The cross-border industrial and urban developments promoted by Singapore and Transnational corporations

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1. Introduction

2. Forming the SIJORI Growth Triangle

3. Endogenous development in the region

4. Future regional and urban development in Asia
Singapore-Johor-Riau (SIJORI) Growth Triangle
Extended Metropolitan Region (EMR)

- EMR
  Urbanization in densely populated agricultural area

- Metropolitan Area

- City-region
2. Forming the SIJORI Growth Triangle

- Historical background
  Causeway 1923

- Large scale industrial estate

- Water resource
Malaysia & Indonesia

- New economic policy in Malaysia
- Manufacturing estates for the local industrialization 1980s
- Riau Province in Indonesia
- Bonded Zone
Common purpose: the economic growth

- December 1989

- Singapore: OHQ (Operational headquarter) 1986

- Centre for supporting production activities

- Malaysia, Indonesia: Branch plant
Extended geographical coverage

- Malaysia  3 states  1996
- Indonesia  6 provinces 1997
- Total population over 35 million
- Indonesia-Malaysia-Singapore GT
3. Endogenous development in the region

- Cross-border developments

- SIJORI-GT Central governments
- EU Local governments

- SIJORI-GT Vertical division of labour
- EU Horizontal division of labour
Two types of development

- Exogenous development by TNC
- Endogenous development by Local Gov.

- Sustainability: Local entrepreneur
Locational strategy for TNCs

- Innovation of information technology
- Industrial policy in each country
- Regional integration (AFTA)

Singapore total 4,017,733 (person)
(resident 3,263,209)

Johor state 2,565,701

Riau province 4,724,292

Total 11,307,726
Corridor rather than triangle

- Singapore – Johor
- Singapore – Riau
- Johor – Riau
Regional governance

- Watching and planning as a whole
- To promote endogenous development
- Effectiveness for economic activities
- Competition between EMRs
4. Future regional and urban development in Asia

- GTs in early 1990s
- Asian financial crisis in 1997
- Singapore: Without rapid population increase
- Industrial restructuring
- Various types of TNCs
Other ASEAN EMRs

- With rapid population increase from rural area
- Overurbanization
- Manufacturing FDI
Lessons from SIJORI-GT

- City as a growth pole
- Own industrial policy
- Governance