Financial Crisis and Social Restructuring in Singapore

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Abstract

This paper will approach the question of the social impact of the financial crisis from both the structural and micro perspectives. It will make use of data generated from small-scale studies of everyday life and statistical indicators of socio-economic transformations. We first discuss how the state was able to grasp opportunities presented by the crisis to reassert its hegemonic authority which has seen gradual erosion after more than three decades of economic boom.

The paper then examines the new model of the Singaporean as designed by the state, ostensibly to enable them to compete in the new millennium. Although the hype is for a 'new Singaporean', closer examination of what is actually required reveals the same compliant hard-working creature but dressed in new clothes of 'innovativeness and talents', current buzzwords unforgettable for their repetitiveness as broadcast in both the print and electronic media.

The paper then proceeds to focus on the constituents of these state machinations to disclose the indeterminate nature of their formation/reformation and development. Despite being subjected to a whole array of disciplinary technologies, constituent-subjects are struggling to overcome their sufferings and sudden traumatic experiences brought on by the financial crisis, to build their lives as best they can. They have been forced to discard old ideologies in order to remake themselves and their
families in the light of what they have learnt from the abyss of the crisis.

Indeed, new technologies touted by the state as their possible saviour have not brought only benefits. It is now too early to say how the virtual world hastened into being by the financial crisis will finally shape the lives of different groups of people. Case studies of young females and gangsters show that in their incapacitated position of disadvantage, IT will even bring unforeseen consequences.

Introduction

Over three decades of formidable economic performance and projections by diverse foreign parties that Asia's spectacular growth could go on forever once persuaded its leaders of their invincibility. Criticisms levelled at its authoritarian rule were swept aside as mere whining from decadent liberals with the argument that with our inherently superior Asian values, Asia can be assured of global dominance in the 'Pacific Century' (Mahbubani 1998; Koh 1998). Within this context, we can understand how batterings from the Asian crisis brought a reversal in life circumstances that people were ill-prepared to cope with—if in fact they could survive the downturn at all.

In this paper, I show the impact of the crisis on the lives of Singaporeans. First, we discuss how the crisis provided the state with an opportunity to reassert itself into the lives of its citizenry, ostensibly to create a new type of character that can compete in the new millennium. Second, the erratic occurrence of the crisis has led many Singaporeans to re-examine their own lives, hegemonic beliefs and world-views (such as meritocracy) that were previously propagated by the state. This second section relies on personal observations of the reflexive reworking of identification and self-formation. Some Singaporeans, even as the crisis gets translated into personal tragedies, have managed to adjust successfully on their own or with help from relatives and friends. Their own struggles and adaptations have encouraged the development of cognitive autonomy instead of
looking towards state initiatives. For others, the re-examination of the self includes doubting the state’s performance and this has led to heightened demands for state reform. Incorporated in people’s review of themselves and the state are demands for new forms of the social (referring to ‘the sum of bonds and relations between individuals and events economic, moral and political—within a more or less bounded territory governed by its own laws’ [Rose 1996: 328]).

The Financial Crisis and State Re-legitimation

The growth rate for Singapore in 1997 was 8 per cent but the figure plunged to 1.5 per cent for 1998. The suddenness and major change in the fortune of the NIEs such as Singapore has compounded the impact of the recession.

The impact of the crisis, however, cannot be seen in isolation from prior trends of overheating, spiralling labour costs. Singapore actually initiated various measures to restructure its economy to a more hi-tech level during and after the 1985 recession (Strategic Economic Plan 1991). At every opportunity thereafter, the state had regularly attempted to push the private sector to upgrade and automate. But alas, this was not an easy task. The industrial sector was shunning the incentives/tax rebates given for training, Research & Development and automation. It was only in the 1990s when costs became too high that some industries were pushed to restructure by either moving out in droves into the relatively cheaper surrounding regions (including China) or to automate to take advantage of the generous incentives on offer.

Reinventing the Singaporean

As part of the restructuring process after the 1984-85 crisis involved production of higher value-added products such as R&D and the diversification into business and financial services, this new policy naturally entailed changes in the direction of human resource development. Singapore was forced to reverse its elitist education orientation to one of greater access to
education for a larger part of the population. One consequence of the democratization of education coupled with accumulated confidence from years of unabated growth was the emergence of a noticeable segment of the population wanting to question the right of the state to enshrine a certain interpretation of social life as authoritative and to delegitimate or obscure other interpretations. Despite various political technologies (Miller and Rose 1995: 428) acting upon them (Tremewan 1994) to constitute the hegemonic form of identity—e.g. through the parading of various aspects of behaviour of Singaporeans ranging from unit labour costs and ranking on a variety of rating scales such as international competitiveness, labour flexibility (World Competitiveness Yearbook 1998)—there can still be found groups wanting to contest state invocations to reshape them to particular forms of collective identities.

Most crucially for the state, the crisis has provided a respite from this quite incessant public whining, and was timely for the opportunity to re-legitimate its claim to strong leadership and autocratic practices. ('State' refers here to the politically powerful forces that have a monopoly of the legitimate use of violence. See Poggi 1978). For one thing, as the vulnerability of a people heightens during a crisis, so does their receptiveness for centralized commands directing a definite course of action for the future. Second, except for Taiwan, amongst the countries in the region, Singapore seems to be the least affected by the crisis, thus reinforcing the belief in state-enforced demands for stern discipline and willing compliance to 'hard choices'.

