ABSTRACT

Singapore has a positive reputation with multinational corporations for its stable, corrupt-free investment environment and for the efficiency of its industrial infrastructure, positive attributes typically lacking in Asia’s emerging economies. The idea of “exporting its expertise” in infrastructure development took hold, in the early 1990s, as part of a larger regionalization strategy. Under this strategy, Singapore has established industrial parks in China, India and several Southeast Asian countries, in each case led by government-linked companies. Their progress is a litmus test of Singapore’s ability to export its efficiency in industrial park development and management outside its borders. This paper concludes that the initial optimism with which the projects were unveiled has not been justified.

Keywords: Industrial parks - Singapore - China - Indonesia – Regionalization

INTRODUCTION

“Going regional is, therefore, about investing our expertise and capabilities in other growth areas in the region, interlocking them with our domestic economy. It is to strengthen our domestic economy, expand our national economic zone, and ratchet up our standard of living. This is the mission of our regionalization drive.”

- Prime Minister, Goh Chok Tong (Singapore Forum Proceedings, 1993)

This landmark speech by Singapore's Prime Minister Goh enunciated the new focus in Singapore’s economic development. The development of overseas industrial parks is the main thrust of Singapore’s regionalization drive, which provides a key component of the strategy for strengthening the island's economy. Singapore's policymakers have great faith in the regional parks' success due to Singapore's connections to both multinational corporations (MNCs), established from the onset of the city-state’s modern economic development, as well as guanxi, or connections, to Asian business networks (Kraar, 1996; Yeung, 1997). The inter-governmental projects were intended to result in privileged foreign investment zones but, as will be discussed below, inadvertently exposed the parks to particular dependencies and challenges.

To provide the context to this paper, a brief account of Singapore’s regionalization initiative is presented, followed by an update of Singapore's industrial parks in China and Vietnam, and the surrounding regulation and investment flows affecting the viability of these projects. The case study parks are then evaluated in terms of their progress in attracting investment, their contribution to the strategic objectives associated with the individual park as well as to the Singapore’s broader regionalization initiative. The final part of the paper considers the implications of these experiences for the future of Singapore’s regionalization program.

REGIONALIZATION & THE SINGAPORE ECONOMY

Since mid-1960s, the Singapore government has been wooing foreign MNCs with incentives to fuel Singapore's economic development. By the mid-1980s, rising business costs meant that it was imperative for the country to shift from labor-intensive activities towards higher value-added ones to
realise its vision of becoming a regional centre of advanced technology (Lim, 1984). Singapore’s economic planners sought to expand the island’s investment horizons through an overseas direct investment program launched in 1988. This program sought to accelerate access to new technology, or foreign markets, by supporting Singapore companies to form joint ventures with overseas companies in Europe and North America (Caplen and Ng, 1990). Over S$1.2 billion was invested in North America during 1989-1991, with a significant proportion of this being linked to the investments of Singapore’s GLCs. Most of these investments proved unsuccessful, resulting in enormous accumulated losses by the early 1990s (Balakrishnan, 1991; Kanai, 1993). A new phase in the internationalisation strategy refocused on expansion within Asia. The change from internationalisation to regionalization was rationalised by the liberalisation of foreign investment controls occurring at the time in countries like Indonesia and China, and the subsequent high growth rates these economies were achieving (Perry, 1995; Kraar, 1996; Kwok, 1996; Yeung, 1998). In 1993, the change from internationalization to regionalization was endorsed by the Committee to Promote Enterprise Overseas (Singapore Ministry of Finance, 1993).

The regionalization strategy comprised state-led infrastructure projects and a range of incentives and regulatory innovations designed to assist private companies and individuals move overseas (Singapore Economic Development Board, 1995). The Government also initiated a series of platforms for strategic discussions and collaboration to market Singapore’s overseas industrial parks.

The support for government leadership had been further encouraged by the success in establishing Batamindo Industrial Park (BIP), the first overseas industrial township developed by Singapore. Development of BIP commenced in 1990 on the nearby Indonesian island of Batam. It subsequently became the model for other townships subsequently developed under the regionalization program (Asian Review, 1996; Yeung, 1998; Grundy-Warr et al., 1999; Perry and Yeoh, 2000). As well as BIP’s successful start, industrial township development appealed as it offered a direct role in the regionalization program for GLCs, as well as opportunities for small scale services such as transport firms, medical centres, etc, to support the projects (Tan, 1995). The program further boosted when the then-Chinese premier Deng Xiaoping invited Singapore’s Senior Minister Lee Kuan Yew to develop a model industrial township to test the ability to transplant Singapore’s methods to China. The project invitation envisaged both infrastructure provision, and the transfer of ‘software’ associated with Singapore’s social and economic policies, endorsing the perception of Singapore’s policy makers that it could market its reputation for efficient, non-corrupt administration.

