



Original Article

## Transforming Alliances: A 20-Year Overview of Singapore-US Relations under Lee Hsien Loong

Truong Thi Hue <sup>a,\*</sup>

<sup>a</sup> Duy Tan University, Thạc Gián, Thanh Khê, 550000Đà Nẵng, Vietnam.

\* Correspondence: [truongthihuedtuvn@gmail.com](mailto:truongthihuedtuvn@gmail.com) (T.T.H.)

**Citations:** Hue, T.T. (2024). Transforming Alliances: A 20-Year Overview of Singapore-US Relations under Lee Hsien Loong. *International Journal of Advances in Social Sciences and Humanities*, 3(4), 257-266.

Received: 8 August 2024

Revised: 2 October 2024

Accepted: 7 November 2024

Published: 30 November 2024

**Abstract:** The strategic relationship between Singapore and the United States has seen significant growth, especially under Prime Minister Lee Hsien Loong's leadership. Over the past two decades, their bilateral ties have been strengthened through collaboration in defense, trade, and security, with key agreements like the 2005 Strategic Framework Agreement and the renewal of the 1990 Memorandum of Understanding on U.S. military access to Singaporean facilities. These agreements have cemented Singapore's role as a crucial partner in U.S. Indo-Pacific strategy. This paper analyzes the key milestones and mechanisms that have bolstered Singapore-U.S. relations under Lee's leadership, focusing on the creation of the Singapore-U.S. Strategic Dialogue, which added a new dimension to the partnership beyond trade and defense. It also examines how both countries have expanded their cooperation into non-traditional security areas such as counterterrorism, cybersecurity, and environmental security, adapting to the evolving global security environment. By exploring these developments, the paper demonstrates how the Singapore-U.S. partnership has diversified and deepened in response to emerging global challenges. It also evaluates how these efforts culminated in the 2015 elevation of the relationship to a Strategic Partnership, promoting more dynamic and comprehensive collaboration. Ultimately, the study highlights the mutual benefits of this strengthened partnership, contributing to regional stability, economic prosperity, and global security.

**Keywords:** Singapore–U.S. Relations; Strategic Partnership; Indo-Pacific Strategy; Non-Traditional Security Cooperation; Lee Hsien Loong's Foreign Policy



Copyright: © 2024 by the author. Submitted for possible open access publication under the terms and conditions of the Creative Commons Attribution (CC BY 4.0) license (<https://creativecommons.org/licenses/by/4.0/>).

### 1. Introduction

The strategic partnership between Singapore and the United States has evolved into one of the most significant bilateral relationships in the Asia-Pacific region, particularly during the leadership of Prime Minister Lee Hsien Loong. Since assuming office in 2004, Lee has played a pivotal role in expanding and deepening this alliance, aligning the two nations on key issues ranging from defense to global security. While the U.S. and Singapore have long enjoyed strong economic and security ties, it is during Lee's tenure that their partnership has taken on a broader scope, adapting to new global challenges and shifting geopolitical dynamics. At the heart of this strengthened relationship are key agreements that have laid the foundation for ongoing cooperation. Notably, the 2005 Strategic Framework Agreement provided a blueprint for comprehensive collaboration, particularly in the areas of defense and security. Similarly, the renewal of the 1990 Memorandum of Understanding (MOU) regarding U.S. military access to Singaporean facilities

underscored the strategic role Singapore plays in U.S. Indo-Pacific operations. These agreements have not only reinforced defense collaboration but have also positioned Singapore as a crucial partner in the broader U.S. strategy within the Asia-Pacific region.

In addition to traditional military and economic partnerships, the creation of the Singapore-U.S. Strategic Dialogue marked a significant expansion of the bilateral relationship, introducing a new framework for addressing non-traditional security concerns such as cybersecurity, counterterrorism, and environmental security. As both nations face new global threats, their cooperation has evolved to cover these pressing issues, further deepening their ties. This paper seeks to examine the milestones and mechanisms that have defined Singapore-U.S. relations from 2004 to 2023 under the leadership of Prime Minister Lee. By analyzing key agreements and the ways in which the two nations have adapted their cooperation in response to changing global circumstances, this paper highlights the strategic importance of this partnership in fostering regional stability, economic growth, and global security. Additionally, it explores the significance of the 2015 elevation of Singapore-U.S. relations to a Strategic Partnership and assesses its implications for both nations in the contemporary geopolitical landscape.

## 2. Literature Review

The literature on Singapore-U.S. relations underscores the dynamic and evolving partnership between the two countries, shaped by a blend of defense, economic cooperation, and strategic alignment. Several primary sources offer crucial insights into the historical context and key agreements that have defined this bilateral relationship. For instance, official documents such as the 2005 Strategic Framework Agreement (SFA) and the 1990 Memorandum of Understanding (MOU) on U.S. military access provide the foundational agreements that established robust defense cooperation and strengthened Singapore's position in U.S. Indo-Pacific strategy (SFA, 2005; MINDEF Singapore, 2009). The focus on defense collaboration is reflected in a range of sources, including recent military exercises and security agreements. For instance, the U.S. Security Cooperation with Singapore by the Bureau of Political-Military Affairs (2023) highlights military cooperation, including joint exercises such as Pacific Griffin 2023, which demonstrates the growing defense ties between the two nations (Moore, 2023).