For some time now after the occurrence of the crisis, the population has been assailed with rhetoric mobilizing them towards the new social being. Indeed, invocation of specific identities and subjectivities is an integral part of the process of restructuring (Dean 1994). Politicians like Senior Minister Lee Kuan Yew directly referred to the matter by calling for a 'mental revolution' which was prominently displayed in the front page of the English daily Straits Times (10 April 1999: 1). What is this 'new' Singaporean who is being pursued by the state and on whom all the state apparatus must target? With one voice, state bureaucrats are in agreement on what they
desire the Singaporean to be in the new millennium. Previous calls by the state for the building of a 'rugged' and disciplined society in preparation for successful pursuit of the first phase of industrialization in the 1960s, though resisted by some, did succeed in becoming the hegemonic form of the Singaporean identity. At that time, Singapore faced a much more dangerous threat having been just ejected from Malaysia. Additionally, the steep pyramid of power relations at that time was conducive to successful incorporation. During the 1984-85 recession, a more systematic effort was made to come up with a new vision, Vision 99, behind which the citizens were mobilized. This recession was immediately followed by organisation of the next 'vision'. The question is whether with transformation of the power configuration to one of greater interdependence, the populace can be enticed to remake themselves as advised by the state.

What Is This New Singaporean Producer?
First and most crucial is the idea of the Singaporean as a vulnerable person living in a risk-filled environment and thus requiring the cultivation of insecurity as a built-in trait. The preoccupation of the Singaporean should be on prevention and risk minimization because he or she is surrounded by certainty of nothing and the riskiness of everything (following the style of analysis carried out by Foucauldians concerning risk and governance [Simon 1987; Ericson and Haggerty 1997]). Naturally, one way of facing risk is to return to the traditional risk broker, viz. the state. This reasoning reinforces for the people the concept of obedience and dependence on strong leadership which during the period of crisis has been made into the main bulwark around which the new Singaporean image could cohere. Opening the Tampines East 3-in-1 Family Centre, Prime Minister Goh Chok Tong 'underscored the importance of effective leadership ... noting that 'without good and active leaders, you will never have the hardware' (Straits Times, 8 March 1999: 3). 'Strong leadership at the top remains essential,' says Deputy Prime Minister Lee Hsien Loong paradoxically when explaining the need for a more open approach to governance. Most
crucial is the view of Senior Minister Lee Kuan Yew that 'when the final decision is made ... some people's judgement counts more than others'. Using the analogy of the hierarchy of the Catholic church, which has survived for 2,000 years, he continued, 'We need a core of people who are dedicated to the survival of Singapore' (Lee, H. L. 1999).

It would be useful here to note Berlin's (1969) distinction between a more continental, positive conception of liberty as 'freedom to' warranting the fostering of individual capacities through egalitarian state policies, and the more restrictive British conception of 'freedom from' constraints from authority. Given the tendencies of the state when strategizing for positive freedom to move towards tyranny, Berlin, having less faith in the virtues of state action as a vehicle of benign reform, advised against the promotion of negative freedoms. In view of increasing demands for a greater say, the Singapore state would seem to have opted for 'positive freedom' to ensure it continues to maintain the leading role in the organization of political programmes and in mobilizing the population towards particular goals. This explains the frenetic mobilization of the population to confront the crisis with the sprouting of a great variety of committees. For instance, a huge committee called the Committee on Singapore's Competitiveness was established in the wake of the financial crisis to prepare Singapore to face the next millennium. The Financial Advisory Group was set up to build Singapore as the financial hub for Asia and to beat off competition from Hong Kong. Everyone has to contribute, but under the supervision of the state, for all this feedback is to help the state perform better, not to enrich people as participants of a democratic society.

A second but related trait is individual responsibility, now viewed as a parallel system of self-rule (Foucauldian in origin), but which constitutes another cornerstone in the concept of citizenship in Singapore. Singaporeans have tended to adhere to a more collectively organized form of responsibility to protect themselves against expanding areas of risk as they assimilate more and more into global capitalism. (Various studies have pointed to the mass appeal of collectivized care for both
children and the elderly.) The state on the other hand still clings to the cherished orthodoxy of individual responsibility, even though it has to negotiate and accommodate rising demands for collective responsibility. The crisis has made clear the folly of relying solely on individualized networks of protection as represented by the traditional family. Despite railing against the imminent disintegration of the latter, and touting the neo-liberal ideology of welfare busting in the West—by such people as Mrs. Thatcher, for example—(so commonly observed by authoritarian East Asian states [Chang 1999]), the Singapore government has finally reached the realization that it can no longer just do what it wants.

This new responsiveness on the part of the state could signal the beginning of the birth of liberal society (Habermas 1998: 4). Although one could still sense the continuation of a deep dread of internal subversion as seen in the recent arrest of opposition member Chee Soon Juan, the state no longer draws sustenance from this kind of emotional attitude. For some time now, foreign subversion has begun to feature as partial explanation for cases of internal resistance. Western cultural values have regularly been derided as unsuitable for Singaporeans. In reviewing the emergence of the cyberworld in Singapore, Arts Minister Yeo reiterated that 'the politics of Singapore are for Singaporeans to determine, not foreigners to influence in hidden ways'.