Precise objectives for the regionalization program have not been made public, but it is clear that the starting ambition was large. In 1994 it was announced that 23 percent of the republic’s resources would be directed to infrastructural projects in Asia but, after 10-15 years, this share could grow to 30-35 percent (Kwok, 1996). The strategic intent is to facilitate Singapore’s transition to a ‘total business centre’ by facilitating the moving out of low value manufacturing and the restructuring of the economy into high value manufacturing, and regional co-ordination activities for foreign and indigenous multinationals. As well, and perhaps the ultimate test of the parks is that they elevate Singapore as a role model in the region and a source of diplomatic leverage with more populous nations.

THE CHINESE PARKS

In physical design, the two main industrial townships that are under development in China, at Suzhou and Wuxi, follow the pattern of BIP. The administrative context, on the other hand, is different. In the BIP model, the Indonesian partner is a private company whereas in China, the Singapore investors work with government agencies. Another difference is the complexity of the administrative and regularity environment in China compared with Indonesia. In Indonesia’s highly centralised political system, the endorsement from senior national politicians has provided a degree of administrative certainty further strengthened by the political protection of the main commercial partner in the projects. In China, the projects must contend with multiple tiers of government administration and the competition between these tiers during a time of economic and political change. The motivation for
the projects in China is also more diffused than in the case of Indonesia. In the latter case, the primarily concern has been to promote the restructuring of the Singapore economy and exploit the complementarity of neighbouring economies. The Suzhou project has had a political objective to demonstrate the strength of the ‘Singapore development model’ and its transferability to other Asian environments. Wuxi has narrower objectives based on the perception that Singapore agencies have an advantage in real estate development in China because of their links to western business, and access to Chinese business (and political) networks.

China-Singapore Suzhou Industrial Park (CS-SIP)

CS-SIP is Singapore’s most controversial overseas township project and China’s largest joint venture measured both in its total estimated project cost (US$20 billion) and land size (70km²). CS-SIP was conceived as a balanced community, home to a workforce of 360,000 and a total population of 600,000. As well as providing the full range of urban facilities for its resident population of workers, managers, administrators, expatriates and their families, it was also to be the new commercial centre for the existing city of Suzhou as well as a commercial centre serving the surrounding area. The ambition for CS-SIP reflected the goal of developing a township on a scale to test in China the effectiveness of the Singapore approach to social and economic development. This goal was encouraged by China’s former premier Deng Xiaoping who, it has been said, regarded Singapore as ‘a capitalist version of the communist dream’. In 1992, Deng promoted the idea of learning from Singapore as a way of avoiding the environment problems and social disorder that concerned him in southern China. Singapore’s Senior Minister Lee Kuan Yew took up this message, and personally took charge of the formalisation of the idea into the development of CS-SIP (Cartier, 1995). The development of CS-SIP was sanctioned by the State Council on February 11, 1994 and three landmark agreements were signed in Beijing on February 26, 1994. The Park was formally launched on May 12, 1994.

The Singapore model, as applied to CS-SIP, encompasses methods for attracting and developing the commitment of foreign companies. It also involves the delivery of social and welfare services to support an efficient and co-operative workforce and a work-orientated community. Attributes thought to attain these conditions include welfare provision (encompassing housing, medical and retirement needs) self-funded through compulsory employee and employer contributions, high quality infrastructure, strict pollution control, service reliability, ‘one stop’ non-corrupt decision-making, minimum entry or performance regulation and transparent financial charges. To bring these attributes to CS-SIP required a large-scale project to facilitate institutional innovation, autonomy from aspects of local government control and investment in administrative practice or, as it has become known, ‘software development’ (Cartier, 1995; SIPAC, 1998).

