

A Global City-State of Finance – the Staging of Singapore as Financial Hub between Global and Local Rhetoric

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Introduction

Singapore is a relative newcomer in the league of 'Global Cities'. Emerging like a shooting star, it grew within a short while not only into a regional hotspot but also to be a metropolis on global scale. The potency of its financial sector, its visibility and presence is rated by the Singaporeans as the most important push-factor for that status and is, therefore, highly cultivated and treated like a trophy. Much effort is spent on presenting Singapore as an investors' paradise, a little *Switzerland of Asia*, and of course a *vibrant Global City* to live in.

In so far as the image of globality is, per se, inherent in the public perception of finance, Singapore seems to provide an excellent object to investigate and display the universal mentality (or global mind set) of a whole nation. Like all sites of international finance and Global Cities, Singapore is concomitantly looking for and producing its specificity in order to demonstrate to the world the uniqueness of this location. Struggling with two opposed aspirations, there is no scarcity of pitfalls on the way. In the following article I will look at the *imagineering* of globality intertwined with locality in the Singaporean discourse about its status as a *Global City State of Finance*.

Firstly, I will summarise the theoretical framework from which my considerations issue. Thereafter follows a short consideration of Singapore's spatiotemporal context. Finally, I shall present some key-notes from the Singaporean discourse¹ and discuss them within my theoretical framework. This paper's interest is in the flanking ideological arrangements around a self-perception as 'a Global City of Finance', not in the question of how this perception relates to the 'hardware' of the financial world. Economic sociology needs also to be concerned

1 Based on the material I gathered during a field-trip to Singapore in 2005.

with the analysis of the culture(s) and popular representations of finance, i.e. the public statements and the commonly held ideas about finance. The ideas of globality are not only enclosed in financial discourses but also in the visual and material statements of urban architecture which are widely neglected by the sociology of finance and/or globalisation. Of less interest are the market- (and world-) constructions of traders, generated especially through their interaction with the screen.²

Financial Flows, Financial Centres and Global Cities

Since the commencement of the discourse on globalisation, it is widely recognised that economy is its driving force. Finance, or more precisely the internationalisation of financial markets, is particularly relevant in this debate. Triggered by revolutionary advances in information technologies and wide-ranging liberalisation-policies by many states around the globe during the last decade,³ monetary flows (or financial transactions) have risen enormously in volume and importance as has the public attention to, and awareness of, them.⁴

Finance seems to carry some qualities that are eminently associated with globalisation or globality. With the emancipation of (electronic) money from cash (or other forms of paper), financial products or instruments lack a material referent, visible beyond the screen. Now they can, at least potentially, travel unhampered around the globe, implementing an utopian notion of a world, where everything is free-floating. In this regard, the evidence of 'financial flows' perfectly confirms the observation of increasing disentanglement of space and time.⁵ While past generalised concepts of economy were mostly concepts of national economies and hence contaminated with all the conceptual fallacies inherent in the notion of 'nation-state' (now rather suspicious, and altogether unfashionable), the present financial system is usually perceived as a web of trans- or supranational circulations (Knorr Cetina/Preda 2005). Insofar, it is hardly astonishing that finance is sometimes celebrated as the avant-garde of globalism. Although, as a matter of fact, the financial policies of states and governments are still extremely important.

It is frequently argued (and dreaded) that due to disembeddedness, acceleration and dematerialisation, as inherent in globalisation, geographies will become obsolete or, at least, differences between specific venues will be levelled. Although there is a number of examples for a worldwide harmonisation of stan-

2 See Knorr Cetina (2005), Knorr Cetina/Bruegger (2002).

3 Which in effect meant opening their financial markets to plug into the world market.

4 Readily identifiable in the amount of information provided for, and news space occupied by financial markets in the media.

5 The term "time-space-compression" goes back to David Harvey's book *The condition of Postmodernity* (1989).

dards in some fields, the growing importance of local specificity conditioned by globalisation is as well attested. Not every aspect of social or individual life is swallowed by some abstract globality, and place does still matter. Far from being a paradox, this co-occurrence can be perceived as two sides of the same coin. What is actually happening is a phase transition from one model of local and spatial order – that of the nation-state – to another world order in which regions and strategic cities are the nodal points for a new global map (Castells/Hall 1996).

