Institute of Policy Studies

IPS Closed Door Discussion, 27 April 2011:

"The Role of the Four 'E's in Enhancing Social Mobility"

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Background

On 27 April 2011, IPS organized a closed door discussion (CDD) on "The Role of Four 'E's in Enhancing Social Mobility".

Historically, social theorists have recognised social mobility as having the function to be a safeguard societal harmony, by helping to defuse class conflict and promoting social stability by reinforcing "meritocracy" and "equality of opportunity".

Between February and March this year, the state of social mobility and income inequality in Singapore generated extensive debate in parliament. The 2011 Singapore Budget also designated $3.4 billion in social investments to improve the life opportunities for the low-income families. As improving social mobility for those in the lower income group has been one of the key aims of the government, IPS has sought to examine at what more can be done to reinforce government efforts to improve the livelihood and mobility of this group. IPS researchers thus identified four important ways to approach social mobility, through *Education*, *Employment*, *Enterprise* and *Empowerment*.

With aspects of these 4 'E's in mind, the objective of the CDD on 27 April was to re-evaluate existing routes for social mobility and seek out other constructive ways forward that policy makers in Singapore could consider to improve opportunities for social mobility. This session featured a panel of speakers comprising academics and an individual running a social enterprise. The group of thirty participants included representatives from academia, social services and various government ministries. Operating under Chatham House Rules of confidentiality, the CDD was intended to generate a frank and open exchange of views on the issue of social mobility.

Key Issues Raised by Panel Speakers

Dr Ho Kong Weng, an economist from Nanyang Technological University opened the session with a presentation examining the causes of income inequality in Singapore, namely the forces of globalisation and economic liberalisation. While the influx of unskilled foreign labour has caused a stagnation of unskilled wages for the lowest income groups, the competition for foreign investment has led to downward revisions of marginal income and corporate tax rates over the years with mobile talents in Singapore commanding internationally competitive wages. These factors had led to a widening income gap between

rich and poor. In the early years of Singapore's industrialisation, education had been an effective channel for mass upward social mobility, but it had become less effective in improving intergenerational mobility[1] in recent years. As a result, parental education and occupation have become leading indicators for educational and subsequently income earning outcomes for the younger generation. While previous studies had concluded that the primary channel of upward mobility in Singapore had been sustained economic growth between the 1960s and 1980s, Dr Ho noted that if Singapore's economic growth going forward is skills-biased, skilled parents would have a stronger ability to influence their children's outcomes and hence offset the effect that a growing economy should have on improving the mobility of lower income groups.

However, Dr Ho also noted the impact of non-economic trends, such as increasing divorce rates in Singapore. The impact of family disruption had also had a negative impact on the educational and income mobility of youth between 1980 and 2009. Finally, Dr Ho noted that while parental education and occupation affect the educational and job attainment of youth, findings from the Singapore National Youth Survey (NYS) in 2005 suggested that family support also mattered in the formation of youths' personal life aspirations. Hence, both economic and non-economic human capital investments by parents mattered significantly towards the well-being of youth.

Dr Irene Ng YH from the Department of Social Work at the National University of Singapore (NUS) presented her own and other scholarly findings on intergenerational income mobility in Singapore with a comparative analysis through time and across countries. On a scale of international comparisons, countries like the United States (US) and the United Kingdom (UK) experienced relatively lower mobility. Studies had found that mobility in the US was generally lower than in Europe due to higher costs of tertiary education. However, an expansion of university participation in the UK disproportionately benefited affluent youth more than those in the lower income bracket, and research on international trends in mobility suggested a trend of decreasing mobility in the UK. On the other hand, there was general consensus that strong welfare states such as the Nordic countries had the highest mobility and also a trend of increasing mobility over the years. A study of institutions and systems revealed that this trend of increasing mobility in Finland coincided with a period of comprehensive school reform between 1972–1977 where schools' two-track system was replaced by a uniform nine-years and streaming between academic and vocational tracks was shifted from age 11 to age 16; these reforms were found to increase mobility by 23%. Hence, the experiences of other countries might suggest that education structure and reform may have a part to play in affecting mobility.