CS-SIP was developed by a joint venture between a consortium of Chinese and Singapore-based investors known as the China-Singapore Suzhou Industrial Park Development Company (CSSD). The Chinese consortium has a 35 percent stake in CSSD shared amongst 12 organizations, mainly national state-owned enterprises together with Suzhou city and Jiangsu province (in which Suzhou is located) investment companies. The Singapore consortium has a 65 percent stake in CSSD shared amongst 24 organizations, mainly Singapore government-linked agencies and companies, including EDB Investment and JTC International, as well as two organizations that also participated in other parks - SembCorp Industries and the Salim Group (through a subsidiary, KMP China Investments). The two consortia retain their separate identity and responsibilities with projects taken up by participants according to their expertise and agreed roles. The work of CSSD is overseen by a specially created local authority, the Suzhou Industrial Park Administrative Committee (SIPAC). Inter-governmental interest remains through a joint steering council co-chaired China’s Vice-premier Li Lanqing and Singapore’s Deputy Prime Minister Lee Hsien Loong.

1 The then Suzhou Mayor, Zhang Xin Sheng, readily acknowledges that Suzhou is borrowing Singapore’s credibility with multinationals, and it’s management skills “so that a latecomer can catch up” (cited in Kraar, 1996:4).
CS-SIP was launched amidst great fanfare. Singapore’s optimism about the project was encouraged by a series of advantages secured at the outset of the project. CS-SIP is located in Jiangsu province, which was selected in the early 1990s for accelerated economic development to offset the concentration of foreign investment in the SEZs (Yang, 1997). The township was afforded preferential policies, comparable to those in China’s Special Economic Zones. Finally, its unique status as an inter-governmental development initiative was believed to add security against the political risks of investing in China.

Since the inception of CS-SIP, limits to each of the advantages obtained have become apparent. The significance of the inter-governmental endorsement of the project has been reduced by the influence that municipal and provincial administrators have over the project and their interest in competing projects. The special status of CS-SIP was reflected in the creation of a new local government authority (SIPAC) to administer the development, but the impact of the investment incentives allocated to SIPAC were diluted by their replication amongst other development zones in the province. Moreover, a concession granted to SIPAC enabling it to retain all development revenue during its first ten years has been a reason for local administrators to favour projects providing revenue to the municipality. This competition is heightened by CS-SIP being the second industrial zone to open for foreign investment within the Suzhou municipality. The Suzhou New District commenced earlier, and it continues to be favoured for commercial and housing development as well as by foreign investors (The Straits Times, May 14, 1999). The New District is a project affiliated to the Suzhou municipal government and similar to CS-SIP. As well as its established presence, the New District has the further advantage of being located to the west of the existing city of Suzhou, with lower land development costs and greater proximity to Suzhou’s airport.

There has also been difficulty in retaining the software advantages within CS-SIP. Administrative distinctiveness has been weakened by the diffusion of practices to other industrial zones. Thus the ‘one stop service’ has been replicated in the Suzhou New District, which now claims to match CS-SIP’s capacity for rapid decision making, including the ability to process business licence applications in 10 working days. Moreover, the province’s wealth means that it has comparatively high standards of infrastructure and environmental control. This reduces the scope for CS-SIP to differentiate itself through its physical design and management as was achieved in Indonesia.

By mid-1998, it was claimed that projects with a total potential value of US$3.4 billion had been attracted, including 88 manufacturing operations with an average project value of US$30 million. While the value of manufacturing investment has been close to target, the overall rate of progress of the project has not met Singapore’s expectations especially with respect to residential and commercial development. The extent of Singapore’s disappointment is indicated by Senior Minister Lee Kuan Yew’s public questioning of the commitment of the Chinese partners to the project (The Straits Times, 5 December 1997). Singapore’s frustration has been greatest over the limited progress of housing and commercial projects. At the end of 1998, there were only around 1,000 residents in the township and a total workforce of 6,000. The slow rate of development represents a financial loss to the Singapore consortium, which has principally funded the initial land development and infrastructure facilities. As well, there are costs faced by Singaporean investors in executive housing, retail and other services that were encouraged to set up in the township in expectations of the project’s rapid development. Singaporean investors reportedly lost US$77 million over seven years of operations. Significantly, there is also a political cost in the suggestion that Singapore was naive in perceiving that it would obtain a special status in China (The Economist, January 3, 1998).