Similarly, reports by the U.S. Embassy in Singapore (2021) and the MINDEF Singapore (2023) discuss collaborative defense training, showcasing the mutual benefit in securing regional stability. Economic relations also form a core aspect of this partnership. Sources like Singapore's exports and imports data (OECD, 2024) and the U.S. Free Trade Agreement with Singapore (Office of the U.S. Trade Representative, 2023) reflect the significant economic exchange, with Singapore being a major trading partner and a hub for U.S. exports in the Asia-Pacific region. Data on foreign direct investment and U.S. exports to Singapore further underscores the strong economic linkages between the two nations (Statista, 2023; U.S. Embassy, 2021). Moreover, evolving diplomatic dialogues, as reflected in joint statements and fact sheets like the 2016 U.S.-Singapore Joint Statement and the 2021 strengthening of their strategic partnership (The White House, 2016; 2021), emphasize the collaborative expansion into non-traditional security sectors like cybersecurity and environmental issues.

These efforts demonstrate the broadening scope of the bilateral relationship beyond military and trade sectors into areas such as counterterrorism and environmental security, adapting to contemporary geopolitical challenges. This literature highlights the breadth and depth of the Singapore-U.S. partnership, showcasing how both nations have navigated evolving global dynamics through a combination of defense agreements, strategic dialogues, and robust economic ties. The continued expansion of these efforts positions their relationship as a key component in regional stability and global security.

## 3. Materials and Methods

This study employs a qualitative approach, utilizing documentary and secondary source analysis. Primary sources include key agreements such as the 2005 Strategic Framework Agreement and the 1990 Memorandum of Understanding on U.S. military access, as well as government statements and speeches. Secondary sources include scholarly articles, books, and policy reports to provide broader context. A comparative approach is also used to analyze Singapore's relations with other global powers. Additionally, case studies, such as the creation of the Singapore-U.S. Strategic Dialogue and the 2015 Strategic Partnership, are examined to assess significant milestones in the bilateral relationship.

## 4. Results and Discussion

### 4.1 Shaping Alliances: Political and Diplomatic Ties Between Singapore and the U.S

Under Prime Minister Lee Hsien Loong's leadership, the political and diplomatic relations between Singapore and the United States have progressed positively. The two sides have conducted numerous high-level visits. From Singapore's side: Less than a year after taking office, on July 11-12, 2005, Prime Minister Lee Hsien Loong visited the US. These visits continued in 2007 (from May 2-5) and in 2013 (from April 2-3). During his official visit to the US on

August 2, 2016, Prime Minister Lee met with US President Barack Obama. In their meeting, he expressed his hope that Washington would play an active role in the Asian region. In response, President Obama praised Singapore as a "linchpin" for the US presence in Asia—an epithet reserved only for Japan and Australia, the other two American allies in the Asia-Pacific region. (Minh Anh, 2016). This shows that the US highly values Singapore's role in its Asia policy. At the conclusion of the visit, the two leaders issued a joint statement affirming their commitment to continuing the enhancement of the strategic partnership between the US and Singapore. The statement not only reaffirmed the achievements in Singapore-US relations during previous periods but also outlined the directions for future cooperation. A key point in the joint statement was the priority given to advancing economic relations between the two sides. This issue was immediately addressed in Article 2 of the statement.

In economic cooperation, both sides confirmed that "Our shared economic priorities include trade liberalization, market reforms, trade security, capacity building, innovation, entrepreneurship, climate change mitigation, clean energy, intellectual property protection, fair labor practices, and cybersecurity." (The White House-Office of the Press Secretary, 2016). In the joint statement, both sides affirmed that the Trans-Pacific Partnership (TPP) Agreement is not merely a multilateral free trade agreement, but rather, the US and Singapore actively advocate for it as "the trade dimension of the US's rebalance policy towards Asia" (The White House-Office of the Press Secretary, 2016). This statement not only clarifies the objectives the US pursues in its rebalance strategy but also encourages ASEAN countries to join the TPP. To implement the economic cooperation priorities, Singapore and the US outlined several specific cooperation activities, including a commitment to work more closely on bilateral tax issues, allowing both nations to exchange tax-related information, enforce respective tax laws, and establish an intergovernmental agreement (IGA) that mandates reciprocal automatic exchange of information regarding certain financial accounts under the Foreign Account Tax Compliance Act (FATCA). Additionally, the joint statement addressed policies supporting scientific and technological cooperation to bolster economic collaboration between the two sides. One of these policies was to promote new cooperation on the development of smart cities and digital innovation. In this regard, several specific activities were outlined, including:

1. identifying opportunities for research collaboration between the National Science Foundation and Singapore's National Research Foundation,
2. sharing best practices and exchanging information between the two governments on topics like smart city policy, digital government, urban innovation, and digital citizen engagement through forums such as the Digital Government Exchange Forum in Singapore and the Global Market Exploration Forum: Building Smart Cities in Chicago, and exchanges between the White House Office of Science and Technology Policy and the Smart National Program Office at the Prime Minister's Office; and
3. facilitating exchanges for startups, as reflected in the memorandum of understanding between the city of Austin and Singapore.

