

## Will baby boomers flex their political muscle?

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In two decades, the strongest political bloc in Singapore will be the baby boomers. Already, many are silver-haired.

Their power can be seen in their sheer numbers - there are 900,000 Singaporeans born between 1947 and 1964. This, out of an estimated citizen population of between 3.6 million and 3.8 million in 2030, means that up to one in four voters will be a senior citizen by 2030. The youngest of them will be 66 in 2030; the oldest, 83.

This group of baby boomers is now beginning to retire, and is naturally the most concerned about issues such as retirement adequacy and healthcare costs. With the advantage of numbers, baby boomers, in theory, could hold parties hostage by withholding their vote unless their demands for more social spending, or more generous state programmes, are met.

This very power of senior citizens as a lobby group was something Minister of State (Manpower and Prime Minister's Office) Sam Tan warned about in a speech in Parliament in 2008. Citing the Pensioners Party in Israel, which took seven seats in the 2006 elections on its single-issue platform of giving pensioners more, Mr Tan argued: "This is the political power of the people who have few complaints about the general state of their country. Everything else - defence, taxes, schools - they think it's generally okay. It is pensions and old-age benefits that they are unhappy about."

Might baby boomers here also flex their political muscle to push for more elderly-friendly policies? What sort of political animal will the Singaporean baby boomer be?

### **POLITICAL BEHAVIOUR**

The twin forces of ageing and democratic politics have not been kind to the economies or workers of other countries, particularly in Europe and the United States.

As baby boomers retire and leave the workforce, the total number of workers shrinks because more exit the workforce than enter it. At the same time, as baby boomers age, they need more infrastructure like hospitals and eldercare facilities, as well as more help with healthcare bills and living expenses. The problem is, there will be fewer workers to pay the increased taxes needed to fund these schemes.

The smaller labour force finds it harder to pay for the increased demands on state coffers, a situation that can pit the old against the young amid a strained economy come election time.

In parts of Europe, elections have been fought over how to pay for state-funded pensions.

In Poland, the party that raised the pension payout age - a move that it argued made the programme fiscally sustainable - was voted out in October last year. The opposition party which now forms the government campaigned to reverse the changes.

America, too, has an underfunded state pension programme. Debates there on how to cover the shortfall often jar with young people struggling with college debt and costly housing. They

point out that baby boomers came of age in a time of plenty of state subsidies and high growth, and hope for some help from the state themselves.

Some observers also saw the recent Brexit vote in Britain as a case of the pro-Remain young being outvoted by the pro-Leave old. In the wake of the vote, young voters penned angry op-eds arguing that the old had deprived them of economic opportunities gained from being in the European Union.

Such intergenerational conflict is, however, unlikely to happen in Singapore.

First, even when not demographically outnumbered, the young elsewhere are outvoted by the old because fewer young people turn up to vote. But Singapore's compulsory voting rule effectively avoids this.

Second, the entrenchment of benefits for baby boomers at the cost of funds for the young did not happen in Singapore, unlike in the West. "The boom in the demographics was also accompanied by a boom in the economy," says National University of Singapore (NUS) political scientist Reuben Wong. "So governments could promise and deliver extensive welfare benefits like job protection and pensions. Once given, they can't take it back from this generation, so they started trimming it from the next."

He adds: "The structure of our society, economic benefits and social contract is not so ingrained that benefits cannot be changed."

Third, baby boomers here are more self-reliant and believe they should rely primarily on themselves and their family, not on the state. And when faced with a zero-sum dilemma of state funds being spent on themselves at the expense of their children, they want their children to benefit instead.

NUS economist Chia Ngee Choon's research shows that older Singaporeans have a strong sense of wanting to leave behind something for their children. This is why older Singaporeans are reluctant to sell their house to fund their retirement, for instance.

The National Survey of Senior Citizens in 2011 found that many among 5,000 seniors thought parents should seek to help their children as much as possible. These seniors were willing to chip in for their children's housing costs, or to take care of grandchildren. They were also wary of heavy spending that might strain the public coffers, and did not agree that the state should support them simply because of their age.