Financial flows may seem to float freely and limitlessly across the globe, but in fact they are restricted in many ways. They are mediated by banks, transnational corporations, stock exchanges and governments; all of them are operating in a specific local business environment that is determined by laws, taxes, general infrastructure, stable or unstable political conditions and the trust solicited by the image of a particular financial site. These conditions are essential for the enablement (or disablement) of smooth financial flows, and these conditions are distributed unevenly around the globe. Some locations offer risks and raise barriers for global financial business while others are appreciated for their promise of chances and success. Thus, the more global financial flows animate phenomena of disembeddedness, their circulation effect more embeddedness in specific places at the same time (Thrift 1996: 231).

Here, the role of Global Cities (Sassen 2002) becomes crucial: Only these can provide a satisfactory milieu for financial business and offer financial flows an appropriate temporary home for investment. As Saskia Sassen (2005) and many others have pointed out for a long time, the social connectivity and central functions of a place are critical for the effective operation of the financial sector. Most characteristics of a Global City are also central requirements for a financial hub: An attractive infrastructure for the sophisticated demands of the highly educated transnational executive elite, a sense of cosmopolitanism, the availability of elaborated technologies and the (perhaps virtual) neighbourhood of other important strategic actors in the financial world.⁶

Success in soliciting global companies, especially banks or even a stock exchange, is highly profitable for a city and also for its environments. Increasingly and all over the world, Global Cities – as well as cities that aspire to this status – find themselves in the role of rivals in the business of attracting investors and in marketing themselves as perfect centres for global financial services. They all are driven constantly by the need to produce and display competitive advantages in the game of catching or channeling global financial flows.

Inasmuch as the global sector of finance is rated as a growing branch, and combined with the view that the accommodation of a flourishing financial sector will ensure an enhanced performance in other desirable and targeted develop-

6 Quite obviously, the meaning of these factors seems to be vague. But maybe it is exactly the stretchability of these factors that makes them so attractive and hard-fought in the Global Cities-game.

ments,⁷ it is likely that competition of Global Cities for the status of prospective host-locality of international finance will intensify. Moreover, in a globalising world, in which distances between big cities are shrinking, there is no need to privilege locations in the Western world anymore. Cities and regions from other parts of the world in ascendance, starting with Asian localities, are now potent candidates with good prospects in this competition.

The following analysis is guided by the assumption that Global Cities are striving to stage themselves as attractive in accommodating financial nodal points of global significance as possible, thus shaping a specific image of the city. The self-projection must fulfil and display all the qualities that are required for a Global City. But just meeting the demands is not sufficient. The city must also imagine and project a specific 'otherness' or an aura of 'uniqueness'⁸ that underlines the concrete locality and serves as an additional argument for a competitive advantage; in short: to signal why it is better to invest here than somewhere else.

Singapore: General Background, Economy and Finance

Singapore is hailed as a first rate achiever among the postcolonial states on the basis of its successful development. It has been rising like a phoenix within a few decades from the ashes of a poor run-down leftover of British colonial rule to become a hypermodern country that even performs better, in terms of most 'development-indicators',⁹ than many Western states.

Following independence in 1965, development was announced as Singapore's primary objective. Lee Kuan Yew, the founding father of modern Singapore, accomplished this goal with firm, centralised and consistent leadership: He set the agenda for contemporary Singapore and invented (t)his particular Global City.

Development meant in the Singaporean context first and foremost economic development. The first step on that road was rapid industrialisation, mainly with electronic, chemical and petrochemical industries, followed quickly by a second step with priority given to the encouragement of increasingly specialised, highly professional and knowledge-based work. Aware of its dependency on the outside and its resulting vulnerability, Singapore tried to play a sustainable role in the world economic system by establishing the perfect pro-business environment with political stability and good governance. The strategic impact of the govern-

7 As the World Bank has been preaching for a long time: *World Bank Report* (2001).

8 Like the distinctiveness of a trademark or brand – this aspect is highlighted in the term "City-Branding".

9 Usually, such indicators can be divided in hard, economic indicators like the GDP or the rate of inflation and soft social indicators like life expectancy, infant mortality or health care facilities etc.

ment on the national economy cannot be overestimated. Developments are planned and always keenly observed by the government. Some evaluate the strong state-economy relationship pejoratively as a 'government driven economy' or even 'state-capitalism'¹⁰ (Worthington 2003). The Economic Development Board (EDB) of Singapore¹¹ is one of the most powerful national institutions. It was set up in the 1960s as part of the national government with the agenda of creating the infrastructure which attracts multinational corporations to invest and start business in Singapore. The prime strategic purpose was to achieve full employment and to promote economic growth.