Regarding defense cooperation, the joint statement reaffirmed the robust development of bilateral defense cooperation based on the 1990 Memorandum of Understanding, the 2005 Strategic Framework Agreement, and the 2015 Enhanced Defense Cooperation Agreement. Singapore-US defense cooperation will continue through agreements such as training or providing about 1,000 personnel annually in the US, and the US rotating deployment of aircraft and vessels to Singapore to carry out various maritime patrol activities in the region, including anti-piracy, counter-terrorism, humanitarian support, and disaster response. Both leaders supported exploring new training opportunities for the Singapore Armed Forces in Guam, aiming toward a long-term potential training force for the Singapore Air Force. A new area of defense cooperation introduced in the joint statement was cybersecurity cooperation. The two leaders expressed strong support for the new Memorandum of Understanding between the US and Singapore on Cybersecurity Cooperation, laying the foundation for expanding Singapore-US collaboration on cyber issues. Cybersecurity cooperation activities include the exchange and sharing of information, carrying out new bilateral initiatives on cybersecurity, critical infrastructure, and continuing cooperation on cybercrime, network defense, and regional capacity-building activities, including joint exercises, regular exchanges and visits, capacity development programs, or network capacity-building initiatives in the region.

In other areas of cooperation, several directions were outlined. For instance, in the environmental sector, the United States and Singapore committed to enhancing cooperation to preserve biodiversity and ecosystems by combatting the illegal trade of endangered species, building the capacity of organizations, and strengthening policies to ensure the effective enforcement of environmental laws. Both countries aim to increase the exchange of information on environmental policies, best practices, and the use of advanced environmental technologies and pollution management techniques. They also pledged to work closely together and with other WTO members to conclude the Environmental Goods Agreement (EGA) to eliminate tariffs on many environmental goods by the end of 2012. The two sides were determined to cooperate to protect the oceans and combat illegal, unreported, and unregulated (IUU) fishing activities.

In addition to promoting cooperation on bilateral issues, the joint statement also touched upon regional and international issues of mutual concern. Both leaders reaffirmed their commitment to ASEAN's central role and

strengthening regional architecture in the Asia-Pacific, including ASEAN-led mechanisms such as the East Asia Summit (EAS) and the ASEAN Regional Forum (ARF), to better address transnational issues like maritime security, climate change, and human trafficking. The US and Singapore emphasized the importance of the US-ASEAN strategic partnership and the principles underpinning this relationship, as outlined in the 2015 US-ASEAN Summit Declaration at Sunnylands.

Regarding the South China Sea, the US and Singapore reaffirmed the importance of maintaining peace and stability in the region and upholding freedom of navigation and overflight in the South China Sea. They emphasized the importance of peacefully resolving disputes, including the full respect for legal and diplomatic processes, refraining from the use or threat of force, and acting in accordance with international law, including provisions reflected in the 1982 United Nations Convention on the Law of the Sea. The US and Singapore called on all parties to refrain from actions that could escalate tensions, including further militarization of outposts in the South China Sea, reaffirming support for the full and effective implementation of the Declaration on the Conduct of Parties in the South China Sea and the quick achievement of a Code of Conduct in the South China Sea. (The White House-Office of the Press Secretary, 2016).

Looking at the main contents of the March 2012 joint statement, it is clear that this was an important document that laid the foundation for comprehensive cooperation between the US and Singapore, not only in bilateral relations but also within multilateral mechanisms. The signing of this joint statement was a strong signal of the commitment to implementing the Rebalance Strategy initiated by President Obama in his first year in office. The joint statement also highlighted Singapore's support for the new US Asia-Pacific policy, particularly the Trans-Pacific Partnership (TPP) that President Obama was working to promote. The directions for cooperation outlined in this statement were actively pursued by both sides in specific areas. The political and diplomatic relations between Singapore and the US continued to be promoted during the presidency of Donald Trump, despite the disagreements regarding the US withdrawal from the TPP, which the new US president initiated shortly after taking office. On October 23, 2017, Prime Minister Lee Hsien Loong visited the US. In the joint statement, the leaders emphasized the strong trade relationship between the two countries, highlighted by the signing of a deal for the purchase of 39 Boeing wide-body aircraft by Singapore Airlines (SIA), worth \$13.8 billion. This deal would modernize the fleet of SIA.

Regarding defense relations, the two leaders reaffirmed that the close and long-term defense relationship forms the foundation of the bilateral ties between the US and Singapore. The latest manifestation of this relationship is that Singapore signed defense contracts worth over \$5.8 billion with US companies over the past three years. President Donald Trump thanked Prime Minister Lee Hsien Loong for deploying Singapore's four Chinook helicopters to assist in Hurricane Harvey relief efforts in Texas and in Singapore's search-and-rescue operations following the USS John S. McCain tragedy in August. (Prime Minister's Office Singapore, 24 October 2017)

On regional and international issues, both leaders expressed deep concern about the Democratic People's Republic of Korea (DPRK) continuing to develop its ballistic missile and nuclear programs. The United States welcomed Singapore's efforts on strategic trade controls and non-proliferation initiatives, particularly noting Singapore's continued support for the Proliferation Security Initiative (PSI), hosting the PSI Deep Sabre exercise in late 2016 and the PSI Experts Group meeting in August 2017. Both sides committed to enhancing cooperation in combating the threat from the Islamic State (ISIS). President Trump acknowledged Singapore's pledge to increase its current contributions to the coalition, deploying medical forces, special forces in Iraq, KC-135R refueling aircraft, and the Imagery Analysis Team.

On ASEAN, the two leaders reiterated their commitment to ASEAN's central role and the importance of strengthening regional architecture to effectively address common transnational challenges such as maritime security, cybersecurity, and combating violent extremism. Both sides underscored the significance of the US-ASEAN strategic partnership and the principles reinforcing this relationship as stated in the 2016 Sunnylands Declaration. They welcomed the 50th anniversary of ASEAN's founding and the 40th anniversary of US-ASEAN relations. President Trump expressed his desire to attend multilateral summits in Southeast Asia in November and fully supported Singapore's ASEAN Chairmanship in 2018.