Third but most crucial is the conventional goal of making people up to become ever more productive agents; not beings with rights to personal development and fulfilment. The mantra is that Singapore needs workers 'with ideas, enterprise, and the will to learn', says Lee Kuan Yew in his now famous speech when launching the Productivity Campaign of 1999, where he called for a 'mental revolution' (Straits Times, 10 April 1999: 1). Institution-wise, the political technologies associated with this programme concern the establishment of the 'School of Lifelong Learning' system by the Ministry of Manpower (Straits Times, 6 March 1999: 86). The aim is to constitute the citizen as an efficient, cheap input for business enterprises that can comprise a globally competitive workforce driving a knowledge-based economy. More crucially, 'every officer needs to be on the
lookout. This is no time for going autopilot.' The previous stance of benign neglect of 'drop outs' and the marginalized (so analogous to the Victorian/Edwardian view that primitive peoples like the Chinese were unimprovable [Mill (1859), 1975]) has been reconstituted to incorporate everyone. No one can be spared. This explains the pressures heaped on schools to improve their ratings and percentage of passes in exams. The great revamp in schools, including granting them a larger number of teachers, began in January 1999. A sum of $4.46 billion¹ will be spent over seven years for the upgrading of schools. The hype is all about the search for talent, i.e. the human is viewed primarily as producer rather than beneficiary. Related to individual responsibility is constant awareness of one's obligation as a producer to maintain one's position on selected performance criteria and to be continuously subjected to measuring, labelling and by implication segregation and fragmentation according to the category salient at a particular time—e.g. 'race', rank (e.g. school performance), gender—with the state setting the criteria for what is 'normal', zero defect and what is deviant and unacceptable. Crucial here is the need for endless updates on the most recent information as part of the focus on risk prevention. This risk-knowledge process then gains its own internal momentum, giving rise to expanding teams of risk professional-bureaucrats. Risk has become an 'imagined construct' that carries with it the whole rubric of risk governance incorporating its own technologies and programmes (Ericson and Haggerty 1997). All these represent attempts to constitute the Singapore person with an inclusive identity encompassing all economic contributors, be they Singaporeans or foreigners. On the other hand, this exclusive version of the Singaporean as contributor and producer reflects more the interests of business and the state rather than that of individuals, who for some reason or other may not qualify as contributors but may only remain as undeserving consumers. Crucially, implicit in the labelling process is the legitimation of a corresponding system of rewards and benefits. Singapore's bureaucratic elites are one of the highest paid worldwide. The salary of the prime minister of Singapore is 56 times that of the
ordinary manufacturing worker compared to the US president's pay, which is only six times that of the average manufacturing worker's (see *Asiaweek Survey of Salaries* 1999).

The continuous nature of this measurement and assessment is regularly reinforced in the mass media to underline the vulnerability of Singapore's existence. After citing a long list of statistics to show that the economy is on its way to recovery, Deputy Prime Minister Lee Hsien Loong warned in his May Day message that 'Our competitors are not standing still. What we do, others can also learn and will also do. Therefore we must always strive to improve, and to match the best performers.' The implication is that Singaporeans can never stand still or relax, 'We must press on with measures to make ourselves competitive.'

Despite such repeated invocations to shape up to the particular ideal image designed by the state, workers and different social groups have registered their views on preferred paths to be taken in the formation or re-formation of selfhood, as reflected in their choice of the Singapore Vision 21².

The Singapore state is currently being forced into learning how to cope with the tensions confronting the liberal state. On the one hand, it wants to manipulate to retain power by homogenizing, and centralizing through an unending process of rule creation for a complex, pluralistic social order. On the other hand, to stay viable, it requires the support of the middle class. To do that, the state has to deal with the inevitable centrifugal disruptive, self-regulating forces operating in the markets, professional agencies and communal organizations. Its mode of governance has thus to be forced towards multiplexity, though always to include backing by a coercive force. Nonetheless, the goal is the same. Unremitting hard work and a minimum level of consumption seem to be the fate for the majority. Wage to GDP ratio for Singapore is the lowest when compared to those of South Korea, Hong Kong and Taiwan (*Straits Times*, 11 May 1996).
Strategizing for Governance in Hybrid Relations

In view of these problems in the current push for the birth of the new social being, the state has to devise new strategies to cope with the now more demanding constituents. The birth of a multiplicity of localized resistance has given birth to correspondingly plural forms of rule.

To cope with middle-class demands for more space, controlled participation such as 'supervise with a light touch', 'feedback' (recurring phrases coined by the bureaucracy) and constant rule change represent measures that function to deflect the image of centralized decision-making.

On the other hand, there is grudging accommodation to constituent demands, an extremely slow process of change as exemplified by the case below. Prime Minister Goh when opening the Tampines East 3-in-1 Family Centre (which combines daycare for children and the elderly) reiterated that community services could never replace the family's moral obligation to look after its elderly, adding that that they should be merely supplementary family care. Continuing, he noted that homes for the elderly and daycare centres were becoming a trend, as most families could not afford maids and were busy at work. He then admitted, 'I had no choice, so after 20 years, I, too, in Marine Parade [his constituency] had to set up a daycare centre for the elderly last year.' He then went on to warn that these services should not weaken family ties, 'We have got to find ways to bring in the family to help look after the young children and the elderly, even though they are taken care of by the centres.'

Even under authoritarian regimes such as the Singaporean one, social configurations cannot be determinate but are more like an 'open-ended relational totality in which non-unified institutional orders of state, economy and society are articulated' (Bertramsen et al. 1991). So despite efforts of the Singapore state to demarcate politics from the rest of society, it has to accommodate criticisms emanating from ordinary people who do not belong to any political party, or who cannot be considered experts in any field of specialization. Since the lines
separating state, economy and society are blurred when expressed in the daily lives of people, state-population interaction has unwittingly led to restructuration or recomposition of existing structures, as argued by Jessop (1989: 41).

As the state gingerly takes steps to figure the best way of handling an increasingly demanding population, one thing is sure: surveillance-based disciplinary forms of rule which underpinned institutions of modernity (Foucault 1991: 102) cannot be relied on completely. Also certain is the declining reliance on negative repressive sovereign modes of power. Once a hegemonic mode of governance in the early phases of Singapore's development, naked repression did prove rather effective in building a disciplinary society that could offer the highest manufacturing rates of return in the world. Proof of lessened reliance on coercive threats for compliance can be seen in the widening forms of measures to handle juvenile delinquents that include, significantly, methods that were once designated as Western and 'soft liberal', such as counselling. Quite rightly, multiplexity of rule is required under hybrid relations of flexible production3 and by the burgeoning of divergent behaviours following the increasing globalization of Singapore's population.

Contesting Self-formation

To understand the social impact of the financial crisis, one could examine how the financial crisis is played out in the hearts and minds of people. One very obvious target group to study includes the population of retrenched workers. The extent of the retrenchments this time was most unexpected. During the first serious recession that Singapore experienced in 1985, a modest number of 19,529 workers were retrenched (Lim, B. H. 1999). For 1998, the number of retrenched reached 29,086, a figure three times that of 1997 (Straits Times, 5 April 1998: 2).