In the same survey, more than 70 per cent of the seniors - regardless of age, gender, race or education level - agreed or strongly agreed that government benefits should be given based on need, not age.

"As long as the needs of younger Singaporeans and baby boomers are not presented as some sort of zero-sum game politically and fiscally, we can avoid the scenario of a vociferous, unhappy grey lobby," says Institute of Policy Studies (IPS) deputy director of research Gillian Koh.

NUS sociologist Tan Ern Ser, a survey author, notes that baby boomers are not a homogenous group, the youngest and the oldest having nearly 20 years between them. The younger ones are likely to be more highly educated and therefore more likely to be economically active and

employed, he says. Younger baby boomers are also more likely to be well prepared for retirement, and able to support themselves for longer.

In contrast, he says: "Older baby boomers would need more help, at least for the next 15 years, given longer life expectancy."

### **SILVER VOTES FOR MEN IN WHITE?**

Will the silver-haired vote for the incumbent People's Action Party (PAP)? Studies suggest that more baby boomers are conservative for now, but how they vote each time depends heavily on how the PAP responds to their concerns.

After the 2015 General Election, an IPS survey showed that baby boomers are more likely to be conservative. That means they are more likely to support the political status quo and to see the PAP as more credible than the other parties.

In the survey, 54.9 per cent of those aged 55 to 64 were identified as conservative last year. This was a sharp rise from 26.9 per cent in 2011 and 25.2 per cent in 2006, corresponding with how the Government rolled out several policies in the interim years. Chief among them were the \$8 billion Pioneer Generation Package, the Silver Support scheme and the MediShield Life universal insurance scheme.

Some interpreted this string of schemes as pandering to older voters, while others read it as a realisation that the social safety net needed mending. One point of discontent: Just over 80 per cent of baby boomers do not qualify for the Pioneer Generation Package, which subsidises the medical bills of those born before 1950.

Retired air force technician Yow Peng Cheong, 67, one of 3,000 volunteers who visit pioneers at home to explain government schemes, has met some disgruntled baby boomers. "They feel like they've missed out. They might have a lot of grievances," he says.

Prof Wong reckons that as baby boomers age, they might wonder why the Government is not doing for them what they did for their pioneer generation parents. "They'll wonder, 'You took care of my parents when they had debilitating illnesses - what about me?' That's going to be a potential issue because baby boomers are quite numerous and the cost will be high," he says.

Researchers also expect baby boomers, having more education, to be more vocal in expressing their views and wishes than their seniors. At the same time, not all baby boomers will be able to save enough to be completely self-sufficient as they will live longer past retirement, amid rising cost of living.

How might the Government and other political parties respond?

Political watchers reckon that opposition parties will issue calls for more social support. "Some parties would insist that the Government can afford to be more generous, citing the reserves we have," says Prof Tan.

But the PAP, historically wary of profligate spending, would counter with the message that benefits must be funded in a sustainable way. Prof Tan adds that the PAP could also point to

austerity measures imposed in those countries with generous, but unsustainable pension schemes.

"The PAP would continue to communicate that, while the high growth of yesteryears may not return, it is still possible to achieve a good enough life without having to be forced into a situation of imposing austerity, if we stick to a sustainable funding model," he says.

Will baby boomers buy this straddling of social spending and sustainability?

It depends on whether different groups are seen to be pulling their weight, says Dr Koh.

Currently, the state, the family and the individual all chip in to meet baby boomers' needs, she adds. This means there is no unduly heavy burden on any particular group, and "no one group feels it is being taken advantage of by another".

If there is a serious strain on public finances or some long-term economic shock, then social and political resilience will be tested. "Still, if everyone is seen to be bearing some share of the pain, we can still have a stable, peaceful outcome if we have the political will for it," says Dr Koh.

Adds Prof Tan: "Baby boomers would like to have more. But for now, they understand the need for sustainable funding. And for now, they buy the PAP model of balancing self-responsibility with many helping hands and some degree of government support."