Regarding the South China Sea, both the US and Singapore expressed concern about developments in the region, reaffirming the importance of protecting peace and stability, while reiterating their commitment to upholding the rights of freedom of navigation and overflight, as well as other lawful activities in the sea. Both sides emphasized the importance of peaceful dispute resolution, including full respect for legal and diplomatic processes, in line with widely recognized principles of international law and the 1982 United Nations Convention on the Law of the Sea. They reiterated their support for the swift conclusion of an effective and binding Code of Conduct in the South China Sea. In the final section, the joint statement affirmed Singapore's role as a cornerstone for the US presence in the Indo-Pacific, strengthening peace and prosperity in the region for the mutual benefit of the region and the United States. (Prime Minister's Office Singapore, 24 October 2017)

From the main points of the 2016 Singapore-US Joint Statement, it is evident that the emphasis on economic cooperation is greater than in previous joint statements between President Obama and Prime Minister Lee Hsien Loong. In the area of economic cooperation, the US and Singapore did not establish new cooperation directions but focused instead on the Boeing aircraft deal by Singapore Airlines and issues related to taxes in their bilateral trade relations.

This reflects President Donald Trump's "America First" approach as a key factor influencing the content of the 2016 US-Singapore Joint Statement. The diplomatic relations between Singapore and the United States continued to be fostered under the Democratic Party's administration in the U.S. In March 2022, Prime Minister Lee Hsien Loong visited the U.S., and the two leaders issued a joint statement strongly condemning Russia's invasion of Ukraine. Apart from bilateral visits, there have also been various meetings and exchanges between Singapore's leaders and U.S. Presidents during multilateral forums attended by both parties. Notably, these meetings included those at the ASEAN Leaders' Summit held in Sunnylands, U.S., on February 16–18, 2016, in Washington D.C. in May 2022, as well as annual APEC Leaders' Meetings.

On the U.S. side, high-level leaders have also frequently visited Singapore or attended important multilateral summits hosted in the country. In November 2009, President Barack Obama visited Singapore and also participated in the APEC Leaders' Summit held in the country from November 14–15, 2009. During his presidency (2016–2020), President Donald Trump visited Singapore and participated in the U.S.-ASEAN Leaders' Summit from November 12–14, 2017. During this visit, the two sides signed the AMOU 2019, an amendment to the Memorandum of Understanding (MOU) signed in 1990, under which Singapore agreed to extend the MOU for another 15 years. This agreement continued to facilitate U.S. forces' access to Singapore's logistical facilities. The most recent visit from the U.S. was by Vice President Kamala Harris from August 22–24, 2021. During her visit, she reaffirmed the strong partnership between the U.S. and Singapore, laying the groundwork for new cooperation on a range of issues, including addressing climate and cybersecurity threats, promoting inclusive growth and innovation, fostering resilient supply chains, combating COVID-19, preparing for future pandemics, addressing shared security challenges, and deepening people-to-people ties. (The White House, August 23, 2021).

This passage highlights the continuous, deepening relationship between Singapore and the United States under the leadership of Prime Minister Lee Hsien Loong. The commitment to mutual cooperation is reflected in the signing of key documents such as the Framework Agreement on Strategic Partnership (2005) and the U.S.-Singapore Strategic Partnership Agreement (2012), both of which solidified strategic ties in various areas. These agreements focus on political, security, economic, and cultural collaboration, which have fostered a comprehensive partnership. Additionally, the ongoing development of bilateral ties is reflected in the consistent signing of new cooperation agreements across diverse fields like security, education, science and technology, and culture. These agreements create the necessary framework and mechanisms for expanding bilateral collaboration and addressing shared regional and global challenges.

## 4.2. Strengthening Economic Ties: A Deep Dive into Singapore-U.S. Cooperation

The economic relationship between Singapore and the United States has been primarily driven by the U.S.-Singapore Free Trade Agreement (USSFTA), signed in 2003 and entering into force on January 1, 2004. The negotiations for this agreement started in 2000 and took several years to finalize. These discussions focused on key areas such as trade, investment, intellectual property, services, agriculture, and labor rights. Unlike previous-generation Free Trade Agreements (FTAs), the USSFTA is considered a "new-generation FTA". It goes beyond eliminating tariffs, opening up trade in many service sectors, safeguarding intellectual property rights, expanding government procurement opportunities, incorporating enforceable labor provisions, and promoting environmental protection efforts. The main points of the agreement include:

**Elimination or Reduction of Tariffs:** Both parties committed to removing or reducing tariffs and trade barriers, thus facilitating exports and imports of goods and services. **Cooperation in Investment:** The agreement includes commitments on protecting and encouraging two-way investments between Singapore and the U.S. **Intellectual Property Protection:** USSFTA ensures the protection of intellectual property rights, including copyrights and trademarks. **Services Sector Cooperation:** The agreement encourages collaboration in various service sectors, including finance, insurance, transportation, and specialized services. According to Singapore's Ministry of Trade and Industry, after the USSFTA took effect on January 7, 2004, 78.7% of Singapore's goods would immediately be exempt from U.S. tariffs upon export. Over the next four years, the amount of Singapore's goods exempted from tariffs in the U.S. rose to 92%. In return, Singapore agreed to eliminate all remaining tariffs on U.S. goods, meaning 100% of U.S. goods imported into Singapore would be tariff-free upon the FTA's implementation. It was estimated that the USSFTA would allow Singapore to save S\$200-300 million (about USD 118-177 million) annually in export duties on goods and services from the U.S. (Vietnam Economic Times, 2004). This FTA was the first bilateral free trade agreement signed by the U.S. with an Asian country, underscoring Singapore's economic importance to the U.S.