The creation of a stable and prosperous financial sector to facilitate, if not to stimulate further growth of the national economy has been a major strategic goal since independence. The plan to transform Singapore into a primary financial centre for East Asia was, however, not drafted before the late 1980s on the basis of observations of the increasing internationalisation of trade and finance, and the incipient discussion of globalisation (Koh Ai Tee et al. 2002). The Monetary Authority of Singapore (MAS), which was established in 1971 to conduct central bank functions, broadened its field of activity gradually and elaborated, in consequence, various financial instruments and institutions for the development of the financial sector. Extensive deregulation and liberalisation policies were introduced along with tax incentives. The plan accomplished its purpose in motivating foreign financial service firms to settle in Singapore and to mobil capital.¹² Since the 1990s finance has been one of the most intensively fostered branches of the service sector. The government places much emphasis on economic diversification. After even broader deregulation and liberalisation moves since the mid nineties and after the merger of the former stock exchanges SES and SIMEX to the new SGX in 1999, Singapore is now assessed as a major regional and international 'financial hub'.¹³ Despite all the liberalisation and deregulation, Singapore still has effective supervisory instruments in order to contain risk; hence it was hardly affected by the recent Asian crisis.

Finance is rated as an increasingly important sector for the wealth of Singapore (Blomquist 2005; Das 2004; Koh Ai Tee et al. 2002; Tan Chwee Huat 2004). Therefore Singapore's planners¹⁴ are doing what they can to provide a per-

10 Or, alternatively, a strange mix between socialistic and capitalistic practices.

11 <http://www.sedb.com>. Although its 'mission' changed enormously over the years, the EDB remains an important institution for Singapore's further strategic economic and financial goals.

12 Singapore is the destination of the highest foreign direct investment flows in Asia. Nevertheless, recently Singapore has also become an eminent source of outward investment (Blomqvist 2005: 85pp.).

13 Singapore is ranked by the World Economic Forum Global Competitiveness Report (2004) among the top ten financial markets in the world. The term 'financial hub' is a recent catch-word used in the Global City-debate and -marketing; it describes financial sites with enormous economic impact on a global scale. It is often used in an affirmative way as self-description.

14 On the institutional level it is foremost EDB and MAS involved here.

fect general framework for the financial industry's boom. Singapore's proclaimed policy is not just to keep, but rather to expand its competitive advantage as a preferred location for global financial business for the foreseeable future. The Singapore government is pursuing this plan with amazing pragmatism and with great confidence in its feasibility. Taking into account research results on Global Cities, the internationalisation of finance and the increasing competition of financial sites worldwide, Singapore realised early that turning itself into a Global City would be essential for its future development prospects.

In a first step Singapore had to fulfill the seemingly universal requirements for Global Cities. Insofar as Global Cities are perceived as primary locations for key corporations, important institutions, prominent organisations and elite personnel, a salient infrastructure is needed. This includes on the one hand, e.g., a wide variety of opportunities for distinguished consumption, an airport, high-ranking educational facilities as well as, on the other hand, the provision for social, political, legal and economic stability. Singapore already offers all of this; it is famous for its advantageous business environment with low taxes and an efficient administration. In a second step all these amenities have to be communicated and displayed. They must be made visible and become obvious to the relevant audiences; this is meant and subsumed by the term 'city-marketing'. Rhetorical and visual strategies to demonstrate or point out the particular eligibilities as a global (financial) site go along with the agenda of transforming Singapore into a 'financial hub' in terms of the concrete business condition for finance in Singapore.

In addition to the 'hard amenities', a Global City must also engineer its image, i.e. imagineer its local peculiarities and stage them as unique qualities one will find nowhere but here in order to individual the locality and make it distinctive among its competitors. How is Singapore achieving that?