While globalisation has unwittingly introduced competing orientations to their lifeworld, it has also helped erode the
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totalitarian mode which Singaporeans were plugged into. For some, the dire circumstances facing them during the crisis have led to the erosion of their trust in state expertise. This allowed their own thinking to surface and thus take conduct of their lives. They were reappropriating standards of behaviour that were lost on account of the reductionistic structures put up by the state to surround them. Faced with the need to survive on their own, the moral drives of the subjects reasserted themselves or regained control over their conduct (Bauman 1991: 51).

Reassessing Materialism and the Work Ethic

For those who had the most direct experience of the economic crisis through retrenchment, the impact was translated into something very personal. Despite class differences, retrenched workers on the whole generally feel somehow stigmatized and reduced by the experience. Most crucially, retrenchment now affects a large number of staff from all levels, but especially the middle classes, who have generally held an unwavering faith in meritocracy and the Protestant work ethic. The wrenching experience of retrenchment has led to the decoupling of hard work, capitalism and progress. These comprise the ideological underpinnings of Singapore's early industrialization. One young white-collar respondent from Lim's small-scale study proclaimed:

"It was the most difficult time for me. Not wanting to arouse any suspicion, I put on my usual working clothes when I go out to town but the feeling was not the same. I felt uncomfortable all the time. I did not want to bump into people I know because I did not know what to say (Lim 1998/99: 44)."

Having been socialized to make work the primary source of identity in life, and having lived with flexi-pay, which overemphasizes the linkage between effort and reward, an employee can experience a great loss of confidence if retrenchment happens. This sense of helplessness was well expressed by a 32-year-old sales manager: 'I felt useless. I kept thinking and asking myself whether it is my own fault or not. I asked myself why must it happen to me?' On the other hand,
retrenchment may also help redirect the lives of the middle class:

Being retrenched gave me free time to re-evaluate my life and goals making a scorecard to see if I have passed (Bank trader, aged 30).

Being jobless gave me a chance to take stock of my life and to determine what I want to do from now onwards (Investment banker, aged 29).

These reflections could be related to the middle-class rethinking the values of contemporary capitalism, which caused some of them to turn to alternative lifestyles, such as charismatic Christianity, fundamentalist religion and bohemian living, even prior to the current recession. The financial crisis seems to have aggravated this trend. This is confirmed by another respondent, a 37-year-old food and beverage supervisor, who said that after 18 years of work in the same place, his work was becoming a burden and he was relieved that his retrenchment gave him a legitimate excuse to try out something new. His retrenchment entitlements could help him set up his own business.

Ang's study on graduate employment (Ang 1998/1999) found that the recession has partly provided the impetus for this sector to set up on their own. This could be aided by the atmosphere established by the government to encourage young entrepreneurs, especially in the field of IT. Apart from regularly announcing schemes to assist such entrepreneurs, salary scales have been changed to make it less enticing for the middle class to follow the bureaucratic path. Prime Minister Goh Chok Tong recently announced that the ratio of top and bottom pay would be reduced from the present 2:3 to 1.6:1.8 to motivate the risk-takers (Goh 1999)!

Lim's study also found that blue-collar workers are more likely to accept retrenchment as something beyond their control and thus do not lapse into a sense of failure, perhaps because they never had any sense of being in control anyway. As a store assistant recounts:
I just tell the truth that I am retrenched. I don't want to give a false impression. There is nothing to be ashamed of. It is only retrenchment, nothing to be ashamed of (Lim 1998/99: 48).

Blue-collar workers also have the tendency to look to the government to assist them, as they expressed the hope that more help will be forthcoming. MPs reporting to the recent parliamentary session also echoed these demands, adding that the little help given in the form of waiver of charges on public utilities, like water, electricity and gas, are quite paltry.

As retrenched workers are not isolated entities but live lives deeply embedded in the fabric of society, their job loss has also impinged on significant others, like wives and children. A small-scale study by the Straits Times (5 April 1999: 2) revealed that when not dealt with carefully, misunderstandings have proven quite distressing to the children affected. For example, a contract worker was said to have caned his son for not attending school. However, it was later discovered that as a result of his father's job loss, the child could not concentrate on his studies. Consequently, he was afraid that if he turned up at school, he would be punished by the teacher. Counsellors interviewed expressed concern that parents who could not frankly discuss their job loss with their children had added to the stress, because children are sensitive and would already have sensed that something was wrong. Children whose parents have showered material goods (substitutes for a lack of time and love) on them during the good times have a more difficulty in adjusting to changed circumstances, because they are used to receiving love in a commodified form. One 12-year-old child whose pocket money was slashed from $20 to $8 after his father lost his job had to borrow from friends, because he could not change his lifestyle overnight. On the part of parents, the stint of unemployment has given them pause for thought, especially about whether they should have let work take them so completely away from the building of family relationships.

On the shopfloor, the impact of downsizing is neither straightforward nor predictable. Workplaces have often been described as 'family'. In fact, employers want their workers to feel that way about the company that employs them. So re-
trenchment can be more traumatic because workers feel a deep loss and fragmentation from social networks established over the years. When National Semiconductors retrenched the first 100 of 165 workers it intended to axe in April 1999, one 42-year-old female worker cried her eyes out, not because of the job loss, but because she would miss her workmates. Says production operator Isti Komar who had spent 27 years of her life with the company: 'All my friends are here and they're like family. I'm happy with the retrenchment benefits so I'm not really upset about the job, only that I won't see my friends.' Most of those retrenched have spent 25 years with the company. Workers with over three years' experience receive a month's salary for every year of service and a month's pay in lieu of notice. This is the first time that the company has retrenched its manufacturing staff. In some ways, the workers that were not laid off were a bit envious, 'You'll never see that much cash in your life. It's like a great big hongbao [a cash gift].'