Following this agreement, on July 19, 2005, the U.S.-Singapore Economic Partnership Agreement (US-Singapore EPA) was signed. The agreement entered into force on January 1, 2006. Built upon the existing FTA, the EPA further advanced economic cooperation between the two countries. The agreement includes provisions to: Enhance trade support, promote regulatory consistency, Strengthen intellectual property rights, Expand market access for goods, services, and investments. It also covers areas such as customs procedures, sanitary and phytosanitary measures, technical barriers to trade, as well as labour and environmental protections. The EPA created mechanisms for deep

cooperation between the two nations in sectors like aviation, maritime transport, information technology, and transportation. Through these agreements and initiatives, the economic relationship between Singapore and the U.S. has continued to develop and strengthen over time.

The signing of the USSFTA has contributed significantly to enhancing trade relations between Singapore and the United States over the past two decades. The benefits of these agreements are clearly reflected in the import-export statistics between the two countries. Below is the trade volume of goods between Singapore and the U.S. over the years, demonstrating the strengthened economic ties. It is evident that since the FTA (Free Trade Agreement) between Singapore and the U.S. came into effect, the export of goods from the U.S. to Singapore has continued to rise, starting from 23.9 million USD in 2004 and peaking at 40.7 million USD in 2023. Additionally, the value of imports from the U.S. into Singapore has also increased over time, from 20.7 million USD in 2004 to 42.4 million USD in 2023. The total trade volume between the two countries has consistently remained high, staying above 30 million USD annually since 2004. Notably, from 2019 onwards, the total trade volume has exceeded 59 million USD annually.

In 2012, Singapore was the 17th largest trading partner of the U.S. and ranked 5th among the countries with a trade surplus with the U.S. This year also marked the second time that the total trade between the two nations exceeded 50 million USD annually. The growth in trade has been facilitated by the strong political cooperation between the two nations. In 2012, the U.S. and Singapore held the first U.S.-Singapore Strategic Partnership Dialogue (SPD) in Washington on January 28 [Catharin, D. 2016]. Over the past 20 years, according to the World Bank, the U.S. has been ranked among the top 5 trade partners of Singapore. From 2004 to 2008, the U.S. was Singapore's second-largest export market, after Malaysia. However, after 2008, this position was gradually overtaken by emerging markets such as China and Hong Kong (China).

Even during the COVID-19 pandemic, which caused one of the worst global recessions in history, the U.S. and Singapore continued to enhance their economic cooperation. This was evidenced by the two-way trade figures for 2020 and 2021, which remained impressive (75.4 million USD in 2020 and 79.8 million USD in 2021). In 2020, Singapore was the 15th largest trading market for the U.S. Notably, recognizing the significant global credit tightening during the economic downturn, both countries signed a Memorandum of Understanding (MOU) in 2020 to expand trade financing and investment support for companies in both nations [U.S Embassy in Singapore, 2021]. Commenting on the bilateral trade relations between Singapore and the U.S., David Alderman, the U.S. Ambassador to Singapore, described the U.S.-Singapore Free Trade Agreement (USSFTA) as "the most successful bilateral FTA the U.S. has ever signed" [David, A. 2012].

Singapore's investment and trade have a presence in more than 30 U.S. states, supporting over 250,000 jobs for Americans [About Singapore-U.S. Relations]. These investments contribute to the growing economic and commercial ties between both countries. Singapore's FDI into the U.S. has been quite impressive, growing from \$8.05 billion in 2003 to \$47.35 billion in 2022, representing a significant increase of nearly 6 times the initial figure. Over this period, 2015-2016 saw a remarkable surge in Singapore's FDI into the U.S., rising from \$17.05 billion to \$31.77 billion, the most rapid growth of the entire period. Singapore's FDI into the U.S. has experienced strong and consistent growth, despite some short-term fluctuations. This shows the increasingly strong economic relationship between the two countries, with Singapore viewing the U.S. as an attractive and stable investment destination. In terms of investment sectors, Singapore has invested in many different industries in the U.S., including information technology, finance, real estate, healthcare, energy, and manufacturing. Singaporean companies have expanded their business operations and established subsidiaries in the U.S. to tap into the large market and reach American customers. Regarding the number and scale of the projects: Singapore's investment projects in the U.S. vary widely in size and value. This includes acquisitions and mergers of U.S. companies, the establishment of research and development centres, building manufacturing facilities, and investing in real estate projects. The size of these projects ranges from small operations, such as opening representative offices, to larger ones like building large production facilities.

The U.S. is the largest foreign investor in Singapore, with nearly \$51.01 billion in direct foreign investment since 2004, when the FTA between the two countries took effect. To date, there are over 5,800 U.S. companies based in Singapore [About Singapore-US Relations]. Even during the COVID-19 pandemic, the U.S. and Singapore continued to collaborate to strengthen their economic partnership. In 2021, the two countries launched the Partnership for Growth and Innovation to enhance cooperation between Singaporean and U.S. companies by promoting trade and investment in new and future-oriented sectors, starting with: (i) Digital economy and smart cities, (ii) Advanced manufacturing and supply chains, (iii) Clean energy and environmental technologies, and (iv) Healthcare [About Singapore-US Relations]. With these efforts, U.S. direct investment in Singapore has continued to grow.