Some Features in the Making of Singapore as a 'Global City of Finance'

On 21 August 2005 Prime Minister Lee Hsien Loong ended his National Day rally speech¹⁵ of two and a half hours on Singapore and its future with the invocation to build a '*vibrant Global City called home*' (Lee Hsien Loong 2005). A twofold claim is contained in this phrase: On the one hand the determination to live a global existence, on the other hand the compliance with the human need to construct a place one can identify with and even experience or 'feel' it as home. In the following paragraphs I shall take a closer look at the constituting myths at work here which put the idea of Singapore as a '*Global City called home*' into effect.

15 For the transcript of the speech, see: www.gov.sg/NDR06Engspeechtranscript.pdf

Singapore as Part and Parcel, or even the Avantgarde Location, of the Asian Renaissance

The success-story of Singapore, its prospering economy (and especially its financial sector) is often explained by the self-ascribed cultural distinctiveness of the place and the people.¹⁶ This can be seen in the broader context of notions of a 'rising Asia' or an 'Asian come-back'¹⁷ in the global networks of politics and economic power. Western countries perceive this image with a strange mixture of fascination and fear. When fear becomes dominant this perception is sometimes expressed as 'Asian *angst*'. In accordance with their economic success, potent Asian nations – at the moment especially China and India, in the 1990s rather the East-Asian 'tiger-states' with Singapore among them – have developed a new self-confidence. It is articulated in attempts to draw clear demarcation lines vis-à-vis 'the West'. In this context the term 'occidentalism' (Buruma 2004) was coined as an inversion of 'orientalism' (Said 1978).

In Singapore the official reinforcement of the so-called 'Asian values' reached its apex during the 1980s and 1990s. What 'Asian values' exactly means is not always clear, but a kind of Confucianism, i.e. a strong moral foundation of society, political organisation and even the economy and an emphasis on family, tradition and community is often associated with the term (Xinzhong Yao 2000; Oldstone-Moore 2002). The co-occurrence of this 'Asian values' debate and the successful story of the financial hub's performance serve as an argument for the supposedly obvious correlation between an Asian mindset and outstanding skills in economic matters, financial business in particular.

Organised as a parliamentary republic after the British Westminster model, Singapore's self-perception also contains the political concept of 'Asian democracy'.¹⁸ This implies primarily putting 'community', not the individual, first. Arguments for political decisions are formulated according to the central requirements of: What is good for the development of the people? What is preferable for the development of Singapore as a whole? With this principle in the background, harsh political and social controls¹⁹ can be justified. This leads some critics to see behind the glittering surface of Singapore's idiosyncratic style of democracy an authoritarian, if not totalitarian one-party state under a benevolent dictator. Look-

16 This is best observable in official and governmental documents in and about Singapore.

17 During recent years this debate has hit another peak of public dispute in Western media. Moreover there is also a growing academic debate; but there were also a few voices that highlighted the growing importance of Asia earlier, for instance André Gunder Frank in his *ReOrient* (1998).

18 Lee Kuan Yew often justified this with the argument that Western democracy would never work in Asia, because some of the inherent Western values would not fit with 'Asian culture' and 'Asian mentality'.

19 Visible for instance in the high degree of censorship and control of media, draconian punishments of deviant behaviour and the virtual absence of a civil society – in comparison with 'Western' democracies.

ing at it more sympathetically, Lee Kuan Yew and his PAP party achieved a high level of prosperity; critics also acknowledge the fast industrialisation and modernisation of the country, the speedy and continuous upgrading of infrastructure, the efficient administrative system without corruption²⁰ and the guarantees of stable political and economic terms and conditions. In its foreign affairs, Singapore has always acted quite pragmatically and maintained during the Cold War area a neutral openness to both sides. Some argue that the extremely output-oriented political system in Singapore can only work because of its small size (territorial and in terms of population) and that there is no magic formula, like an intrinsic supremacy of agents of Asian values or Confucianism, that might be applicable to other contexts.

