

Getting a measure of our resilience

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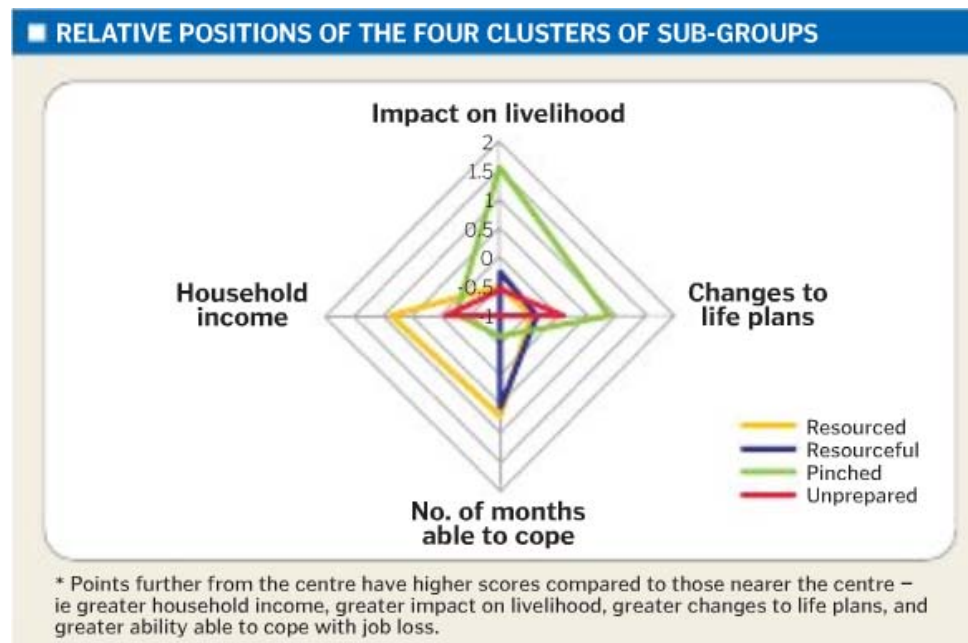
THE Institute of Policy Studies conducted a survey in February soon after the Budget was announced to ascertain how Singaporeans were coping with the downturn.

While the key findings of the survey have been reported in *The Straits Times*, further statistical analysis threw up four groups of people with different capacities for resilience. These findings may help us refine our social assistance system.

The Manpower Ministry has announced that the unemployment rate for Singaporeans and permanent residents hit a five-year high of 4.8 per cent in March. The threat of a flu epidemic adds a 'new dimension of risk' to Singapore's economic outlook, said the Monetary Authority of Singapore. We would not want to set a new record for unemployment, with the rate rising past the Sars level of 6.9 per cent in September 2003. But even as we hope for the best, we must plan for the worst. That is the essence of 'resilience'.

Resilience refers to the capacity of individuals and families to hold together body, mind and spirit in the face of adversity. Their ability to do so will depend on how well they are prepared for catastrophe; the type and level of resources they can draw on in difficult times - whether in the form of personal savings, help from family and friends as well as assistance from welfare agencies and the government; and their willingness to adapt to new circumstances.

We asked questions to ascertain our respondents' average monthly household income; how the crisis had affected their income, savings and employment; what lifestyle adjustments they had to make; and how long they and their dependants would be able to cope in case they lost their main source of income.



Four groups of people emerged from our analysis:

The first - comprising 33 per cent of the sample - we dubbed 'the Resourced'. People in this group tended to have higher levels of household income, and therefore personal financial resources to rely on, than the rest. They were relatively unscathed by the crisis and their lives will probably not be affected by job losses. A disproportionate number in this group were at least 50 years old, possessed tertiary qualification and lived in private housing.

The second group - comprising 22 per cent of the sample - we called 'the Resourceful'. They have made adjustments to their lifestyles and life plans as a consequence of the economic crisis. While relatively poor, they reported almost the same ability to cope as The Resourced did should they lose their main source of income. This suggests that this group knew how to make the most of what little they had. A disproportionate number were at least 50 years old, possessed only a primary or secondary school education, and lived in four-room HDB flats.

The third group - comprising 23 per cent of the sample - we characterised as 'the Pinched'. They were the most affected by the crisis among all the groups, having made the highest level of adjustments to their lives because of it. Though they were in the middle household income bracket, they and their dependants were among the least able to cope should they lose their main source of income. A disproportionate number of them were middle-aged and possessed secondary school education.

The fourth group - comprising 23 per cent of the sample - can be called 'The Unprepared'. Like 'the Resourced', they were not much affected by the crisis, though they had made more adjustments to their lives than 'the Resourceful'. In the middle household income bands like The Pinched, we found they would collapse if they were to lose their main source of income. Simply put, this group was unprepared. A disproportionate number of them were tertiary-educated, middle-aged and single.

Different groups will respond differently to the crisis. We noted the following:

While The Pinched were adapting as well as they could, they would still require external assistance in case of job loss. The Resourceful seemed adaptive and were able to make the most of what they had. The Unprepared seemed the most vulnerable, with little margin for coping with job loss.

Given the profile of some of them, they would probably be unlikely to attract 'regular' forms of social assistance from the government or welfare agencies if the need should arise. The criteria for social assistance could be made more flexible to go beyond qualifications, previous pay, or housing type, so as to help this group more effectively.

But our study also showed that most people were able to make personal sacrifices and adjustments, and were resourceful in coping with the crisis. In the midst of adversity, the Singapore Story continues to be re-written in the lives of these resilient people.

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