Jurong Industrial Estate is a symbol and metaphor for Singapore’s transformation from a colonial entrepôt port to an industrial export economy in the 1960s and 1970s. It is regularly referred to as ‘Goh’s Folly’, so-named after Goh Keng Swee, Singapore’s Minister for Finance at the time and the architect of the project.Used in the context of Jurong’s development into a vibrant industrial hub, the epithet repudiates accusations of bad economics and demonstrates the sound thinking of Goh, and by extension the Singapore government. This official imaginary of Jurong is central to Singapore’s economic history.

In his memoirs, former Prime Minister Lee Kuan Yew recounted an epic story of Jurong in multiple initial failures and eventual success; of Goh’s alleged folly, Lee imagined that “He was not that self-deprecatory when Jurong was barren”.

Current Prime Minister Lee Hsien Loong recently retold this narrative in hailing the role of the statutory board most closely associated with Jurong’s history – JTC Corporation (formerly Jurong Town Corporation) – at the 50th anniversary of its formation in 1968. While Jurong’s narrative arc is well-known, less are other early imaginaries which helped realise the government’s vision of industrial development. The first was the work of international experts who advised the government on industrial policy around the same time in 1960-61: Albert Winsemius on the feasibility of Singapore’s Industrialisation; Y. Yanagisawa’s team of Japanese experts on heavy industry in Jurong; and Philippe Schereschewsky’s response to a proposed iron and steel project. The other imaginary lay in the origin of Jurong’s showpiece heavy industry: National Iron and Steel Mills, a product of the imaginaries of its formation in 1968. While Jurong’s narrative arc is well-known, less are other early imaginaries which helped realise the government’s vision of industrial development.

The first expert surveys commissioned the development of Jurong was a milestone: built mainly for heavy industry, with no catchment population nearby. By this time, many of the ‘baby boomers’ had reached working age. The PAP declared a policy of industrial expansion to create jobs for the general population, which was implemented with the 1961 State Development Plan. For various practical reasons, the Industrialisation programme centred on Jurong, a largely undeveloped region in the western part of Singapore. The state owned most of the land there, and the population was sparse, comprising of farmers and fishermen, which minimised the task of resettlement. Unlike the much smaller existing industrial estates, the development of Jurong was a milestone: it would be built from scratch, mainly for heavy industry and with no catchment population residing nearby.

The politics of the early 1960s were embedded in the industrialisation programme in several ways. The government was expected to fulfils its electoral promises in order to succeed at the next polls. (This pressure was the political factor that, as we will see, shaped the work of Winsemius and Schereschewsky). There was also the question of the common market with the Federation of Malaya, which the government endorsed. Although the island’s politicians looked upon the reunification of Singapore and Malaya as a matter of faith, the Malay-dominant Federal government was less keen, fearing the political influence of Singapore’s majority-Chinese population and by extension, the PAP. The third political issue was a growing rift between the Fabian socialists and left wing socialists within the PAP. The party had won the 1959 elections largely because of the left’s support among workers, Chinese-stream students, squatters, and farmers. However, the leftists were not given a major role in the government, which was controlled by the Fabians led by Lee Kuan Yew and Goh Keng Swee. Still, the leadership was under pressure to demonstrate its anti-colonial and anti-capital credentials. Industrial programming had to negotiate difficult questions on the nationalisation of industry, relationship between capital and labour, and dominance of British capital.

Jobs, Jurong, and politics

Singapore’s industrialisation was not a purely technical matter but one shaped by the socio-economic and political contexts arising after the Second World War. The impetus for manufacturing was the belief that it would provide more jobs than the existing entrepôt trade. Unemployment and under-employment had been part of the socio-economic landscape of colonial Singapore, but with the rapid growth of the population after the war, had become problematic for the future of postcolonial Singapore. Between 1947 and 1957, as families settled down with multiple children instead of returning to their home countries, Singapore’s population grew at a rapid rate of 6-7.5% per annum. These settled families and locally-born children could no longer be reemployed in an economic downturn, and the entrepôt trades would not likely supply the jobs they needed, especially as newly-independent states in the region began to develop their own ports and industries, bypassing Singapore.

In the late 1950s, the British colonial government launched estates for light industries at Redhill and Tanglin Halt, which obtained their workforce from residential areas nearby. An Industrial Promotion Board was set up in 1957 to promote and develop manufacturing. The British also commissioned the first expert surveys of industry, including a 1958 study by F.J. Lyle, who endorsed the prevailing sentiment for the island to establish a common market with the Federation of Malaya. Singapore and Malaya, despite having long-standing political and economic ties, had been separated into two administrative units after the war. These late-colonial efforts constituted the first imaginaries of Singapore’s industrialisation.

In 1956, Singapore became a self-governing state. The newly-elected People’s Action Party (PAP) government managed domestic – including industrial – affairs, while the British retained control over foreign policy and security. By this time, many of the ‘baby boomers’ had reached working age. The PAP declared a policy of industrial expansion to create jobs for the general population, which was implemented with the 1961 State Development Plan. For various practical reasons, the Industrialisation programme centred on Jurong, a largely undeveloped region in the western part of Singapore. The state owned most of the land there, and the population was sparse, comprising of farmers and fishermen, which minimised the task of resettlement. Unlike the much smaller existing industrial estates, the development of Jurong was a milestone: it would be built from scratch, mainly for heavy industry and with no catchment population residing nearby.