There is much talk about Asian values, but in the case of Singapore the phenomenon would probably better be named 'Chineseness': the traditions, values and notions that are promoted in the Singaporean discourse are generally associated with Chinese culture. This pays tribute to the majority Chinese population in Singapore and – against all official declaration – its cultural and political dominance. In all these constructions the reasons and legitimacy of the location's success are, however, relocated to a long past and their roots in an (imagined) strong primordial identity of its people.

The Nation: 'Singaporean spirit' and a 'Long' History as a Trading Nation

Although in its self-perception clearly an Asian nation, Singapore has also generated a strong national identity, a factor X that makes it 'truly Singaporean' and glues people together. The social production of a Singaporean national spirit was challenged by the problem that Singapore did not really have a pre-colonial past to which the modern nation could trace back its roots. Not much is known about the early, pre-colonial history of Singapore (Hall 1999). Most historic narratives start with the arrival of Sir Stamford Raffles in 1819. By that time, the southern tip of the Malayan peninsula was part of the Johor sultanate, inhabited by only some 150 Malayan and Chinese fishermen, pirates and traders. Raffles, an explorer and scholar travelling on behalf of the British East India Company, played off the conflicting interests of local rulers and Dutch colonialists and established Singapore as a nodal trading station on the British East-Asian route to China. Subsequently large numbers of immigrants were attracted by the new hot spot. Traders and workers from different regions populated the island. Singapore (or this southernmost part of the former Malaya) represents an exceptional case in so

20 In publications of Transparency International Singapore is regularly ranked first as country with minimal corruption. Very early Lee Kuan Yew recognised corruption as a great problem, especially for developing countries, because it destroys trust – he stigmatised corruption as a "social disease" and implemented strong policies to inhibit and prosecute cases of corruption.

far as the colonised arrived after the colonisers. Raffles promoted free trade, blueprinted the whole city and erected buildings for the British government. The population grew rapidly, and only five years (1824) after the British takeover the first census counted 10,000 people.²¹ Singapore was already quite cosmopolitan in composition and Malaysians, Chinese, Indian, European, American and Arab people were registered.

The asserted Singaporean spirit is mainly based on the achievements of recent history since independence. In this respect Singapore is a *willensnation* par excellence. The national identity of Singapore consists of its very identity as the (global) city. As in many other ex-colonies 'nation' and 'nationalism' have different meanings than in European history: Nationalism was predominantly welcomed, being experienced as liberation from and counteraction to foreign rule.²² Nationalism is still perceived as an important and admirable attitude.

On the other hand, the Singaporean expertise in economy, trade and finance is linked to its long history as a trading place and entrepot on the colonial East-Asian trading route which commenced shortly after the Napoleonic wars and ended with World War II. This 'long history' is, in fact, purely colonial – Singapore is effectively a product of European imperialism (Ferguson 2003). Interestingly and perhaps exceptionally, this colonial past is not loaded with negative connotations. It is used instead in an affirmative manner to communicate the advantage of location. Colonial rule and imperialism enormously increased the volume of trade and plugged Singapore into the world market. Singapore is a product of 19th century globalisation, a sort of 'Global City' since its very beginnings.

Consequently, the Singaporean national spirit is ambivalent. On the one hand it is based on the achievements after independence, on the other hand it is recognised that colonialism was a precondition for the nation and triggered its economic success.

The 'We can make it' – Attitude: Never say die!

The common attitude of the Singaporean people as publicly proclaimed is an important constituent of the city state's identity. The success-story '*from nothing to world-class*' is repeated at every possible opportunity – the story of a '*success beyond imagination*'. The predominant conviction is that 'we can do exceptional things although we are small' – this will work with discipline, hard work and perpetual learning processes. Every Singaporean can and should make his/her contribution to the continuous success of the nation, everyone has a place in it. Lee Hsien Loong epitomised this point in his speech with: "It's good luck, it's good government, it's strong people". He also mentions in this context Singapore's

21 50 years later there were more than half a million inhabitants. Today, ca. four and a half million people live in Singapore.

22 In other words, Singapore indulges in the nationalism of the American Revolution rather than the nationalism of ethnic groups in the Balkans.

Las Vegas-principle: innovation and enterprise, together with a fair portion of human imagination – that was seemingly all it took to shape Singapore, a productive re-invention of itself in perpetuity.

