a communist conspiracy? No. No. No. No.” The question of how to deal with this historical legacy gained prominence when, in September 2014, the government banned the documentary “To Singapore, With Love,” which documents the experiences of political exiles. The government believes the film, which challenges the government’s narrative, is one-sided and that screening it would be against the national interest. The ban was met with “deep disappointment” by a group of 39 Singaporean artists. Another film, “1987: Untracing the Conspiracy,” surprisingly received an R21 rating, which allowed it to be screened in Singapore but made it suitable only for adults. This allowed it to be screened at the FreedomFilmFest in November 2015 and subsequently at other venues. In 2017, three of the victims, Chng Suan Tze, Low Yit Leng and Teo Soh Lung, published the second edition of their book titled “1987: Singapore’s Marxist Conspiracy 30 Years On,” which is available in Singaporean bookstores. At the same time, the government has so far refused to open the archives regarding these incidents. Moreover, attempts to draw attention to these events, such as a blindfolded protest on the subway in 2017, led to legal consequences for the organizer, Jolovan Wham. In addition, Thum Ping Tjin’s attempt to question the government’s control over information relating to the 1963 and 1987 events resulted in almost six hours of questioning in parliament, in which Law and Home Affairs Minister Kasiviswanathan Shanmugam sought to undermine the historian’s credibility and force him to provide indisputable evidence that there was no communist conspiracy.

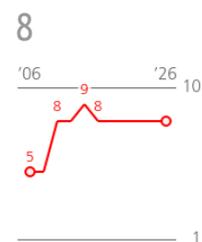
Reconciliation



17 | International Cooperation

Singapore is classified as very highly developed by the Human Development Index, and does not require or seek support from international partners for its domestic policies. Nonetheless, it has used international partnerships to implement a consistent and long-term development strategy for the country. In its early history, even before independence, Singapore drew up its first development plan with the help of the United Nations Industrial Survey Mission led by Albert Winsemius, providing the basis for industrialization. Singapore is still dependent on external support in only in a few areas. This includes the supply of drinking water from Malaysia and sand imports from Myanmar (there are also efforts to import sand from Bangladesh). Sand is used in land reclamation and is vital for Singapore’s infrastructure projects. However, these resource flows are creating significant environmental problems for

Effective use of support



exporting countries. External advice regarding the human rights situation in the city-state is considered unwanted political interference. During the 2023 Universal Periodic Review (UPR) session, the United Nations Human Rights Council and several NGOs raised concerns about restrictions on freedom of expression and assembly in Singapore, recommending that the country align its laws with international human rights standards. In response, the Singaporean delegation emphasized the nation's unique context and the necessity of its laws with regard to maintaining social stability and security, asserting that Singapore's approach to human rights is pragmatic and tailored to the country's specific circumstances. In addition, the Singaporean government blocks any attempt by international organizations to facilitate greater democracy and respect for civil rights in the country. Any foreign support for opposition parties or independent online media is prohibited. Although there has been no evidence of foreign interference in the country's local politics, the government enacted the Foreign Interference (Countermeasures) Bill in 2021 despite serious concerns raised by numerous international NGOs. In February 2024, businessman Chan Man Ping Philip became a target of the law when he was designated a politically sensitive person under FICA. Although this was likely due to growing Chinese influence, the lack of a clear reason for the designation raised concerns about the transparency of the law and its potential impact on Singapore's open economy.

