

## Living it up on less

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I can't go cold turkey with the good stuff so fooling myself with affordable luxury is my way of coping

It looks like the downturn is going to be with us for a long, long time.

From earlier predictions of a turnaround next year, pundits began talking about a recession for a few years.

And now, doomsayers are predicting that the global economic recession may translate into a prolonged period of zero or minuscule growth.

What's a single woman to do in such a world?

The Institute of Policy Studies' recent study of resilience and coping mechanisms in Singaporeans unearthed one alarming fact that frightened me into thinking I should be more frugal.

It asked respondents about their income level, how they were coping with the economic crisis, how their lifestyles had changed and how much of a buffer they had in savings.

It then came up with four categories of people: the high-income Resourced folks, typically 50, in private property, and with comfortable savings; the Resourceful, who can find a way to cope; the Pinched middle-income who will face difficulties if there is job loss.

I thought I might fall into the Resourced category. But the last group - the Unprepared - sounded more like me.

'They were not much affected by the crisis, though they had made more adjustments to their lives than 'the Resourceful'.

'Simply put, this group was unprepared. A disproportionate number of them were tertiary-educated middle-aged and single,' wrote IPS researchers Leong Chan Hoong and Gillian Koh in an article for The Straits Times this week.

I'm middle-aged, tertiary and single. I belong to the group of those Unprepared for the crisis.

A meeting with my financial adviser yielded some troubling truths. 'Do you really need so much to retire on' he asked. 'Because if you do, you have to continue working for longer.'

I asked him to re-do the projections. Turns out I have to halve my monthly retirement expenses, if I want to achieve my target of retiring early. Otherwise, I'll have to keep slaving away at whatever job I can get, into my 50s and beyond.

The reality checks confirm what I had begun to suspect: It's time for a concerted effort to practise the kind of fiscal discipline I extol in the government's Budget, which I find hard to emulate in my own.

Some deep soul-searching, back-of-the-envelope calculations and hard thinking later, I've decided on my beat-the-recession strategy. It's uniquely tailored to my own psychological and financial situation, so I don't promise anyone else will find it beneficial. But in case you're interested, here's my simple two-pronged strategy.

One: pre-emptive shopping. This is based on the simple principle of scratching an itch before it becomes an unbearable obsession.

I have a thing for watches, especially watches with shiny faces and gleaming bracelets and pretty stones. At the Cortina vault sale earlier this year, I went to the sales gallery twice in two days, walked around the display cases about five times, and finally committed to a modest timepiece which I could pay for without having to ask for a split bill so it won't bust my credit limit. I was proud of my restraint.

But a few days later, I was left unsated. Instead of the pretty quartz models I usually fall for, a friend who was with me convinced me to get a mechanical watch. It's elegant and classic.

But it isn't pretty and frivolous, and my itch for shiny frippery wasn't scratched.

I decided on proactive action. I had to get an affordable, pretty watch - and fast.

So when I chanced upon a Michael Kors with a square face and a bracelet strap in colours that would 'go' with half my shoes and handbags, I paid for it without hesitation.

Better to spend \$200 on a pre-emptive purchase than to wait for the faint desire to grow into a raging lust and end up paying multiples more on something I really don't need and should not afford.

With this principle in mind, I've gone on mini-shopping binges to stave off serious splurging. The most satisfying was browsing at a trinkets kiosk and picking out a whole trayful of bling that cost less than a posh dinner for two.

Strategy 2: substitute.

I have stopped going to my Orchard Road hairdressers. I now go to a neighbourhood salon. (And if you say 'it shows', I'll ask why you bother spending more when your hair looks worse than mine).

Each time I don't get my haircut in Orchard Road, I am saving about \$50, if you include the parking and petrol I would have spent. Plus the risk of spending untold sums in that den of consumerist temptation.

Or take fish. Like any true-blue Teochew, I love steamed fish. A steamed fish dish in a Chinese restaurant can set you back \$50 or more, and about a third of that in a zi char coffeeshop.

Steaming fish at home costs just a fraction of that. And lately, I discovered to my surprise that even cheap fish like batang tastes pretty good freshly steamed. And as housewives know, Chinatown market is the place for cheap but fresh fish. I don't know how they manage to undercut the rest of Singapore, but you can get platters of fish fillet there for \$4 a plate, enough to feed a family of four.

I know most folks will consider the notion of pre-emptive shopping and substitution to be ineffective strategies to beat the recession.

Others will scoff at the suggestion that buying a \$200 watch constitutes belt-tightening - and I stand suitably chastened.

All I'm trying to do is start myself on the path of trimming down expenses according to my own needs, and glide gently into the discipline of making do with less.

The truly iron-willed would have just gone straight into penny-pinching mode.

I'm made of less stern stuff. Going cold turkey on life's luxuries will send me into shock and resentment, and trigger a retaliatory buying binge. So fooling myself by buying affordable frippery and generally trading down is my way of coping.

The best part of this strategy is that it doesn't only leave you with a bit more savings than usual. You also feel you're doing your bit to keep the economy going.

And as we know, that helps Save Jobs. The Government is doing its bit with Jobs Credit. I'm doing it with my credit card.