The most remarkable thing in the recent history of Singapore perhaps is the planning and implementing of a ‘knowledge society’ long before sociology discovered the topic and elaborated the concept. Given that the country has no natural resources, and abhorring the prospect of becoming a low-wage country or sweat-shop-nation and supplier of cheap and simple manufactured goods for the developed world (like so many other former colonies) after the breakdown of the shipping-and-harbour-industry during the first half of the 20th century, the government identified the people as its only valuable resource and placed a strong emphasis on education and human resource²³ development from the beginning. Consequently, capital investment in this sector since the 1970s has been immense.²⁴

So far Singapore has experienced absolutely no trouble with this kind of social engineering: it just works fine. Success of the nation via its people functions as a unceasing confirmation of the much valued concepts of education and training. The belief in the power of education is omnipresent: Everything can be taught, everyone is educable, everyone can be trained, people are mouldable if they only receive the right education. For the same reason Singapore is the location of a extraordinary high frequency of public campaigns, that tell people how to behave, how to become a better citizen, and so forth.

This whole notion was called the *Las Vegas principle* by the Singaporean prime minister. The explicit reference to Las Vegas, the American gambling paradise and dream factory in the middle of nowhere (an inhospitable desert) is also a link to the more general myth of the American dream, the rise from rags to riches. The ideology that is behind this myth is the idea that everything is feasible if you really want and only try hard enough. The impossible is possible. The American dream, however, is organised around a strong individualism. In Singapore the American dream is transferred to a more communitarian level: Not the individual, but the society as a whole – according to the official values – is trained and educated in order to ensure long-term profit. The mindset of this declared official mentality is quite close to the ideas of neo-liberalism (Taylor 2004).

23 Or as Olds and Thrift note – not without a certain sense of admiration for the effective ‘engineering’ of a whole workforce: Singapore is “fashioning its citizens while considering them openly as a mineral resource with attitude.” (2005: 275).

24 This was a apparently a profitable strategy – Singapore has today the best educated and strongest workforce in the world – in its own view but also something which is continuously attributed from outside.

The Sense of Cosmopolitanism

The peaceful cohabitation of different 'races' and population groups in Singapore is frequently used as evidence for its cosmopolitan climate; it underlines its qualification as a truly Global City that is open to people from all parts of the world.

To be cosmopolitan is imperative for a Global City.²⁵ It must be stated that the concept of cosmopolitanism is under-elaborated in the Global City literature – it remains nebulous. So possibly it is not Singapore's fault alone that in the discourses about self-perception it is not absolutely clear what cosmopolitanism really means. Apparently the term is somehow used as a synonym for globality, as the opposite of localism or nationalism. But this ideal could be in conflict with the nationalism as it exists in Singapore. Because the city is the nation, there is no option to perceive the concrete city abstracted from the broader framework of the nation, as may work for other global cities and their relationship to the nations they belong to (e.g. New York City – United States, or Shanghai – China). Another general objection that can be raised: How can a city be cosmopolitan, when an attitude to the specific place is required, a sense of belonging (or non-belonging)?

As is the case with the term 'cosmopolitanism' in the globalisation literature, it is probably more a diffuse but positive multiculturalism that is proclaimed here. The celebration of its multiculturalism, once again, Singapore owes to its colonial past. When the British were running short of low-skilled labour, they imported people from other colonies to Singapore. At first, the various ethnic groups produced various problems. Violent rivalries and even race riots were frequent. Being aware of the destructiveness of sub-group conflicts for an emerging nation, the officials of modern Singapore always observed that danger closely and tried to contain it with harsh anti-racism legislation. Paradoxically, this strong anti-racism policy keeps the basic problem alive which it pretends to combat. This is the conviction that human beings come in fundamentally different formats as ethnic groups. Still, Singapore lists in its population statistics Chinese, Indians, Malaysians, etc. – although they are all Singaporean. Segregated ethnic districts were rebuilt (even if there was no surviving traditional structure at all, not a single brick), just for folkloristic and tourism purposes. Singaporeans are accommodated in HDB-flats, appropriately allocated to different race-groups to prevent segregation and dissociation of a single group from the national community.