The Asia financial crisis has provided a context where withdrawal has become easier to justify, and in June 1999, it was announced that Singapore would reduce its involvement in the project and transfer majority ownership of CSSD to the Chinese consortium from 2001 (The Straits Times, June 30, 1999). CS-SIP had, by then, attracted 133 projects. More than 91 international firms had started operations and 14,000 jobs created. These investments have provided a basis from which the township should grow. In January 2001, the Singapore consortium reduced its stake in CS-SIP to 35%.
Interestingly, investments began to pour in thereafter, with profits of US$7.5 million expected in 2001, the first time since the Park’s inception (The Straits Times, January 19, 2001). CSSD recorded a profit of US$7.5 million at year end. By June 2001, the Park had attracted 193 investment projects worth over US$5.1 billion. Growth continues into 2002, with contracted investments reaching US$13.2 billion, with 3 investment projects surpassing US$1 billion each. The Park has since become a foreign investment hub linked to Fortune 500 companies. CSSD has plans to be listed by 2004 as well as to build an international standards high-tech park. Plans are in the pipeline for the completion of the second and third phase of the transportation network and other infrastructure developments within the Park.

CS-SIP has experienced greater development challenges than anticipated at the project’s outset, but the value of industrial investment attracted has provided a basis from which the township can grow. The profile of investment indicates that CS-SIP has attracted comparatively high value projects, and that it has attracted a relatively high proportion of American and European investors. This suggests that the Singapore involvement has carried some weight with those investors that are most at risk from administrative uncertainties, but it is against the larger diplomatic objectives pursued by the Singapore government that CS-SIP will ultimately be judged.

**Wuxi-Singapore Industrial Park (WSIP)**

WSIP was instigated purely as a real estate development with the potential to cover up to 10 km², also making it a smaller project than CS-SIP. The Park is located in the Jiangsu Province, 130 km away from Shanghai and 80 km northwest of Suzhou. The Park was been designated a national high technology development zone. This status defines WSIP’s marketing focus, viz, electronics and electrical, computer and computer peripherals, control systems and instrumentation, precision engineering, telecommunications components, medical and healthcare products, and automotive and aerospace components.

WSIP markets itself based on its strategic location, quality service in management, as well as first-rate infrastructure, telecommunications and transportation networks. WSIP started as 70 percent Singapore-owned joint venture with the remaining 30 percent taken up by Wuxi’s municipal government. The Singapore consortium is led by SembCorp Industries (SCI), with the other principal investors being Temasek Holdings (the Singapore government’s main investment holding company) and the Salim/KMP Group. Wuxi municipal authority has interests in other industrial estates, but Singapore officials say these are not direct competitors as only WSIP is designed exclusively for wholly foreign-owned ventures. Moreover, in contrast to Suzhou, Wuxi municipality is the sole Chinese partner involved in the project compared with the multiple parties involved in CS-SIP. Lower land costs are a further advantage over CS-SIP. Unlike CS-SIP, WSIP was negotiated directly with the Wuxi authorities, and this direct involvement has minimized the polarization between the higher echelons of Chinese government and the provincial government.

WSIP was designed for wholly foreign-owned investment and, like CS-SIP, there has been an emphasis on instigating a ‘one stop’ administrative service to manage approvals and documentation in setting up a new enterprise. The park is on the edge of Wuxi’s urban district, but has been designed with its own service facilities, dormitory accommodation and executive village. Development of WSIP commenced in 1994, and the administration building officially opened in 1996. WSIP’s key investors are mainly MNCs with operations in Singapore, including Siemens Components, Seagate Technology, Sumitomo Electric and Matsushita Refrigeration. The assistance from Singapore’s Economic Development Board in bringing the first tenants to the Park is acknowledged. The total

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²For example, the One Zone-Five Parks-One College initiative (which includes the Wuxi Software Park, Science & Technology Industrial Park, Machinery & Electronics Industrial Park, Huayang Science & Technology Park, and Wuxi Information Technology College) as well as Wuxi University Science & Technology Park.
investment attracted has, nonetheless, been below that attracted to CS-SIP. The investment profile is relatively low value-added, with a large share of Asian investments.