The chaotic situation characterized by the financial crisis has been put to good use by employers and this has received very little publicity in the press. 'Some employers think only of cuts and nothing but cuts, and then sit around waiting for miracles to happen,' alleges general secretary C. K. Tan of the Metal Industries Workers' Union. One company used the excuse of restructuring to expand more than three times the workload of workers. In order to avoid having to pay the customary retrenchment benefits, some employers have subjected their workers to such inconsiderate treatment that the employees voluntarily ask to resign. Examples of such 'cold' treatment include frequent transfers to various divisions, and changing job duties without proper training and guidance. Left in limbo without a proper set of duties, some middle-class workers would voluntarily resign because they could not accept the status of 'not working and yet working', having been trained all their lives to identify their self-worth with work and diligence. Other firms have used the opportunity provided by the atmosphere of crisis to rid themselves of relatively more expensive workers who are near retirement age. 'Many employers prefer young, foreign workers instead of older Singaporeans,'
noted President Idik of the Food and Beverage Industrial Workers' Union. His comments were reinforced by that of General Secretary Khng of the National Trade Union Congress (NTUC) Club Staff Union:

I would like to urge all our employers not to discriminate against employment of older workers, especially workers aged 45 and above. Likely, such a call will fall on deaf ears as we all know that in today's situation, it is an employers' market. Hence, it is high time now for our government to act and address these growing concerns by putting in place ... tax rebates ... for enlightened employers who provide re-employment opportunities ... without discriminating against age.

These emerging modes of discipline against 'weaker' workers have helped to 'improve' the compliance of Singaporean workers as a whole. According to some employers (generally those from the small and medium-sized enterprises), Singaporean workers have been thoroughly spoilt by the long booming period preceding the crisis and have become too recalcitrant on account of the tight labour market prevailing during previous decades of spiralling growth.

Fortunately, there are also employers who have used the current crisis period to improve work design for workers. Unfortunately, these enlightened employers are in the minority. McDonald's has redesigned their cash registers using pictorial icons like fries and burgers to enable the older, less educated, less numerate workers to work at the cash registers. Of course, this will benefit the company as they can now rely more on the less mobile older workers compared to their more erratic teen-workers. The NTUC is working with the Productivity and Standards Board and the Manpower Ministry to devise simplified work procedures which would be more suitable and less strenuous for the older worker. The state actively tries to promote after-retirement employment for those workers who do not have much in the way of savings and who need to work longer to stay economically independent. In fact, uneducated men have found it difficult to find marriage partners in increasingly affluent Singapore. One consequence is a potential pool of dependants without family support in their old age. The
state therefore might have to pick up the tab for this group. Thus the consternation when older workers are unable to go for retraining to enable them to remain longer as useful economic contributors.

In response to the state's stipulation of the need for particular talents to survive the new millennium, the people in contrast have concocted their own vision of what they want their lives to be. Prime Minister Goh Chok Tong disclosed that in discussions with 6,000 Singaporeans of various occupations, he got the idea (contained in the acronym S21) that, 'They do not just want to pursue economic and material needs. They want intellectual, emotional, spiritual, cultural and social fulfilment.' It is inconceivable how a state that sees its people solely as instruments of production could hope to implement this vision of the people that he promised. The past three to four decades of a booming economy has made it possible to reward the elites far above that of the average person. Suddenly to reverse hierarchic centralism to nurture spiritual and emotional values would imply a complete restructuring of the current highly disparate reward system towards one that better reflects social justice and humanism. This represents a great challenge in social engineering and social learning. It took Europe centuries to shift from a violent, manipulative, arrogant mode of communication to one based on trust and stable relations (Elias 1994; Callieres [1716] 1963) as power configurations shift with the development of capitalism.

**Family Ideology Debunked**

For a long time now, despite the fact that 39 per cent of married households in Singapore are characterized as dual income, people have continued to be enamoured by the state ideology of familialism, especially the aspect that reifies the gendered division of labour and the myth of the male breadwinner. Part of the reason was that during the preceding economic boom, the two-income family could generally afford the services of a foreign maid. This proved a convenient device that allowed middle-class women to continue practising patriarchy in their family and so escape the role of domestic helper. For several
reasons, the crisis has compelled a rethink and perhaps even a reversal of this trend.
First, everyone can now see that jobs will become increasingly insecure regardless of class position. No one will be spared and the causes of job loss can be quite unexpected. Women therefore become more determined to get a job and to hold on to one, even after marriage. Our own study on the ideology of familialism found that although there seems to be a massive gulf between the older and younger generations, with the latter more determined to include a career as part of their conception of womanhood, some women have to give up their jobs after the first child due to a lack of affordable and accessible childcare facilities. The meagre wages paid to lower-class women make it inevitable that they give up their jobs after having the first child. Consequently, working-class women stuck with dead-end lives are the ones most likely to hold the view of themselves as dependants of the male breadwinner, unable to survive or be happy without a mate.