U.S. direct investment in Singapore is diverse, covering finance, information technology, specialized services, education, and science. For instance, U.S. FDI in Singapore's stock market reached \$309.4 billion in 2022, a 8.7% increase compared to 2021. U.S. investment in this sector is mainly led by non-bank holding companies, manufacturing, and wholesale trade [Singapore-United States Trade Representative]. The U.S. has carried out several investment projects in Singapore, ranging in both scale and value. These U.S. investments include: establishing representative offices, research centers, providing services and technology solutions, and real estate projects. The size of these

projects varies, from small activities like research collaborations to larger ones, such as building manufacturing and distribution centres. From the data and actual conditions, the investment cooperation between Singapore and the U.S. has brought significant economic benefits to both sides. Singapore's investments in the U.S. allow Singapore to access a large market and increase business opportunities. Meanwhile, U.S. investments in Singapore have enabled U.S. companies to tap into the Asian market and leverage Singapore's business advantages. Both countries have benefited from shared technology, job creation, economic growth, and enhanced bilateral cooperation. To further promote economic cooperation between the two sides, Singapore and the U.S. have also implemented initiatives in the logistics sector. Singapore possesses advanced logistics infrastructure and a favourable geographic location, while the U.S. has a highly developed and large-scale logistics system. Logistics cooperation between the two countries has created opportunities to share technology and processes for optimizing transportation and supply chain management. Logistics companies from both Singapore and the U.S. have collaborated to provide cargo transportation, storage and distribution services, and to manage global supply chains. This has contributed to enhancing the efficiency and flexibility of *supply chains and helping companies optimize their operations in the global market*.

### 4.3. Forging Alliances: The Pillars of Singapore-U.S. Defense and Security Cooperation

Although Singapore and the United States do not have a formal military alliance, security and defense cooperation has been a prominent and long-standing area of collaboration between the two countries. Before Prime Minister Lee Hsien Loong assumed office, many defense agreements had already been signed, including the U.S.-Singapore Customs Services Agreement, known as the Container Security Initiative (CSI), signed in 2003. The agreement allowed the U.S. to inspect cargo ships before they arrive in the U.S. However, Singapore rejected an offer from President George W. Bush in 2003 to become a Major Non-NATO Ally of the U.S., as this status could be perceived by China and other major countries as a decision by Singapore to pick a side, which could also provoke suspicion from neighboring predominantly Muslim countries, Indonesia and Malaysia.

During Prime Minister Lee Hsien Loong's visit to the U.S. in 2004, Singapore and the U.S. continued to negotiate the Singapore-U.S. Strategic Framework Agreement, which outlined clearer military and security relations between the two countries. In July 2005, President George W. Bush and Prime Minister Lee officially signed the agreement. The driving force behind this agreement was a shared recognition of global security threats, such as international terrorism, the risk of proliferation of weapons of mass destruction, and dangerous technologies. The goal of the agreement is "to strengthen the long-term security of both nations and to successfully cooperate between the U.S. and Singapore to counter these threats and promote peace and stability in the Asia-Pacific region" (SFA, 2005). The agreement consists of four provisions. In Article 1, both sides outlined the principles and beliefs that form the basis of the agreement. The principles state that "the strong U.S. military presence is crucial to peace and stability in the region," while the beliefs emphasize that: A strong self-defense capability, combined with positive international relations, contributes to the enhancement of peace and regional stability; Cooperation between like-minded countries in defense and security issues is essential to effectively address the threats to peace and stability; and The defense and security cooperation between the U.S. and Singapore benefits both countries and the region.

Building on these principles and beliefs, Article 2 affirms the two nations' desire to expand the scope of defense and security cooperation as reflected in the Memorandum of Understanding (MOU) signed in 1990, particularly regarding the use of U.S. facilities in Singapore and related agreements. In this provision, the U.S. acknowledges Singapore's important role as a vital security partner and its position in the global network of strategic partnerships aimed at promoting "peace, stability, and the global fight against terrorism. From the content of the US-Singapore Strategic Framework Agreement signed on July 12, 2005, three key points are evident. First, it clarifies Singapore's position as an important security partner of the United States in the Asia-Pacific region. Second, it reaffirms the value of the 1990 Memorandum of Understanding regarding Singapore providing facilities for US military assets when accessing Singapore's naval ports. Finally, the US-Singapore defense cooperation is not only implemented in traditional security issues but also in non-traditional security concerns. In evaluating the Agreement, US Ambassador to Singapore Frank Lavin stated that the framework agreement is not a formal defense alliance, but it facilitates more joint exercises.

The signing of the Agreement has enabled Singapore to access US defense technology. Additionally, in 2005, the Protocol amending the 1990 Memorandum of Understanding, and the Defense Cooperation Agreement (DCA) was also signed. The purpose of the Protocol is to further strengthen defense cooperation between Singapore and the United States. It was built upon the SFA and expands cooperation in emerging and non-traditional security areas. In February 2012, a breakthrough in US-Singapore defense cooperation was made with the launch of the US-Singapore Strategic Dialogue. This mechanism was established as a response to the achievements in defense and trade cooperation and the new challenges in the Singapore-US relationship (such as transnational terrorism, the proliferation of weapons of mass destruction, and the need for quick responses to large-scale disasters in the region...). To promote the further development of the Singapore-US relationship and to "ensure the long-term protection of all our (Singapore and the US) common interests," leaders from both sides recognized the need to create a third pillar in their relationship: The Strategic Dialogue (SPD). SPD provides a framework for addressing these challenges and initiating cooperation to



promote the shared values between Singapore and the US. SPD also establishes a regular, institutionalized process through which the two sides can discuss cooperation in emerging regional structures like the East Asia Summit, ASEAN, APEC, and other regional organizations.