From a total of US$450 million investment committed in 1996 and 6,000 jobs at the end of 1996, investor interest has slowed. Exports from WSIP were valued at US$1 billion in 2001, and employment stood at 16,000. WSIP has been developed to its second phase, covering an area of 235 hectares. However, WSIP has yet to attain to achieve economic viability. The Park has been operating at a loss since: WSIP incurred losses of S$3.8 million and S$4.3 million in 1998 and 1999, respectively, and only managed to trim its losses to S$2.8 million in 2000. In mid-2002, the SCI-led consortium signed an agreement to pare its stake in the loss-making WSIP. The transfer of shareholding and management control would, according SCI officials, result in better “alignment of interests and improve the operating efficiency of the park” (The Straits Times, May 14, 2002). SCI has provided for an extraordinary loss of S$48.3 million for its loans to the Park, and will reduce its stake from 70 percent to 49 percent from 2003. SCI also expressed its ultimate interest in divesting its entire interest in WSIP, which it considers to be its ‘non-core business’.

Interestingly, like CS-SIP, the Chinese partners have recently announced plans to develop the third phase of the project, which will double the Park’s size. It is envisaged that, by granting the Chinese a larger interest in WSIP, the Park’s performance will turn around in 2002. Suffice to say, even though WSIP has not experienced serious administrative difficulties with the local bureaucracy, the handing over to Chinese management mirrors the outcome of CS-SIP.

VIETNAM-SINGAPORE INDUSTRIAL PARK

The Vietnam-Singapore Industrial Park (VSIP) is Singapore’s flagship investment project in Vietnam. The lessons learned from the Chinese parks are put to play in VSIP. To prevent the difficulties encountered in the Suzhou ‘experiment’, greater care has been taken to foster stronger collaboration with local authorities. A consortium led by Singapore’s SembCorp Industries, and Becamex, a state-owned enterprise of the Binh Duong Province People’s Committee, was formed to spearhead the project. Becamex holds a 49 percent stake in the project. In addition, a Management Board was set up, chaired by the Vice Chairman of the Binh Duong Province People's Committee to ensure greater participation by the local authorities, and to preempt VSIP from being perceived as a partnership forced upon by the central government.

The 1000-hectare Park is located in Binh Duong Province, 17 km north of Ho Chi Minh city. The Singapore-styled industrial park concept was replicated in VSIP. A self-contained park with ready-built factories, as well as Singapore-style management expertise and infrastructure support, VSIP provides a ‘hassle-free’, one-stop service to it tenants. VSIP boasts an on-site customs unit, which allows customs procedures and documentation to be done within the Park, as well as customs inspections within tenant’s factories. A working population of 200,000 within a 15-km radius from the Park ensures a ready pool of low-cost labor.

Prior to its launch in May 1995, a total of 13 international companies with investments worth US$80 million reportedly indicated their interest in VSIP (Asian Review, 1996). The role of Singapore’s EDB is acknowledged. By end-1998, VSIP attracted US$370 million in investments and 27 manufacturing tenants, and despite the difficult environment post-1997, cumulative investment commitments topped US$400 million from 33 companies in 1999. To-date, the Park has attracted over US$500 million in investments from 64 tenants, of which 53 are operating tenants. Most of the tenants are from Singapore (15), Japan (13), and Taiwan (12), reflecting the importance of Asian

3 Other members of the consortium include Temasek Holdings, JTC International, UOL Overseas Investments, Salim’s KMP Group, LKN Construction, and MC Development Asia.

4 The Board, with representatives from the Ministries of Trade, Finance and Interior, as well as the General Customs Department oversees the issue of investment licenses, import/export permits, and construction permits.
MNCs in the Park’s tenant mix. The sector mix range from textiles, to electronics and pharmaceuticals.

Despite initial optimism over VSIP, profits have yet to be realised. This is largely due to competition from several neighboring industrial parks, some of which are located next to VSIP. These newer, albeit smaller, industrial parks may not match the infrastructure and facilities provided by VSIP, but they compete on price, charging only a fraction of VSIP’s ‘packaged’ fees. The Park initially relied on its excellent infrastructural facilities and support services to hold on to its tenants. However, tight market conditions have forced some VSIP tenants to seek cheaper alternatives. Industrial-park developers from Japan, Taiwan and Korea, experienced and street-savvy, have given VSIP cause for concern.

The ‘special’ support from the local authorities also proved to be less significant than initially thought. Improvements on infrastructural projects have translated into higher toll charges and miscellaneous fees, all of which, added to the tenants’ operating costs. Added to these, local resentment over Singapore’s ‘control’ and management of VSIP have surfaced (source: on-site interviews with VSIP interviews and tenants, August 2002). Anecdotal evidence suggests that VSIP may face similar problems as in CS-SIP.