Second, especially for older men (over 40 years of age) and their wives, job loss can be particularly traumatic because this is the group that holds most staunchly to the ideology of a gendered division of labour. Tan, a small entrepreneur in our study on family ideology, who went bankrupt during the recent crisis, was so devastated that he took to gambling in the hope of recovering from his misfortune. On the other hand, his wife, who never used to work, had to start supporting the family by getting a job. She felt overburdened, partly owing to her automatic acceptance of the myth of the male breadwinner. As a result, she lacked both the confidence and motivation to support the family and take full responsibility at this time of crisis, even though she had the capacity to do so. She could not psychologically accept that a woman could economically support the family on her own. Neither could she accept that her husband could not earn an income, and could not continue to play the role of sole breadwinner. But somehow, through the support of relatives and friends, the couple managed to pull through and her husband finally took a low-paid job as a waiter in a friend's restaurant. But the experience of work has made
Mrs Tan realize that more plural forms of family functioning can also be viable. The 10 per cent reduction in the employer's contribution to the mandatory pension fund (CPF: Central Provident Fund) instituted as one of the cost-cutting measures following the crisis, had eaten badly into the household budget of the average worker. As a result, more people have been pushed into taking a second job. Already, more children are working, abetted by the consumer revolution. Single-income families have often been forced to rely solely on the male breadwinner because of the lack of cheap and accessible childcare facilities. They would typically have their male breadwinners hold more than one job. One example from our study is Toh, a 40-year-old factory technician whose wife had to stay home to care for two young children (one barely seven months old). One consequence of the salary reduction was that he had to work three nights a week as a taxi driver to keep up with his mortgage payments. It was tiring and made him rather short-tempered. He expressed the wish that his wife need not stay home to care for the kids, a wish we can interpret as the need for blurring of the gendered division of labour. The crisis has also brought home the taken for granted overlapping of the private (home) and the public (work) spheres. For a long time now, we have been enamoured of the separation between public and private with the assumption that the private world could effectively assume the role of nurturing casualties of capitalism and mitigating problems brought home from the world of work. This artificial division has led to a lack of interest in political matters because of the false thinking that home is insulated from what happens in the public arena. The financial crisis has spurred the demystification of fragmented reasoning to push for more activist, political orientation amongst disempowered people.

In fact, the crisis has only exaggerated existing trends of development in gender relations within the family and made it that much more difficult for women to fit into the patriarchal moulds set up for them by the state. From previous discussions we can say that the crisis has hastened the democratization of family relations and has realigned ideology with reality. Like
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Giddens (1999), we agree that family democracy is essential to the growth of democratization in society at large.

**Undermining Centralized Authority and Empowering Personal Capacity**

Instead of acceding to the state's demand for ever more productive workers, some people are more concerned with pushing for another kind of mental revolution: a revolution that will free one from rigid demands emanating from a centralized authority now that the system has been found to have inherent weaknesses, even if these are rarely admitted openly.

Declining faith in centralized authority was given an opportunity for expression during the crisis. People were able to counter state demands by voicing their dissatisfaction with state performance, in a way rejecting the passive attributes and capacities associated with previous notions of the public.

Even children are questioning if it is necessary to create an elite Chinese class as desired by the state. At a recent seminar attended by 200 students, a 13-year-old asked whether a 'non-Chinese can be considered a Chinese intellectual if he masters the Chinese language, culture and history?' In response to the current drive to project the 'Chineseness' of Singaporeans (seen as state-initiated commodification of Chinese culture as opposed to the persecution of Chinese language education in the 1950s and 1960s when Chinese communism was seen as subversive and Singaporeans were banned from even visiting China), another student queried whether Chinese Singaporeans would still be interested in learning Chinese if China ceases to be economically ascendant? Responding to global flows, it is not surprising to find youths more open to these flows, whereas conservative forces of the elites are more bent towards the building of boundaries and opposition to sustain their privileges and advantages.

The state has also been accused of being inconsiderate and unfeeling, especially towards those citizens who are unable to contribute in any productive way. In this regard, the state has been denigrated for neglecting the plight of the disabled. The honorary secretary of the Disabled Children's Association and
Parents' Support Group and the Singapore Association for the Deaf recently wrote to the *Straits Times* (Forum page, 19 April 1999) with a detailed listing of the problems of the disabled ending with the sad note that 'nine years after the publication of the seminal report on *Social Services: The Next Lap*, many of its recommendations have yet to be implemented'. In view of the current bid to build a knowledge-economy deemed as the solution to future crises, the frenetic search for talent to make the nation 'sparkle', 'you need the very advanced skills' (*Straits Times*, 20 April 1999), implies that lesser beings may just have no place in their own homeland.

Apart from regular complaints about the hard-heartedness of the regime, other demands include whether the state should continue their monopolistic hold on decision-making that affects the people, especially when it has been shown they were slow to react in particular instances. K. K. Pang, press secretary to Deputy Prime Minister Lee Hsien Loong, recently had to justify why it took the government so long to come to the realization that they needed to establish a special unit dedicated to the promotion of the financial services. This was in response to the observation of former president R. Lim of the Roundtable (private think-tank) that the government was not receptive to outside ideas because the Roundtable's suggestion for the setting up of the Financial Service Promotion Agency was not taken up until the establishment of the Financial Centre Advisory Group during the current crisis (letter to *Straits Times*, 16 April 1999: 60).

Specific state-initiated programmes have also been spotlighted for criticism. Related to this is the critique whether the state is going about the right way to develop the knowledge economy. The strategy of lifelong training has been deemed inadequate by some professionals. G. Hosler, an IT expert, has alleged that the modes of computer familiarity passed on to school children (such as word processing, surfing the net and educational software) are such that, they 'will not qualify for even an entry-level position in a software company. At the end, the child might find it easier to get a job as a secretary but a job in IT? No.' He went on to point out that
The real irony and tragedy of this is that Singapore has made the effort to create the environment to entice foreign firms to set up shop here, they do so, they create the anticipated jobs, and then because the talent pool is too small, they hire from outside.

His argument points to the failure of some (including policymakers who have committed $1 billion to the School IT Master-plan) to distinguish between IT developers and IT users (e.g. programming of videocassette recorders).

Business groups, on the contrary, have also targeted the state for criticism. In a 'blunt message' to Singapore's financial regulators, industry executives have noted that Singapore still has a long way to go if it aims to surpass Hong Kong as Asia's dominant financial services centre outside Japan (International Herald Tribune, 28 January 1999: 14). More specifically, in the words of J. Kalff, chairman of ABN-AMRO Bank (Netherlands' largest bank in terms of assets with Asian headquarters in Singapore), 'Singapore is probably better off than many of the surrounding countries but not good enough to compete effectively with centres like Hong Kong, let alone London and New York.'