The legal basis for US-Singapore defense cooperation was further strengthened with the signing of the Enhanced Defense Cooperation Agreement (EDCA) in 2015. This agreement expands cooperation in areas such as humanitarian assistance and disaster relief, cyber defense, and counterterrorism. Based on these documents, the US-Singapore defense and security cooperation has been enhanced and implemented through several key activities, such as: Senior military exchanges and defense dialogues: Singapore and the United States frequently engage in high-level exchanges between military and government officials to discuss defense and security issues, share information, and assess regional and global developments. Military procurement: Singapore purchases most of its defense equipment from the United States, including fighter jets, air defense systems, and other weapon systems. It is the only Asian country participating in the Joint Striker Fighter (JSF) Program led by the United States. Since 2000, Changi Naval Base has allowed the US Navy to dock their transport aircraft carriers. Singapore is also one of the closest partners of the US in defense technology transfer. It is the only Southeast Asian country to receive US-made F-16, F-15 fighter jets, and missile launchers. Additionally, Singaporean forces enjoy special privileges, such as access to training courses and basic facilities in the US. Training and education cooperation: Singapore and the US often collaborate in training their military and security forces. This cooperation involves knowledge exchange, skill development, and experience in various fields such as military defense, counterterrorism, and crisis management. This partnership enhances the capabilities and expertise of the military and security forces of both countries. Bilateral exercises: Joint military exercises between the United States and Singapore have taken place for many years. These exercises aim to strengthen military cooperation, interoperability, and mutual understanding. Some key joint exercises include:

- "Lightning Strike": This exercise started in 1996 and is held alternately in Singapore and the United States. It allows both militaries to share tactics, techniques, and procedures and strengthens their relationship.
- Cooperation Readiness and Maritime Training (CARAT): CARAT is an annual naval exercise conducted since 1995, involving the US Navy and the Republic of Singapore Navy (RSN) to enhance maritime skills and reinforce their relationship. CARAT consists of various training activities both on shore and at sea.
- Pacific Griffin: This biennial maritime exercise started in 2017 between the US Navy and the Singapore Navy. The exercise focuses on enhancing combined maritime proficiency and deepening their partnership, including anti-submarine warfare, maritime combat, and air defense operations.

Multinational exercises: In addition to bilateral exercises, Singapore and the United States may also participate in multinational military exercises with other countries, such as Cope Tiger (a three-nation air exercise involving the Singapore, Thai, and US Air Forces), Cobra Gold (the largest military exercise in Asia-Pacific involving 26 countries), and RIMPAC (Rim of the Pacific, the world's largest multinational maritime exercise). These cooperative activities not only enhance the defense capabilities of both countries but also demonstrate their shared commitment to maintaining security and stability in the region. Singapore and the United States also cooperate on non-traditional security issues, such as cybersecurity, environmental security, and health security.

## 5. Conclusions

The Singapore-US relationship during Prime Minister Lee Hsien Loong's tenure represents a continued evolution of the traditional ties between the two nations. However, the rapid changes occurring in the international and regional contexts—encompassing political, security, economic, scientific, and technological shifts, as well as the evolving cooperation needs of both countries—have led to significant breakthroughs in this relationship. First, under Prime Minister Lee Hsien Loong's leadership, the most important legal documents that laid a solid foundation for the development of Singapore-US relations were signed. These include the 2005 Strategic Framework Agreement, the Singapore-US Strategic Partnership (2015), and the Memorandum of Understanding extending the 1990 Memorandum on providing facilities for US warships and aircraft visiting Singapore. Second, the Singapore-US relationship now features a third pillar: the Singapore-US Strategic Dialogue, in addition to the traditional pillars of Trade and Defense Security. This third pillar not only strengthens and solidifies the relationship but also makes it more proactive and dynamic, particularly in addressing the non-traditional security challenges that this relationship has faced and will continue to confront.

Third, the robust development of Singapore-US relations since Prime Minister Lee Hsien Loong assumed office has created the conditions to elevate their partnership to a Strategic Partnership. This is a high-level designation in international relations, which has allowed both sides to deepen traditional cooperation and expand into new areas, contributing to the mutual development and security needs of each country in the new global context. Lastly, in the relationship between Singapore and the US during Prime Minister Lee's leadership, defense security, trade and investment, and people-to-people exchanges have been the most developed areas. The underlying reason for this progress is the importance that both Singapore and the US place on each other in terms of their security and development, alongside the shared benefits that have strengthened their partnership.



**Author Contributions:** Conceptualization, T.T.H.; methodology, T.T.H.; software, T.T.H.; validation, T.T.H.; formal analysis, T.T.H.; investigation, T.T.H.; resources, T.T.H.; data curation, T.T.H.; writing—original draft preparation, T.T.H.; writing—review and editing, T.T.H.; visualization, T.T.H.; project administration, T.T.H.; funding acquisition, T.T.H. Author has read and agreed to the published version of the manuscript.