So the ethnic groups preserve their differences partly by decree – but mainly those differences which can be consumed and enjoyed without causing too much trouble, for instance different clothing styles, different dances and music, different literatures and – very important in Singapore – different cuisines. Consequently the officially desired version of cosmopolitanism or multiculturalism is reduced to a great diversity of available food.

25 See e.g. the Global City Forum, a network for urban decision-makers: www.global-cityforum.com.

To display openness, tolerance and an appetite for diversity is an essential factor of the marketing-strategy for Singapore. In addition to the importance of tourism, especially short-term shopping tourism during stopovers on the air-route from Europe to the Far East and Australia and vice versa,²⁶ it is increasingly dependent on immigration and a foreign workforce. Singapore has a great demand for highly trained employees. Because of a low birth-rate over decades and the fact that a number of highly qualified Singaporeans go abroad for work where some of them eventually stay, a growing demand in skilled labour is expected. Singapore is competing very hard with some other global locations for international elite-personnel in business and research. Singapore also seeks immigrants on a lower level, but always people who are capable of making a contribution to the nation, people with entrepreneurial spirit.

In this respect, it may be that cosmopolitanism has always been an utopian as well as a pretended notion. In addition, a cosmopolitan ethos is also a perfect justification for Singapore's practice of exerting political and economic influence on the whole region and of viewing for dominance in ASEAN.

The Versatile Dwarf

Breaking with Malaysia in 1965, Singapore gained the status of an independent nation, but was now confronted with a number of problems and threats. It was still a third world country with bad infrastructure, little capital, only a few industries and a largely impoverished and uneducated population. At that time it appeared nearly impossible for such a small postcolonial country with no hinterland and without natural resources to survive. Against this background the government identified economic development as its prime ambition and central policy, a goal which persists to date. For this purpose, a strong outward orientation was unavoidable. Singapore's extreme dependence on its international and regional environment has appeared to be a critical factor ever since (Blomqvist 2005: 50 pp.). This implies that the importance of Foreign Direct Investment during the first decades of modern Singapore's existence was immense.

Singapore is small, but flexible. Involved in an unceasing coquetry with its smallness, Singapore celebrates its weakness as a strength: vulnerability and dependency on the world market are paradoxically the very qualities that facilitate a competitive attitude and inhibits inertia or stagnancy. Singapore is a versatile dwarf that always has to be watchful in a difficult and potentially hostile environment. It's a David-versus-Goliath story that Singapore retells, relying, once again, on its positive ending (for David). Inherent in this simile is a militaristic content. Singapore is in a constant war-like situation, always prepared for a fight, for self-defence. The status quo is always at risk.

26 Very much as, in the 19th century, when ships with the same destinations stopped here to unload or load coal.

A public advertisement for the Singaporean army popular in summer/ autumn 2005 provides an ironic validation of this assumption. In the middle of the poster, a handsome young man in army uniform is shouldering a gun, in the background lingers the scenery of downtown Singapore at night – high rise buildings fantastically illuminated. In huge white letters the message imprinted into this background reads: *Compromise is not an option*. The arguments are arranged around the soldier, in white letters and a relatively small type of why the army is so important for Singapore and why young men should join it – one of the arguments is: *Because investors' confidence is key*.

Conclusion

The case of Singapore shows very clearly that a Global City is not only defined by hard factors, but also invented and socially engineered on a grand scale. The making of Singapore as a 'Global City of Finance' is a process that consists of a number of different strategies and rhetorics and not just the evidences of social and economic hardware. Beside the hardware there is also adequate software required, consisting of everyday myths with an ideological driving force. In the staging of the city-state as a Global City specific local strategies and articulations of 'otherness' or 'uniqueness' are concomitantly inherent. The balancing of globality motifs and rhetoric of local specificity and cultural distinctiveness is not always possible without conflict. A closer look at some of the myths reveals quite antagonistic conceptions at their core. Behind the nice image of a Global City, a quite chauvinistic regionalism and local patriotism sometimes peeps up; which is never too disturbing as long as the image- and rhetorics-machine is well-oiled and works smoothly.

It seems as if the transformation of Singapore in a Global City-State of Finance works and continues to work. Singapore is doing fine, Singapore is prospering. And indeed: Nothing works better than success to stabilise a (self-) invention.

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