The Rule of Law as Economic Infrastructure

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A financial centre sells promises. A bank accepts a deposit on the promise of repayment. A fund manager takes a mandate on the promise of loyalty and care, while a trading house finances a cargo on the promise that the documents describe goods which exist. Every one of these promises is worth only as much as the institutions that enforce it. Investors who place capital in Singapore are therefore buying, along with an interest rate or a management fee, access to its courts, to its statute book and to an administration that does not ask for bribes. This chapter examines that infrastructure, which is invisible in the balance sheets of financial institutions and yet present in every one of their contracts.

Chapter F.III of the Geneva volume examined the same question for the city on the Rhône under the heading of Geneva as a *place de droit*, a centre of law. It described the Swiss law of international arbitration, the role of the Federal Supreme Court in annulment proceedings and the debate over a commercial court for Geneva. It concluded that the reputation of a centre of law rests on the quality of its courts, the independence of its arbitrators and the integrity of its practitioners.[1] Singapore offers a striking parallel and a striking difference. The parallel lies in the result, since both cities are regarded by investors as places where contracts are enforced and

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property is safe. The difference lies in the political setting. Geneva is a canton of a federal democracy with direct popular votes, whereas Singapore has been governed by a single party since 1959[2] and combines a strong executive with courts that are widely respected for commercial work.

The chapter continues the argument of Part A and of Chapter B.I, which traced the reception of English law, the Charters of Justice and the colonial Supreme Court. It examines the judiciary of the independent republic, the fight against corruption and the role of the Corrupt Practices Investigation Bureau, legal certainty as a factor in the competition between financial centres, the international rankings in which Singapore performs so well and the questions those rankings leave open. It ends with the most difficult question: what the rule of law means in a strong state, and why a government with a large parliamentary majority has bound itself to rules that its own courts and investigators enforce. Arbitration and the Singapore International Commercial Court belong to Chapters F.II and F.III. Anti-money laundering, sanctions and corporate criminal liability belong to Part H.

Essentials

The judicial power of Singapore is vested by Article 93 of the Constitution in the Supreme Court and the subordinate courts, whose judges hold office until the age of 65 and can be removed only on the recommendation of a tribunal. Since 2 January 2021 the Supreme Court has comprised the Court of Appeal and a High Court divided into an Appellate Division and a General Division, which includes the Singapore International Commercial Court. Appeals to the Privy Council ended on 8 April 1994. The Corrupt Practices Investigation Bureau, founded in September 1952, enforces the Prevention of Corruption Act of 17 June 1960, which reaches both the public and the private sector. In 2025 Singapore ranked third of 182 countries in Transparency International's Corruption Perceptions Index and sixteenth of 143 in the World Justice Project's Rule of Law Index, with high places for the absence of corruption, regulatory enforcement and civil justice and lower places for constraints on government powers, open government and fundamental rights. The prosecution and imprisonment of a former transport minister in 2024 showed that the anti-corruption regime applies at the top of government.

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Notes

1. Ressos, *Genève, place financière internationale*, partie F, chapitre III, « Diplomatie économique et règlement des différends : Genève, place de droit », section « Ce que la place de droit apporte à la place financière » (manuscript opened November 2026): the reputation of Geneva as a *place de droit* rests on the quality of its courts, the independence of its arbitrators and the integrity of its practitioners. ↩
2. Wikipedia, "Politics of Singapore" (accessed November 2026): Singapore has been "governed by the People's Action Party (PAP) since 1959". ↩

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