

**Singapore**

## Singapore PM warns of regional fallout from US-China tensions

Lawrence Wong says 'intensifying rivalry' between Beijing and Washington is his nation's biggest concern



Lawrence Wong said that irrespective of who won the November presidential elections in the US, 'it's clear that America's attitude towards China is hardening' © Edgar Su/Pool/AFP via Getty Images

**Chris Wright** in Singapore YESTERDAY

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Singapore's prime minister has warned that raising tensions between the US and China will have an impact on the city state's economy and the broader region.

Lawrence Wong, who took office in May, said on Sunday in a national address that the "intensifying rivalry" between Washington and Beijing was Singapore's single biggest geopolitical concern.

"The mutual suspicion and distrust will continue," affecting international trade, security and co-operation, he said. "As a small country, totally reliant on trade and a stable global environment, we are bound to be impacted."

[Singapore's](#) trade to GDP ratio stood at 311 per cent in 2023, one of the highest figures in the world, according to the World Bank.

Wong said irrespective of who won the November presidential elections in the US, "it's clear that America's attitude towards China is hardening. Meanwhile, China is convinced that America is trying to contain it and suppress its rise." Both the Trump and Biden administrations have ratcheted up tariffs on Chinese products, which Beijing responded to with countermeasures.

The US provides much of [Singapore's military capability](#), while China is the city

state's biggest trading partner. Maintaining good relations with both is a priority for Singapore, but also an increasing challenge.

Wong also warned of a changing global manufacturing map. Where once developed countries outsourced production to cheaper locations in Asia, “that era is over”, he said, noting that the US, China and European countries wished to reshape supply chains in their favour.

The US and EU have both sought to reduce reliance on Chinese supply chains, favouring [nearshoring](#) strategies: in 2023 the US bought more goods from Mexico than China for the first time in 20 years, according to the US Department of Commerce.

Singapore, the world's [largest transshipment hub](#), has not yet seen an impact on its own role in trade — total container volumes in the first five months of the year were up 7.7 per cent year on year, according to the Maritime & Port Authority of Singapore — but the country is potentially vulnerable to supply chain realignment.

The National Day Rally speech is considered the country's most significant annual political event, usually accompanied by domestic policy initiatives. Not only is this Wong's first such address as prime minister, but it is likely to be the last before Singapore holds a general election, which must take place before November 2025, but is widely expected to be held earlier.

Speaking in Malay, Mandarin and English Wong focused on policies concerning education, families and public housing availability. He highlighted the need to keep Singapore's multi-ethnic population cohesive and financially included.

“We have seen what happens in other countries when the broad middle falls behind: societies begin to fracture and collapse,” he said. “Do not assume this cannot happen here. It can.”