Dr Ng's results from the NYS in 2002 found that mobility in Singapore then was similar to the US, and similarities between the two systems included a differentiated education system, economic structure that included low union power and worker protection, and a more residual welfare model. Relative to other countries at a similar economic stage, Dr Ng noted that Singapore placed at the low end of income mobility trends. Relating findings from the NYS 2010 survey, Dr Ng said that there might be an improvement in mobility overall,

[1] Intergenerational mobility measures the extent to which an individual's income depends on his or her parental income. 'Perfectly mobile' would mean an equal likelihood of ending up anywhere on the education and income spectrum of outcomes regardless of parental income; 'perfectly immobile' would mean a complete dependence on parental income.

although there might be more persistence among low-income families. She also noted that increased immigration might have altered the overall beta values of her survey, as her values for mobility were higher when Permanent Resident families were included. While absolute income mobility existed in Singapore, Dr Ng felt that intergenerational mobility would be an increasing challenge going forward, due to an increasing class divide resulting from trends of increasing socialisation within each class.

Dr Vincent Chua, from the Department of Sociology at NUS focused on the subject of how social networks affect individual opportunities among Singaporeans. He noted that Singapore's meritocratic discourse emphasised the importance of education, for which ability and effort are keys to success. While research in the US has pointed to how networks lead to better "life chances" as people who rely on job contacts tend to obtain higher life earnings, most Singaporeans expect to get jobs through their own merit, credentials and skills attainment. However, he noted that the role of social networks ought to be considered as important not only to directly securing a good job, but because they provide a durable channel of useful resources and information. Ultimately, being embedded in highly educated networks of family, neighbours and friends leads to better job earnings in better job sectors, even if job contacts are not directly mobilised for the job. Research in the US had demonstrated that when lower educated people connected with higher educated counterparts, the former experienced better job outcomes. In a representative survey of Singaporeans of different educational attainments and housing types, he found that social capital is unevenly distributed in Singapore: the well-educated and wealthy have better networks; Chinese and Indians have better networks than Malays.

Dr Chua also raised some thoughts for educational policy considerations: first, while education remains important for social mobility, intense competition in Singapore schools may cause young people to be more individualist, resulting in less time and effort spent on building and inculcating the need for social capital. He noted that the academic struggle should not crowd out the benefits of cultivating social capital and civic consciousness in schools. Second, he suggested that working class children be provided more opportunities to build social relations with those in society's upper echelons, while the wealthy be encouraged to help less well-off children. Hence, he wondered if there were further means for racial and class integration in Singapore to be improved. He noted that certain practices such as "legacy admissions" in elite primary schools tended to reproduce inequality and segregated social milieus, and could lead to the rich accumulating social capital at the expense of the poor. Third, while educational bursaries for lower-income children were important, the help they required should be extended to emotional health and esteem issues, and not simply a focus on equalising their material resources. This would require a step-up in the mentoring role of teachers, which they would only be able to fulfill effectively by ensuring that they were not saddled by administrative duties.

Mr Kenny Low, the founder and CEO of City College and O School, began his presentation by relating his experience with a reformed gang member, an example of his organisation's beneficiaries. He shared his experience as a social entrepreneur in private education, using alternative education as a means of inspiring youth who may have been derailed in Singapore's mainstream education system. He felt that many of such students had unfortunately fallen through the cracks of society or had been in trouble with the law, but deserved to be given a new lease of opportunities to move up in life. Unfortunately, he found

that there were few rehabilitative options for youth who had failed to succeed in mainstream schools.

