

Answer **all** questions.

Living in a Globalised World

Study the Background Information and the sources carefully, and then answer all the questions.

You may use any of the sources to help you answer the questions, in addition to those sources which you are told to use. In answering the questions, you should use the knowledge of the issue to help you interpret and evaluate the sources.

1 Study Source A.

What can you learn from this source about economic restructuring? Explain your answer using details from the source. [5]

2 Study Sources B and C.

How similar are these two sources? Explain your answer. [6]

3 Study Sources D.

How useful is this source as evidence about the challenges faced by local workers during economic restructuring? Explain your answer. [7]

4 Study Source E and Source F.

Having read Source E, are you surprised by Source F? Explain your answer. [7]

5 'Economic restructuring is necessary to secure Singapore's future survival.'
Using the sources in this case study, explain how far you would agree with this statement. [10]

Is economic restructuring beneficial for Singapore?

BACKGROUND INFORMATION

Read this carefully. It may help you to answer some of the questions.

As a small, resource-scarce economy, Singapore regularly undergoes economic restructuring—shifting away from older, lower-cost industries toward newer, towards high-value, tech-driven frontier industries to stay competitive against global changes and rising domestic costs.

Under the "Manufacturing 2030" vision, the government introduced a "Twinning Model" via the Johor–Singapore Special Economic Zone (JS-SEZ). This strategy encourages companies to base high-value research and regional headquarters in Singapore, while relocating physical factory operations to lower-cost neighbors using AI and automation.

Central to this is the "Twinning Model" under the Johor–Singapore Special Economic Zone (JS-SEZ) framework inspired by the Shenzhen–Hong Kong cross-border economic cooperation model. While this framework aims to create over 20,000 high-skilled jobs by 2030, the rapid shift has closed or relocated long-standing local factories, displacing specialized workers. This has sparked national debate over how to balance Singapore's status as a global economic hub with the need to safeguard local job security and citizen well-being.

Study the following sources to find out the extent to which economic restructuring benefits Singapore.

Source A: A collection of photographs published in the Global Times, a Chinese state-owned newspaper, showing the process of economic restructuring in Shenzhen under the Shenzhen–Hong Kong cross-border economic cooperation model.



Source B: *An article from the Enterprise Singapore portal, published in June 2026. Enterprise Singapore is a statutory board under Singapore's Ministry of Trade and Industry that champions enterprise development.*

Today, companies are increasingly “twinning” by establishing complementary operations across borders. Old Chang Kee’s expansion into Johor’s Setia Business Park exemplifies this. While its Singapore headquarters anchors the core brand identity, the Johor facility runs localized R&D and production to serve Malaysian retail outlets, strengthening its manufacturing base for future growth.

Twinning also facilitates broader regional joint ventures. Singapore’s Agropcorp International partnered with Japan’s Megmilk Snow Brand to build a plant-protein extraction facility in Johor. This investment anchors a sustainable food manufacturing hub in Asia, positioning Agropcorp to meet surging regional demand for plant-based foods. Supporting this cross-border growth is a robust ecosystem. The JS-SEZ Joint Project Office—established by Singapore's Ministry of Trade and Industry, Enterprise Singapore and the Economic Development Board offers direct guidance for companies exploring these regional opportunities.

Source C: *An excerpt from a comment posted on a Singaporean online discussion forum in June 2026, discussing business strategies within the Johor–Singapore Special Economic Zone (JS-SEZ).*

The JS-SEZ is misconstrued if people assume it is meant for Singaporeans to find employment there. Its true function mimics the early Shenzhen–Hong Kong model, where higher-cost economies establish businesses across the border to exploit cheaper labour and lower rent while selling products at premium international prices.

Historically, enterprising Hong Kongers capitalised on tax differentials and the cost gaps between the two regions to make a profit, but success required deep fluency in the local language and a strong grasp of mainland business culture.