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Imaginaries of Jurong

Industrial Estate, Singapore

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Jobs, Jurong, and politics

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Albert Winsemius

The first expert discussed here is also the author of this piece: Albert Winsemius, the Dutch economic planner credited with his country’s economic recovery after the war. Winsemius played his part in a fascinating and little-studied episode in economic history. He was no less interested in solving a problem of the modern age: the feasibility of industrialisation for Singapore in the early 1960s. Winsemius’ expertise in this field was well known to the government officials, who had come back from the Manchester shipbuilding belt to be suitable for heavy industry, which was Dutch). The team assessed Jurong’s technical studies for the shipbuilding/repair, preferred that Singapore focus on light industrialisation, but the site for it still had to be found.

In November 1960 has long been forgotten. While their imaginaries of what the city-state eventually became an ‘Asian Tiger’, the experts emerge as generally positive about the Singapore project, as such.” British officials, though raw materials were available in the region, were sceptical about heavy industry and had initially doubted Sim Lim’s ability to deliver.15

The Yanagisawa mission was free of imperialism and to favour some spreading of British ‘economic influence’ and to get some form of iron/steel started … are known to be suspicious of British ‘economic imperialism’ and to favour some spreading of the foreign capital.”5 It is, remarkably, his opinions were well-received, and he became an unofficial economic adviser to the Singaporean government for two and a half decades.

Philippe Schereschewsky

The UN had already organised an iron and steel study for Singapore led by French industrialist Philippe Schereschewsky. Although Schereschewsky had little knowledge of Singapore, he claimed relevant expertise from his experience in Latin America. The chief expert, for instance, was the left-wing champion of labour and the economy of Singapore, James P. Schereschewsky.

How to make a steel plant that would act as a catalyst to industrialisation by creating second- and third-order effects? In July 1960, the month that Schereschewsky carried out his preliminary study, the government of Singapore announced that it had a plan to set up the steel plant and the immediate region, Schereschewsky assembled a team to undertake a full study, which supplemented its fieldwork with a detailed study of the steel-making and rolling mills in Japan, Hong Kong, the Philippines, and Australia. The team concluded that the steel plant would be the core of the medium and heavy industry centre in Jurong, around which the Singapore government, in early 1961, the Japanese government made an informal offer to help Singapore establish, through Fuji Iron and Steel, a steel plant in Jurong. They sent three successive missions to Singapore that year, and at one point was ostensibly prepared to help build the mill. In April 1961, Govt. Schereschewsky appeared to confirm Fuji’s involvement. Henceforth, however, the matter unravelled.

At the end of September 1961, two local entrepreneurs were in the running for the steel plant: Sim Lim, a company with interests in importing building materials and shipbuilding, and Tolkien, a rubber import-export firm. The government had difficulty reaching an agreement with Fujitsu, which initially wanted 70% of the steel plant, but while the government was only willing to allow 50%. Although the Japanese did agree to this, the Japanese government, according to Schereschewsky’s personal representative, was that “Fujitsu was not interested in the Singapore project, as such.” British officials, though raw materials were available in the region, were sceptical about heavy industry and had initially doubted Sim Lim’s ability to deliver.15 It may be that Tal-Lee’s involvement was decisive in this regard. The British noted the Singaporean government’s parting ways with Fuji in March 1931.

In August 1961, National Iron and Steel Mills (NISM) was incorporated with a capital of Rs. 11 million. It was funded by the Malaysian and Indonesian-Chinese, rather than Japanese, capital. Sim Lim and Tal Lee contributed equally to the capital of the company. On 8 May 1961, Sim Lim was appointed NISM’s chairman, while Goh Tjia Kok and Goh Seong Pek of Tal Lee were appointed vice-chairmen and managing director respectively. The company’s driving force was Goh Tjia Kok, an Indonesian-Chinese businessman who had returned to Singapore from Jakarta in 1949. The Economic Development Board (EDB), a government agency responsible for Singapore’s industrial development, contributed 20% of the capital, aligned with Winsemius’ call for a minor government stake in investments, and called for to immediately employ 200 workers.

Conclusion

The three teams of experts worked productively with the Singaporean government through 1960-1961. While their imaginations of Jurong were rooted in external worldwide of industrial development – Dutch, Japanese, Southeast Asian – their ideas were more or less – their advice was often reconciled with the Singaporean context. This involved accommodating the political, social, economic circumstances and sentiments prevailing in the city-state, including disagreements between the government and the left, the question of the common market, and Britain’s role in the region. Subject to the work of the three teams, Jurong slowly took shape as an industrial estate.

Notes

1 This article draws from the research project on the ‘Asian Tiger’ for his book ‘The Legacy of Singapore’s Industrial Heritage: 20th Century Singapore’, which is supported by the Heritage and Urban Design Heritage Board, Singapore, Lee Soo Ann. 2015. Introduction to the Making of the Contemporary World. Berkeley: California University Press.


5 CO 1030/1175, Jurong Industrial Development Committee, 1801-02 SING (130-2) PART 6, Memo from Bourdillon to CO 6, Singapore Government 1960.

6 CO 1030/1175, Jurong Industrial Development Committee, 1801-02 SING (130-2) PART 6, Singapore Government, 1960.


9 CO 1102/1176, Memo from Boundloon to ROH, 8 February 1966.

10 CO 1102/1176, Memo from Boundloon to ROH, 8 February 1966.


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