New Forms of the Social

Even prior to the current crisis, as Singapore proceeded with restructuring to a hi-tech economy, it was already casting about for a new meaning to what is 'social'. The crisis has affirmed again the need for the social to take on new content. With deregulation and restructuring of market governance, 'social' has been defined primarily by international capital and its interests, i.e. individualization of costs.

Not Territorially Bounded

For one thing, the current hype about importing talent has fundamentally recast the meaning of 'social'. Whereas previously, social was defined as territorially bounded, now it is taken to include anyone talented enough to contribute to the economy, and that includes non-Singaporeans who now make
up more than 20 per cent of the workforce. Since the locals have not done their part to shape themselves into the mould recommended by the state, e.g. to have more children and take training seriously, the state had to expand the boundary of the local. Although the younger age group (aged 20-29) and those with less than secondary education have tended to view the move by the state to incorporate the foreign into the new social in an unfavourable light, the population as a whole recognizes the benefit of blurring the boundaries between local and the global. In a survey carried out by the Straits Times, 87 per cent of those polled agreed that the government should bring in foreign talents.

However, it must be noted that since the crossing of boundaries between local and global has been discussed in the light of the foreign as main contributors to economic development, the state has somehow managed to assuage people's fears of more competition for the country's limited resources. Like the government, people hoped that the contributions of foreigners would bring them some additional benefits. It did not concern them that foreigners were also deprived of the right to make political comments on domestic matters.

In contrast to the state's vision of the social, the people for their part are committed to a vision of the social which grants themselves the role of both producers and consumers, e.g. as expressed in the concern for the interests of the unproductive Singaporeans such as the handicapped and the old. This more integrated role of the social they have, in collusion with the state, denied to foreigners.

**Recasting Individualism**

Past affluence and the high level of rationality in Singapore society have also cast the citizen as a social being with individual needs and that image is now quite difficult to negate. Individualism for the people definitely now includes a balance between the interests of business and that of the people.

Few now doubt that contemporary state invocation of the new talented Singaporean is associated with the enterprising individualistic self. In this neo-liberal view of the self, the
economic and the social have been cast as antagonistic and comprise part of the process of desocialization of economic governance discussed by Rose (1996). Unlike their leaders who are adverse to the idea of the welfare state, Singaporean workers much earlier on had already realized the urgent need for collective organization in order to prevail against the risks of living under advanced capitalism.

During the current recession, MPs have had to deal with increasing numbers of retrenched in their forties and fifties who are unable to find jobs and who have families to support. Complaining that the means test of existing schemes was too stringent, various MPs have called for the setting up of a social support fund to tide these people over their temporary difficult times (*Straits Times*, 18 March 1999: 30). Of course, the argument of the minister for community development was that the current schemes to help the needy were already adequate.

While the logical immediate response to the current recession is to request more state aid to assist the retrenched, others, reinforcing the call of the International Labour Organization (ILO) have recommended the establishment of unemployment insurance. This of course was duly rejected by the state, arguing that one-off schemes such as rent waivers and tax rebates provided adequate cover. To this, opposition MP Low T. K. had argued that rebates of $2 and $6 a month were too little to be of any real help to workers who are having to cope with 10 per cent pay cuts (*Straits Times*, 9 March 1999: 1).

These sentiments were echoed by delegates to the NTUC Ordinary Delegates Conference held at the end of October 1998. Comments from President A. Tan of the United Workers of Electronic and Electrical Industries (which is the sector most affected by the crisis) reveals the ad hoc nature of Singapore’s response to the recession, which not only indicates a superficial understanding of the structural working of capitalism but also a lack of commitment on the part of the state to alleviate in any meaningful way the deep structural problems faced by workers. President Tan said:
In the 1985 economic recession, one of the measures taken was a Central Provident Fund (CPF) cut. And this year, [the] CPF cut is also a measure to assist Singapore through this economic recession. However, this is not the last recession that Singapore will experience. Thus, we cannot keep resorting to a CPF cut as it is only a short-term measure. We strongly feel that the Government and the employers should come up with an effective system to tackle the economic recession which must not necessarily be through wage or CPF cuts.

Moreover, pay cut or fee waivers have been applied in an apparently 'equal' manner, e.g. a 10 per cent deduction for all categories of workers. However, closer examination reveals the unequal burdens suffered by the lower categories of the workforce, as noted by Vice-President S. H. Law of the Singapore Manual and Mercantile Workers' Union: 'In truth, we are not paid equally. Even with a 10 point reduction in CPF, high level staff can still enjoy a golf game or two.' There is therefore a perception of the need for more systemic measures to deal with recessions and not simply to take the easy way out by cutting wages.

Until recently, constituents willingly accepted the definition of themselves as economic producers. Consequently, it was legitimate to spend minimal resources on those who were considered unproductive. However, after some decades of fast growth, as people become less subject to immediate material necessities, it can be expected that the formation of their personality has tended to become increasingly divorced from these necessities.

Collective consumption in Singapore has been stringently controlled, with potential productive labour having first priority. For instance, ample resources have been accorded to those identified as the elite students to develop their symbolic capital (via scholarships, the gifted children's programme, etc.) whilst far fewer public resources have been made available to the less capable. Of the NIEs where information has been made available, Singapore's expenditure on higher education far exceeded that of other nations, whilst expenditure on primary education is relatively more sparing (see *World Development Indicators* 1998). The current crisis involving capital's inter-
national redeployment has indeed challenged the Fordist compromise (where jobs were generated in exchange for industrial peace) achieved during the early phase of Singapore's industrialization. To avoid social instability caused by the production of a segment of new poor (euphemistically labelled 'early retirees', who are unwanted because young educated immigrants are more efficient and cheaper), Singapore may need to construct a new mode of regulation to make them less vulnerable to the vagaries of international capital.

**Expanding the Social via the Virtual**

Under modern conditions of both communication technology and the social engineering of self-organization for identity, the socially local is no longer necessarily geographically near. The hegemonic nature of capitalist technology, which has brought about unprecedented mastery of space and time, has provided for incorporation of material that is alien.