After working with youth for several years, Mr Low was inspired to set up a private education institution that was highly value-driven, and would minimise failure and drop-out rates. Targeting dropouts, Mr Low explained that City College uses innovative teaching methods to help students complete tertiary education, and aims to strengthen the mentoring role of teachers in the lives of youth. To finance lower income youths who may not qualify for government bursaries, it sustains its operations by leveraging the for-profit programmes at O School, a performing arts school, to create a for-youths-by-youths funding model. Mr Low notes that his students come from a diversity of socio-economic backgrounds, but are given a second chance regardless of their backgrounds. He was convinced that the synergies produced in this social enterprise model were crucial for producing results. Noting that the Singapore government has produced a strong education system, he explained that social enterprises such as his own aimed to complement the system by playing a role in catching those who may have fallen through the cracks. This included youth whose unique talents, such as in dance, may be left unabsorbed by the economy, and whose talents are invested in by O school. In O School, dance teachers also carry dual portfolios as administrative staff, so that they are also trained in skills for a secondary career beyond dance. In addition, the dance-centred activities and events organised by O School have helped in youth engagement and community building across different groups, coming together for common social causes such as a recent “Dance for Japan” fundraiser.

Key issues Raised in the Discussion

The discussion among participants at the closed door discussion addressed significant concerns in regards to both research on mobility and policy concerns.

Participants raised the question of how the ideal level of social mobility in society could be determined. In a perfectly mobile scenario, parents’ background would have no relation to a child’s outcome at all, which could only result from children being estranged from their parents, an unrealistic scenario. Given the state of widening inequality in Singapore today, the issue of mobility was becoming increasing important and may highlight the need to find a more calibrated balance between policy goals of skills-biased economic growth and equality. It was suggested that the outcomes and conditions studied in other countries and systems are useful in providing a comparative basis for Singapore to be measured against and designing a balanced approach to improving mobility.

However, this was also a question of each society’s guiding values and priorities. For instance, one participant noted that Singaporeans tended to value individual self-reliance and meritocracy, while Europeans tended to ensure a minimum level of well-being for all. In some countries, high welfare spending had led to deficits, and many relied on heavy tax burdens on the rich. Despite this, social mobility had slowed over the last twenty years as a result of skills-biased growth in most countries around the world. The Nordic countries were the few exceptions who had managed to reverse the trend of decreasing mobility, while remaining economically dynamic and sustaining strong welfare states. Their experience and successes could perhaps be examined in more detail.

Participants also raised the question of what the optimal level of assistance to lower income families and children might be, without eroding values of meritocracy. There was concern about the "squeezed" middle class as well: it was noted that while lower income groups qualified for assistance schemes and education bursaries, well-to-do parents also had the ability to expend their own resources to give their children a leg-up to counter attempts by the Ministry of Education to equalise material resources across schools. This could result in a greater middle class squeeze that deserved careful attention.

There was also a lot of interest in the idea of creating networks across different socio-economic classes. It was noted that there may currently be a situation of "network hoarding" within elite school alumni networks, where personal connections were cultivated between members of family-like schools which were useful for the ability to fundraise, or secure information about internship and job opportunities. While this "network hoarding" might come at the expense of youth in neighbourhood schools, the formation of such networks could be studied for the purposes of improving cross-cultural and cross-class networks.

Participants also recognised the potential for mentoring across cultures and classes to close resource and opportunity gaps, and to improve the self-esteem and confidence of the younger generation. A development of mentoring programs would also leverage on Singapore's ageing population and the older generation's wealth of experience in areas such as entrepreneurship. Participants raised the point that encouraging Singaporeans to have a stake in investing in the education of others could be a good way of building networks across class lines, and could also help bridge the value systems between young and old.

Scope for Research and Policy

Apart from key issues The CDD raised in approaching social mobility, several research gaps were also raised. This included further scope for longitudinal studies on mobility in Singapore. While there has been absolute mobility in Singapore, there is a need to address relative mobility more closely – the difference in rates of income and educational attainment in the lower income group vis-a-vis the higher income group, as well as differences across ethnicity and gender. There may also be a need to examine the extent to which social inequality and mobility is mitigated or exacerbated by typical school and employment trends and practices in Singapore. From a policy perspective, the challenge is how to provide not only education and opportunities for all Singaporeans but how to also foster social capital and class-integration in an inclusive society. A broad range of issues continue to be connected to social mobility, such as physical and emotional well-being, housing, culture and social networks.

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

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