The Singaporean government is considered a credible and reliable partner by the international community. The political leadership remains engaged with the World Bank, the IMF, the Asian Development Bank (ADB) and other international institutions such as the WTO. In addition, Singapore is one of the five founding members of the Association of Southeast Asian Nations (ASEAN). Professor Simon Shen believes that Singapore's advanced economic development makes the country a "natural leader of ASEAN." Through the Singapore Cooperation Programme (SCP), Singapore provides technical assistance to developing countries around the world. Singapore has ratified the Paris Agreement and – in 2022 – announced a net-zero target for 2050. Regarding human rights, Singapore has ratified only a few agreements, such as the Convention on the Rights of the Child (CRC), but has not signed or ratified core treaties such as the International Covenant on Civil and Political Rights; the International Covenant on Economic, Social and Cultural Rights; the International Convention on the Protection of the Rights of All Migrant Workers and Members of Their Families; or even the OECD Anti-Bribery Convention. While Singapore adheres to many International Labour Organization (ILO) principles, the situation of migrant workers in the country remains a concern. The government argues that it will sign treaties only when it can fully and effectively implement them. This could be problematic, as ratified treaties and conventions become part of domestic law only when they are specifically incorporated.

Credibility

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The Singaporean government actively cultivates cooperative relations with neighbors and the international community and promotes regional and international cooperation. It is not surprising that Singapore is one of the five founding members of ASEAN, which is expected to evolve into a close-knit community focusing on trade, security and climate cooperation. With Malaysia, Singapore navigates issues such as water supply agreements and cross-border security while enhancing economic ties and defense collaboration. The relationship with Indonesia is marked by trade, counter-terrorism efforts and joint environmental initiatives aimed at combating transboundary haze. Singapore's trade with Thailand and Brunei is bolstered by defense cooperation, including military exercises under regional pacts. Regionally, Singapore actively drives economic integration through ASEAN and free-trade agreements such as the Regional Comprehensive Economic Partnership (RCEP) and the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP), positioning itself as a key player in the Indo-Pacific. However, the rise of China and the ongoing U.S.-China tensions present significant diplomatic challenges, pushing Singapore to carefully balance its cooperation with both superpowers. China's rise is making unity within the alliance increasingly difficult. While the relationship between China and the United States remained tense during the Joe Biden administration, Donald Trump's return to the U.S. presidency has raised new concerns about the future of U.S.-China relations, particularly as Trump quickly imposed significantly higher tariffs on China, which responded in kind. From Singapore's perspective, the newly emerging cold war between the two superpowers presents challenges in balancing its attempts at cooperation with growing demands to take sides in the conflict.

Regional
cooperation

10



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Strategic Outlook

As Singapore's ruling party has transitioned its leadership from Prime Minister Lee Hsien Loong to Lawrence Wong, the next general election remains pending. It must be held no later than November 23, 2025, though elections are usually called earlier than this final date. Despite expectations, the election was not held during the review period. This may be because the ruling party expects a tough battle with opposition parties, which have increased their vote shares in recent elections. Issues such as the rising cost of living – in part driven by an increase in the goods and services tax – corruption scandals, and the continuing increase in the number of foreign workers living in the city-state may influence voters' choices. Nevertheless, despite these sources of discontent, Singapore's opposition parties are unlikely to pose a serious threat to the ruling party, as many in the population remain content with the overall situation, and the deeply divided opposition continues to be subject to intense state pressure.

The ascent of Donald Trump to the U.S. presidency represents a serious challenge for Singapore, for instance with regard to his high and fluctuating tariffs on China and other regional countries. A worsening relationship between China and the United States would not be in the interest of Singapore, which seeks to act as a bridge between the two countries. Other possible regional conflicts could add to Singapore's worries, especially those related to the South China Sea, which is a crucial trade route for Singapore. In recent years, China has built numerous military facilities in the region, and has intensified its confrontation with the Philippines over claims to these waters. The Taiwan issue also appears to be increasingly volatile. It could become increasingly difficult for Singapore to maintain its neutral position in the region.

Aside from global challenges, Singapore faces a number of domestic issues. The country's economic outlook is mixed, with a growth rate of only 1% to 2% predicted for 2025. This indicates that Singapore's economy is maturing and has little room for further growth. Singapore's economy is heavily dependent on other global economies, notably China, which has experienced a slowdown in recent years. In addition, the low fertility rate, the rapidly aging population and a growing reliance on an already large migrant population present demographic challenges that will worsen in the future. Nevertheless, as the report has shown, Singapore is better equipped to deal with these challenges than many other countries in the world.