The opening up of new spaces and new time has also simultaneously exponentially expanded the horizon of powerless people like women, whose options for partners have expanded tremendously. However, as imagined worlds of finescapes and ideoscapes (Appadurai 1990) develop their own dynamics and start to govern their creators—for whom it becomes impossible to distinguish reality and virtuality—the consequence is indeterminate, containing both promises and threats. On the one hand, workers and students have benefited from access to the cyberworld made available by the state and employers who have bought into the myth of IT as the solution to the problems of the current recession. Unfortunately, players have at the same time been exposed to relatively new and unforeseen threats to personal safety and security because of the comparative novelty of the experience.

Under such circumstances, many are the reports detailing how women have been conned into sending money and proposals to bogus virtual suitors. Just one example is that of 28-year-old bank clerk Maria Ooi, who had transferred US$ 22,502 to her own account so she could lend the money to her Canadian friend whom she had met over the Internet. She then paid
off a phone bill of $8,000 she chalked up talking to him, then wired $10,683 to him as she had done countless times before (Straits Times, 29 December 1998: 1).

Finally, access to cyberspace has provided opportunities for mutual communication amongst like-minded members of peripheral groups apart from an alternate escape route from the somewhat strict control of the media exercised by the state. For instance, material on illegal societies, such as the Ang Soon Tong gang, has been posted on the Internet in chat rooms and even on active bilingual sites featuring tattooed youths, girls and slogans glorifying the secret society. According to Inspector E. S. Ang of the Criminal Crime Branch Team, it is difficult to regulate these sites due to the uncertain identities of their originators. However, amid the hype spotlighting massive state expenditures on the building of IT infrastructures (both soft and hardware), it must be noted that the availability of IT to the masses is still constrained by its high costs, relative to the comparatively low wages received by the average worker. For instance, the median pay of workers was only S$1,625 in 1997 (Singapore Statistical Highlights). Even small start-ups have reported difficulty in conducting Internet business, as banks (except American Express, which charges a high commission) are unwilling to support e-commerce through the use of credit cards.

To combat the problem of access for those with less resources, service providers such as the Singapore Cable Vision had recently to rethink its pricing structure in order to expand its market. Their market surveys found that clients with lower-level incomes would only sign up if the monthly prices were lowered. At present, only about 20 per cent of the 820,000 cable-ready homes subscribe to cable.

**Conclusion**

The immediate impact of the Asian crisis was to generate panic and a sense of vulnerability in the people. Another result has been the accelerated opening of a window of opportunity for
the state to reassert its authority, which had slowly eroded with the years of affluence and the accumulation of confidence by its citizens. On the heels of the crisis, the Singapore state has engaged in frenetic mobilization to call for an overhaul of people to fit its designated mould, if they want to survive the crisis. However, globalization and extreme internationalization of the Singapore economy have generated a wide variety of desires and demands. This has made it imperative that new modes of governance be invented and broadened to include more hybrid modes that incorporate both coercion and a whole host of political and disciplinary technologies.

People, on the other hand, faced with the sudden collapse of their material world and aspirations which had been built on conventional ideologies learnt from a bygone era, have been forced to rethink and readjust to new realities brought on by the crisis. In the process, some old ideologies such as patriarchy have to be dumped while beliefs consonant with the new reality have to be taken on board. Whilst previous decades of economic boom have encouraged the flourishing of liberal individualism, the many new threats and uncertainties brought about by flexible production—accompanied by new managerial practices such as downsizing and overproduction of the middle classes—have forced a recasting of individualism to produce a demand for a more co-operative basis of organization. Changed notions of the social have also begun to emerge and there is not much that anyone, including authoritarian governments, can do to stop that trend. Whilst access to cyberspace has facilitated escape from hegemonic standards set by the state, it has also led to subversion of individual integrity.

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Notes

1. All dollars are denominated in Singapore dollars (US$1 = S$1.722).
2. During the crisis, as part of the project to mobilize the citizens to 'sacrifice' for the nation, the state garnered the views of 6,000 Singaporeans including businessmen, professionals, grassroots leaders, community groups, unionists and students from institutions of higher learning to produce what is now categorized as Singapore Vision 21, which purports to promulgate what people want for their society. These desires were grouped into the following four goals:
   - every Singaporean matters (note: not only the leaders)
   - opportunities for all (note: not only the talented)
   - sense of belonging (note: even for non-producers)
   - actively making a difference to society (note: the views of everyone are equally significant).
3. Refers to the new corporate and industrial regime brought on by pressures from heightened global competitiveness. It is characterized by accelerating product cycles, more 'flexible' forms of work and inter-firm interaction (e.g. greater use of outsourcing. See Sabel 1982).
4. This study is in process and looks at family ideology and the mother–daughter relationship of various classes and ethnic groups in Singapore.
5. Before the 1985 recession, the total CPF rate stood at 50 per cent, with employees contributing 25 per cent and employers matching this. In 1986, the employer's share was reduced to 10 per cent. It was not restored fully and reached 20 per cent in 1994. The employee's share, on the other hand, was gradually reduced from 1988 onwards until it reached 20 per cent in 1994.
6. There are now 530,000 foreigners out of a total of about 1.93 million in the workforce (up from 1.4 million in 1988). Out of this figure, 80,000 are higher skilled and better educated (including professionals) while 450,000 (including 100,000 domestic helpers) comprise lower-level workers. Between 1994-97, the annual increase of foreign workers was to the tune of 15 per cent, with a net inflow of 50,000 (out of which 7,000 are professional workers). The aim of taking in so-called foreign talent was to double the number of the skilled and professional strata. It was estimated by the Department of Statistics that without this foreign input, Singapore's GDP growth for 1996 would be 2.2 per cent lower, that is 5.3 instead of 7.5 per cent.
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