On a broader front, bureaucratic red-tape and corruption remain endemic. There is some way to go in the transition from mainly state-run to privately managed conditions. Transparency International, a global counter-corruption watchdog, ranks Vietnam as the second most corrupt country in South-East Asia. The Vietnamese government itself recently estimated that light-fingered bureaucrats creamed off at least 20% of the infrastructure spending (The Economist, September 14, 2002). On a positive note, the government has reportedly taken measures to reduce avenues for corruption, and the 2001 Business Risk Consultancy survey reveals that expatriates feels more comfortable in the business environment as compared to the previous year.

CONCLUSIONS

In Asia’s rapidly growing economies, infrastructure can be unreliable and administration subject to corruption (Hatch and Yamamura, 1998). Foreign investment is invariably drawn to investment enclaves that provide privileged access to international trade, principally export processing zones (Chen, 1995), as well as in and around centres of international infrastructure which generally means capital cities. Singapore’s overseas parks are configured to exploit the emerging production networks. This context provides opportunity for Singapore-developed parks through the provision of superior infrastructure and the ability to negotiate investment concessions. Influence can be exerted through inter-governmental interaction and, where existing, through the links to influential Chinese business groups in the investment location who often rely on state patronage for their access to infrastructure development projects.

The progress of Singapore’s overseas parks over a comparatively short period of time indicates the ability of the city-state to mobilise economic and political resources. Singapore has developed an area equivalent to 20 percent of the industrial land area managed by the state’s industrial land developer within Singapore through these flagship projects. Nonetheless, as most openly admitted, substantial challenges remain to securing the long-term financial viability of the remaining R2000 projects, and in achieving the larger goals set for the regionalization program.

5 Examples include the elimination of licensing fees on foreign representative offices in 1999, and towards the end of 2001, foreign firms no longer need to hire through local agencies.

6 Mechanisms include familiarization tours, formal and informal contacts amongst government officials, the constitution of ad-hoc problem-solving committees, and visits by ministerial delegations that emphasize the establishment of interpersonal relationships (Kumar and Siddique, 1994:55).
In the case of China, the projects were expected to benefit from the ability of Singapore’s Chinese elites to obtain a special status through their ethnic allegiance and dual connections to overseas Chinese and western business networks. The Suzhou-Wuxi experience suggests that, while there is an interest in learning from Singapore, local officials wish to deal directly with foreign investors. This outcome accords with the assessment of observers that China tends increasingly not to view overseas Chinese as preferred investors, or joint venture partners (Harding, 1995). In the case of Vietnam, the fact that the Park has failed to show profit, by itself, should not be interpreted as a failure of Singapore's regionalization efforts. Whereas the Chinese parks shows Singapore's courtship with China, VSIP is part of Singapore's efforts to engage its ASEAN partners.

For the Chinese projects, but less obvious for the Vietnam project, the reliance on personal ties rather than transparent contracts has had advantages and disadvantages. In the Suzhou-Wuxi experiment, the limits of relying on personal ties have been most immediately encountered, where inter-government endorsement at the top has proved insufficient to secure equal commitment in the lower tiers of government. Thus, despite claims about Singapore’s politicians having achieved a special ‘guanxi’ (relationship) with China to secure the project’s success, when Singapore announced its reduced involvement in CS-SIP, Suzhou’s mayor nonchalantly pointed to the cultural divide between Singapore and China:

“In our cooperation in the past five years, that we have an MOU to solve our problems is because of the cultural differences in the two countries, and the different understanding of the items in the documents…”

- Chen Deming (quoted in The Straits Times, June 30, 1999).

The practical significance here is that Singapore’s overseas parks tend to exist as investment enclaves within a disjointed economic and policy environment. They are linked to transnational investment networks, business elites and specific government commitments. The positive aspect of this is that the parks can be sites of investment privilege, in respect of their regulatory controls, infrastructure quality and status with public and private agencies. The weakness is that the privileges obtained are vulnerable to changes in political allegiance and the infrastructure efficiency is at risk from the uncontrolled broader environment in which the park is located. The mixed results of the ‘Singapore model’ in China and Vietnam illustrate this. Official commitment to the projects, however, remains7, as is the acceptance of an extended time horizon to meet development targets. To the extent that these R2000 projects maintain some ongoing momentum, and given their mixed economic and political objectives, a judgement of failure or success may not be appropriate.

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