IPS Institute of Policy Studies

IPS Closed-Door Discussion on "Time Banking: A Potential Game-Changer for Singapore Society"

Yvonne Arivalagan
IPS Research Assistant

ON 26 May 2017, the Demography and Family research cluster organised a closed-door discussion (CDD) as a follow-up to the Institute of Policy Studies (IPS) Action Plan series held in 2016. The discussion was moderated by IPS Senior Research Fellow Christopher Gee, who began the discussion with a presentation on the main concepts behind time-banking, and its potentials and limitations. Guest speaker, Dr Walter Theseira from the Singapore University of Social Sciences, provided a market economist's perspective on the topic. Also invited as guest speakers were Amy Tan, co-founder and Chief Operating Officer of *Hourvillage*, and Sunny Tham, founder of *Kuiddle*, both time-sharing platforms set to be launched soon in Singapore.

IPS Senior Research Fellow Christopher Gee (standing) presented the opening remarks.

Time-banking is based on exchanging services and skills for time instead of money. When a member of a time bank spends an hour helping another person, she receives that hour

credited into her account, which she can then use to exchange for help from other members. Everybody's hour is valued equally. Time-banking operates on the notion that there is more productive capacity in a socio-economic system than that defined by the market. Social services are provided, usually by the government or voluntary welfare organisations (VWOs), to people in need when market mechanisms fail to meet these needs. However, this fails to value the contributions that can be made by the individuals who are in need themselves. Such market mechanisms signal that there is nothing that a person in need can do to contribute to society, a mindset which, at its worst, can lead to dependency on the services being rendered. Instead, time-banking operates through a system of co-production, by valuing the assets that exist in individuals (particularly, those who are undervalued by the market economy) and harnessing this value to generate more from the money we have available.

In this way, time-banking provides individuals with a "living resumé" or a real-time record of societally productive work. This can be especially beneficial to an aged society, where the elderly, who are deemed by the market as no longer "productive," can continue to provide help to others and be appropriately valued for it. Time-banking also reduces the burden on traditional public service delivery models by mobilising members of the community to assist one another. The ubiquity of technology, in the form of sharing economy applications, platforms and payment systems further enable the widespread adoption of time-banking.

While time-banking is unlikely to be superior to cash-exchange markets, which are already being used to trade a myriad of services from ride-hailing (Uber) to delivering groceries (honestbee), it is more likely to succeed in markets where there are strong social norms prohibiting market-based exchange. For example, there are moral limits on paying for love, marriage or your child's place in an elite school and motivational limits on receiving payment for certain services — a highly paid lawyer may not want to receive $10 an hour to care for her neighbour's children, but may do it as a favour or for social recognition. It may hence be more advantageous to focus time-bank trades on areas where such limits exist.

The value of a time-banked hour also depends entirely on the supply of informal labour. In an aged society, labour grows scarce and older persons may need to receive more services than they can provide, thus creating a deficit. Time-banked hours are then more likely to resemble a "pay-as-you-go" claim than a reliable retirement asset. This could also pose challenges within a time-banking system like inflation or rationing.

Ms Tan introduced *Hourvillage* as a social enterprise that seeks to build new communities in urban areas with the goal of recreating the villages of old. *Hourvillage* can also provide insights on how people spend their time and serve as a tool for talent discovery. Donation of time credits is also possible in this platform, which is premised on co-production among its members. Next, Mr Tham outlined that in addition to matching needs with services, *Kuiddle* uses gamification by awarding "points" to helpful deeds performed by members of the community. *Kuiddle* also seeks to recreate a "kampung spirit" in Singapore and thus become self-sustaining. However, challenges faced include a mismatch between volunteers and the needy or VWOs and recruiting and retaining volunteers.

Discussion

A participant asked how time is equated to value in a time-banking community, especially if a service is provided in just a few minutes, such as reminding someone to take their medication. The response was that while that act of providing the service may not cost much, it is of immense value to the recipient. The willingness of participants to exchange an hour of time credit in exchange for a few minutes of help is also vital in time-banking. Market mechanisms could help with valuing time, as an hour's worth of time credit in exchange for a few minutes of service is more likely to have takers compared to someone demanding many services in exchange for the same hour.

A time-banking system could also run a deficit, especially if some individuals, such as the elderly, are short of time credits to exchange for services. It may hence be necessary to let the system run a deficit because some individuals may be more needful than others. However, elderly persons' capabilities and dependencies vary — about 60 per cent of Singapore's expenditure on the elderly is consumed by just 10 per cent of the elderly population. Ageist attitudes about older persons' capabilities should not obscure the potentials of time-banking.

Another concern that many participants had was regarding the enforcement of good behaviour within a time-banking community. In an ideal situation, social sanctions and moral codes would ensure that people do not game the system. However, given the recent spotlight on the irresponsible treatment of bicycles leased out by bike-sharing companies like "oBike", there remained doubt over this society's readiness to engage in a system premised on trust. It may thus be better to launch time-banking within smaller community networks such as churches or interest groups as a stronger sense of shared spirit already exists in these spaces. A time-banking system could be an opportunity to build a sense of community

at the national level, with the government or a VWO as intermediary. A national time-banking platform could also consist of multiple offerings addressing different needs in the community, which nonetheless remain bound by a common purpose.

Linked to this is the issue of trust, both in the community and in whether a time bank will still be available in the future. A single log-in and single posting system which links multiple time-banking platforms may be a solution to this problem. Block-chain technology could also track time-banked exchanges over time and also create immutable records of people's exchanges which may be more difficult to falsify. The government could also be a guarantor of the sustainability of time-banking platforms over time. This guarantor role would possibly also extend to ensuring that certain training guidelines or safety procedures are met before services are rendered and that the value of some services is not inflated. Ultimately, a culture of trust among members and a shift away from the prevailing market mindset that values services only insofar as their dollar-value remains crucial for the success of a time-banking community.

Yvonne Arivalagan is a Research Assistant with the Demography and Family research cluster at IPS.

<center>*****</center>

If you have comments or feedback, please email ips.update@nus.edu.sg

<center>Lee Kuan Yew School of Public Policy
National University of Singapore</center>