Similarly, the JS-SEZ offers massive expansion opportunities for large corporations, but navigating it demands deep localised knowledge and cultural literacy. In this regard, Malaysian professionals in working in Singapore are far ahead of Singaporeans, who often lack the linguistic agility and regional familiarity required to conduct business effectively on the ground.

**Linguistic Agility is the ability to quickly adapt your communication style, vocabulary, and tone to suit different audiences, cultures, or contexts.*

Source D: *An excerpt from a letter by Ives Tay, a veteran workforce specialist and former SkillsFuture framework manager, published in The Straits Times Forum in June 2026.*

Introducing “career bridges” to help workers navigate disruption from artificial intelligence and automation is welcome. As technology reshapes industries, helping workers transition into new occupations is increasingly important. However, successful workforce transitions depend not only on the bridge itself, but also on what awaits workers on the other side. Many mid-career Singaporeans are willing to reskill, yet they worry about whether employers will hire them, whether they will face age-related barriers, and whether they can sustain significant wage reductions while supporting their families. These are structural labour market challenges. Career bridges may fall short if they do not address “destination risk”—the deep uncertainty of securing meaningful employment after retraining. Ultimately, workers do not judge a programme by whether they completed the bridge. They judge it by whether they successfully arrive at a viable destination.

Source E: *An excerpt from a written parliamentary reply by the Minister for Manpower in September 2025, addressing public concerns regarding economic restructuring.*

In a dynamic economy, there will be continual creation and destruction of jobs. Our approach is to safeguard workers by helping them move on to new jobs over time, rather than to save uncompetitive roles. Saving jobs that are no longer productive hinders the long-term growth of better opportunities. The Government has set aside over \$600 million for the Enterprise Workforce Transformation Package to support firms in this workforce transformation, and over \$10 billion is invested in local workforce upskilling and reskilling initiatives, including Career Conversion Programmes. The newly launched SkillsFuture Jobseeker Support scheme will also provide direct financial assistance for involuntarily displaced workers to help them bounce back stronger from employment setbacks. At the same time, we have embarked on the Economic Strategy Review to offer career bridges to secure good opportunities for our businesses and workers.

Source F: *An excerpt from a public social media post by a Singaporean technology professional, published in June 2026.*

Gary Tay, who worked as an AdTech Business Support Engineer at Meta, shared on LinkedIn that he was laid off after spending 3,544 days at the company, nearly nine years and nine months. “Yesterday I was training up my new pod engineer, glad I managed to squeeze in everything. Today. I’m laid off,” he wrote.

In his post, Tay explained that he had spent the last year learning AI tools and building systems to improve work processes for teams. “This year was exceptional. Spent a huge amount of time retraining myself with AI and developing systems for the teams. Speed up workload by 2-300%. AI is here to stay, apparently the human isn’t,” he wrote. Meta has reportedly started laying off nearly 8,000 employees globally as part of a restructuring plan focused on cost-cutting and increasing investments in artificial intelligence.

Acknowledgements:

- Source A <https://x.com/globaltimesnews/status/1960311277114552434>
- Source B <https://www.enterprisesg.gov.sg/resources/blog/scale-smart-increase-capacity-while-reducing-costs-with-twinning-operations-in-the-js-sez>
- Source C https://www.reddit.com/r/SingaporeRaw/comments/1j1h1wa/so_how_does_the_singapore_johor_sez_benefit_the/
- Source D <https://www.straitstimes.com/opinion/forum/forum-vital-that-career-bridges-lead-to-meaningful-jobs>
- Source E <https://www.mom.gov.sg/newsroom/parliament-questions-and-replies/2025/0923-written-answer-to-pq-on-anxiety-about-job-security-and-safeguarding-job-stability>
- Source F <https://www.businesstimes.com.sg/lifestyle/health-wellness/singapore-workers-experiencing-rising-anxiety-signs-fallout-pressure-use-ai>