**Funding:** This research received no external funding.

**Institutional Review Board Statement:** Not applicable.

**Informed Consent Statement:** Not applicable.

**Data Availability Statement:** Not applicable.

**Acknowledgments:** The authors would like to thank the Duy Tan University, Vietnam for supporting this research and publication. The authors would also like to thank the reviewers for their constructive comments and suggestions.

**Conflicts of Interest:** The authors declare no conflict of interest.

## References

- Bolkcom, C. (2006). *F-35 Joint Strike Fighter (JSF) program: Background, status, and issues*. CRS report for Congress. Retrieved March 16, 2024, from <https://apps.dtic.mil/sti/pdfs/ADA518821.pdf>
- Bureau of Political-Military Affairs. (2023, April 12). *U.S. security cooperation with Singapore*. Retrieved November 14, 2023, from <https://www.state.gov/u-s-security-cooper-with-singapore/>
- EconomyWatch. (2010, June 30). *U.S. economic relations with Singapore*. Retrieved March 12, 2024, from <http://www.economicwatch.com/international-economic-relations-with-singapore.html>
- MINDEF Singapore. (2009). *Inauguration of RSAF F-15SG Fighter Detachment in U.S.* Retrieved April 16, 2024, from <https://www.nas.gov.sg/archivesonline/speeches/record-details/1c1ee1f4-23b0-11eb-b537-001a4a5ba629>
- MINDEF Singapore. (2023). *Singapore and U.S. Armies conclude Exercise Lightning Strike*. Retrieved November 14, 2023, from [https://www.mindef.gov.sg/web/portal/mindef/news-and-events/latest-releases/article-detail/2023/September/20sep23\\_nr](https://www.mindef.gov.sg/web/portal/mindef/news-and-events/latest-releases/article-detail/2023/September/20sep23_nr)
- Minh Anh. (2016). *Trung Quốc - Singapore và “sóng gió” trên Biển Đông*. Retrieved May 1, 2024, from <https://toquoc.vn/trung-quoc-singapore-va-song-gio-tren-bien-dong-99154756.htm>
- Ministry of Foreign Affairs of Singapore. (n.d.). *About Singapore-US relations*. Retrieved March 9, 2024, from <https://www.mfa.gov.sg/Overseas-Mission/Washington/About-Singapore-US-Relations>
- Moore, R. (2023, June 26). *U.S. and Republic of Singapore Navies conduct Exercise Pacific Griffin 2023*. Retrieved November 14, 2023, from <https://www.cpf.navy.mil/Newsroom/News/Article/3439683/us-and-republic-of-singapore-navies-conduct-exercise-pacific-griffin-2023/>
- Observatory of Economic Complexity. (n.d.). *Singapore exports, imports, and trade partners*. Retrieved May 19, 2024, from <https://oec.world/en/profile/country/sgp#historical-data>
- Office of the United States Trade Representative. (n.d.). *Singapore Free Trade Agreement*. Retrieved November 14, 2023, from <https://ustr.gov/trade-agreements/free-trade-agreements/singapore-fta>
- Office of the United States Trade Representative. (n.d.). *Singapore - United States trade*. Retrieved May 6, 2024, from <https://ustr.gov/countries-regions/southeast-asia-pacific/singapore>
- Prime Minister's Office Singapore. (2017, October 24). *Joint statement by the Republic of Singapore and the United States of America*. Retrieved July 5, 2024, from <https://www.pmo.gov.sg/Newsroom/joint-statement-republic-singapore-and-united-states-america>
- Statista. (n.d.). *Foreign direct investment position of the United States in Singapore from 2000 to 2022*. Retrieved November 14, 2023, from <https://www.statista.com/statistics/1398739/united-states-direct-investments-singapore/>
- Statista. (n.d.). *Volume of U.S. exports of trade goods to Singapore from 1985 to 2023*. Retrieved May 6, 2024, from <https://www.statista.com/statistics/186482/volume-of-us-exports-of-trade-goods-to-singapore-since-1985/>
- The White House - Office of the Press Secretary. (2016, August 2). *Joint statement by the United States of America and the Republic of Singapore*. Retrieved May 24, 2024, from <https://obamawhitehouse.archives.gov/the-press-office/2016/08/02/joint-statement-united-states-america-and-republic-singapore>
- The White House. (2021, August 23). *Fact sheet: Strengthening the U.S.-Singapore strategic partnership*. Retrieved May 1, 2024, from <https://www.whitehouse.gov/briefing-room/statements-releases/2021/08/23/fact-sheet-strengthening-the-u-s-singapore-strategic-partnership>
- Thời báo Kinh tế Vietnam (translated context). (2004). 78.7% hàng Singapore vào Mỹ được miễn thuế. Retrieved June 12, 2024, from

- U.S. Embassy in Singapore. (2021, April 4). *U.S.-Singapore relations*. Retrieved April 30, 2024, from <https://sg.usembassy.gov/u-s-singapore-relations/>
- U.S. Embassy in Singapore. (2021, June 21). *U.S.-Singapore relations at 55: Our shared past and future*. Retrieved May 2, 2024, from <https://www.pacom.mil/Media/News/News-Article-View/Article/2664936/us-singapore-relations-at-55-our-shared-past-and-future/>
- United States and Republic of Singapore. (2005). *Strategic framework agreement for a closer cooperation partnership in defense and security*. Retrieved June 10, 2024, from <https://2001-2009.state.gov/documents/organization/95360.pdf>