

Student's name

Instructor's name

Course

Date

### Economic Development

Manu Bhaskaran's *Getting Singapore in Shape: Economic Challenges and How to Meet Them* gives interesting insights into the economic development of Singapore. The country's economy at a crossroads, facing substantial challenges both on the global scale and domestically. Notably, its strategic location close to China and India, which have both made substantial economic gains, gives Singapore numerous opportunities for economic growth. However, the economic potential of the country faces the risk of disruptions due to the invention of new technologies, the dynamic nature of international competition, and a nationalistic economy.

Over the past fifty years, Singapore has experienced numerous transformations in its economic sphere coupled with reforms in the social welfare sector. Within this period, the country has developed various growth engines including globally-competitive manufacturing clusters, an efficient and sophisticated transport system, a reliable financial system, and having the centers for multinational corporations in the country (Bhaskaran 4). However, its full economic potential could not be realized without overcoming challenges resulting from an aging population, slow population growth, increasing costs, less capacity for innovation, and a slow

growth in productivity (Bhaskaran 4). To overcome these challenges, Singapore has put in place policy interventions and the adoption of a bottom-up approach by organizations.

Policy interventions and the adoption of a bottom-up approach by companies have made Singapore the top maritime capital with excellent efficiency. In addition, it has claimed a top position as the ideal hub for air transport, surpassing Suvarnabhumi and Kuala Lumpur airports among the major ASEAN members handling the highest number of passenger movements (Bhaskaran 4). At the start of 2019, Singapore stood at the 4<sup>th</sup> position based on the Global Financial Centers Index, following renowned financial cities such as New York, Hong Kong and London. Singapore has averaged a GDP of 18.2 percent over a span of five years with less inflation and high rates of saving compared to the rate of investment.

Work cited

Bhaskaran, Manu. *Getting Singapore in Shape: Economic Challenges and How to Meet Them*. Lowey Institute, 2018.