S’pore’s social policies: New normal or still an exceptional system?

As circumstances change, the key lies in crafting new policies that combine the left’s social empathy with the right’s ethic of personal responsibility.

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For The Straits Times

Public policy announcements are always the welcome issue, but here, an enhancement there. Few, however, pause to reflect on what these measures amount to. Occasionally, the Government may string together a narrative for social policy, such as during the Budget debate or Committee of Supply, but the micro details of policy remain largely shrouded in secrecy.

As a director at the Ministry of Finance from 2006 to 2016, I felt that there was a story worth telling about how Singapore has quietly but systematically overhauled its socioeconomic system since the turn of the century. We started with a system that was a significant outlier in terms of social protection. In 2004, National University of Singapore professor M. Ramesh described Singapore as "a special case in the region" because of its intensity in resisting the expansion of state programs for income protection, and because of the extent to which it had been able to individualize and depopulate social programs. The concentration of urban and rural areas in the city-state makes it difficult to conceptualize and analyze its programs.

Nevertheless, this has also widened inequality and driven up the cost of living. Maintaining social mobility has brought ever more difficulty for Singaporean society, straining with the affluent passing on accumulated wealth and economic advantages to their children.

Entering the 21st century, these challenges have necessitated a rebalancing between state social responsibility and personal effort, with more government support but also a greater burden on the workforce.

Structural changes have been needed. Notably, the central government has undertaken initiatives in boosting the economy, fostering innovation, and increasing the participation of private sector in the socio-economic process. However, the principle themselves have been interpreted more broadly to accommodate new forms of support.

END OF EXCEPTIONALISM?

Does this, then, signal the end of Singapore exceptionalism in social policy? Certainly, a case can be made that Singapore has hewed to the same pressures faced by many other advanced economies and managing societies, in designing social policy changes, how the Government has hewed to its principle of upholding individual responsibility and personal effort. For instance, Workfare Income Lift and CPF Grant are examples of the shift towards social protection, the question is now more one of how to sustain the social compact in the face of economic volatility and the relentless upward pressure on inequality.

With Covid-19 and climate change affecting the structural and demographic driving forces of Singapore’s economy and society, it is timely to reflect on this. The Government can continue to increase the coverage and support rate of schemes such as Workfare and Silver Support.

Savings, including those from self-reliance in education and skills, are important to foster a more diverse workforce and to ensure that Singaporeans become adaptable to future changes. It is also important to offer lower-cost options to Singaporeans.

This system will require, as Senior Minister Tharman Shanmugaratnam has described the “social empathy and solidarity” advanced by the left, and the right, particularly in managing expenditure, in a way that comes with being global citizen.

Finally, public agencies must be attuned to social needs, both real and perceived, which have expanded with the rising costs of living and the need to adapt to a changing society.

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