Declining Birth Rate in Singapore.

“If we don’t hear baby cries, our economy will really cry.” ~Davis Li.

Your grade is: A+
Comments
Interesting and an analytical piece
Good research done using different sources of information
What about foreign immigration to make up for falling birthrates?
How about liberalizing the adoption policy (for overseas infants) to increase the population?

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TUTORIAL: W4
There are many reasons to birth decline, it could be due to natural disasters, overcrowding, emigration or even an economic crisis. In Singapore, fingers may be blaming the government’s anti-natalist policies for causing today’s labour crunch and low fertility rate when Lee Kuan Yew was the Prime Minister. To make matters worse, Lee Kuan Yew promoted eugenics policies where he urged graduate women to marry graduate men and have more babies to boost Singapore’s talent pool in the period when Singapore realized its anti-natalist policies were overly effectively. (Webb, 2006). Granted, birth rates can be influenced by the government with its measures to hasten, suspend or slow fertility rates. In Singapore, population control policies were employed to steer and grow its economy, especially in the early years of the country’s industrialization period. For example, anti-natalist policies in Singapore between the 1960s and 1970s were emplaced to slow and reverse birth booms started after World War 2. During this period, the government also took a more direct role in family planning by establishing the Family Planning and Population Board (FPPB), taking over most of the family planning activities and services from a privately organized Family Planning Association (FPA). The government’s approach to birth control policies was also somewhat interventional as abortion and voluntary sterilization were greatly liberalized and legalized in 1970, and between 1969 and 1972, a set of administrative policies were instituted to incentivize small families, and disincentivize larger families with raising accouchement fees of bearing the third, fourth, and any subsequent children. (Factbook, 1989) Is Singapore’s current fertility woes really attributed to its anti-natalist and interventional measures from 1960s till 1980s, and worsened by eugenics policies in the late 1980s? Is there hope for Singapore to reverse these policies with today’s pro-natalist policies and measures, or is it just too late?

It took Singapore 12 years (1975-1987) to start pushing for pro-natalist policies. After the attainment of replacement fertility in 1975, no changes to the national population control programme were made until the mid-eighties. However these measures in the 1980s were designed to encourage the better-educated women to produce more babies and the less-educated to bear fewer babies. These measures were meant to influence the quality rather than the quantity of the future population to ensure an adequate supply of talented people for Singapore and this led to further decline of today’s fertility rate to 1.2 (Singapore Statistics, 2011).

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1 The level of fertility at which a population exactly replaces itself from one generation to the next. In developed countries, replacement level fertility can be taken as requiring an average of 2.1 children per woman.
In 2001, the government finally announced a pro-natalist policy untainted by eugenics called the Baby Bonus scheme to incentivize couples to give birth in the form of cash gifts and a child development monetary account to help defray costs in raising children. At the 2012 Committee of Supply Debate, Deputy Prime Minister Teo Chee Hean, Minister-In-Charge of the National Population and Talent Division (NPTD), announced enhancements to the Child Development Account (CDA) to better support the developmental needs of children which will be enforced in 2013. This scheme will be administered by Ministry of Community, Youth and Sports (MCYS). Therefore, incorporating the enhancement to current Baby Bonus scheme\(^2\), cash gifts of up to $4,000 each for the 1st and 2nd child, and $6,000 each for 3rd and 4th child will be given. However, the significant enhancement of the Baby Bonus effective from 1\(^{st}\) January 2013 is the CDA. CDA is a savings account where parents’ deposits are matched by the Government, up to a cap ranging from $6,000 to $18,000, depending on the birth order of the child. The CDA of a child will also remain open until the end of the child’s 12th year, instead of the 6th year. This extension will give parents more time to use the CDA funds for the child and his/her siblings (MCYS, 2012). CDA funds are supposed to pay for expenses for the child and his/her siblings at approved institutions registered with MCYS. Expenses include fees from child care centres, kindergartens, special education schools and early intervention programmes. Medical-related expenses at registered clinics and hospitals can also be paid via CDA and includes pharmacies, optical shops and providers of assistive technology devices.

While the Baby Bonus scheme will be welcomed by many couples, especially the lower income, it is not without its critiques. Perhaps, the first thing that comes into mind is the criticizing of the many monetary incentives employed by the Singapore government which makes family planning a mechanic and economic process and may make children seen as production goods. In Singapore, Baby Bonus might be seen by some as an excessive degree of social engineering - Is Baby Bonus really any different from employing tax policies which have conditions and rules attached to them in order to alter human behaviour in some way? Library of Congress Country Study argues that, “The methods used in 1987 to attempt to reverse the falling birth rate was a demonstration of "the government's [continued] assumption" that citizens were receptive towards monetary incentives and administrative allocation of social services when it came to family planning.” (Library of Congress Country Studies, 1989). Incentive schemes such as Baby Bonus may target immediate economic needs but not necessarily reinforce positive values to its recipients towards family planning. In the eyes of the recipients of Baby Bonus,

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\(^2\) Refer to Appendix A: Current Baby Bonus Scheme
such schemes serve not for the greater good of pro-life activities but for the future and economy of Singapore. Additionally, Singaporeans may become numb to how the government often links intangible issues with tangible incentives. Second, families under the Baby Bonus scheme may overly rely on the government and might even demand certain concessions or privileges based on the notion that babies are soft spots of the Singapore government, giving families the boldness to demand more from the government. Last, Baby Bonus is not much different from other welfare schemes supported by the government. As such, affluent and childless couples or singles may feel that they are already doing their part for Singapore’s fertility rates simply by paying higher taxes (due to their higher pay) to support such welfare schemes, including Baby Bonus. Procreation policies such as Baby Bonus may not be effective enough to encourage affluent couples or DINK households to give birth and this is because such incentive policies are treating the symptoms of fertility woes and not attacking the root cause of it. I do agree that the Baby Bonus can help boost fertility rates in Singapore but unfortunately, its results isn’t as far reaching as the government hopes to be. With Baby Bonus, the change in citizen births is still greatly inferior to that of non-citizen births (Yap & Straughan, 2009). Clearly, the Baby Bonus is a short-term measure to increase an economy’s productivity while not effective in maintaining the long-term stability of the nation. The declining fertility rates seen in Singapore is ironically a result of the success and affluence of the country and has to be stopped or reversed in order for Singapore to continue to thrive and maintain the high standards of living achieved thus far. The challenge however, is that fertility decisions are fundamentally related to the mind-set of the population towards having family, and changing that mind-set will require more than just monetary incentives. More importantly, we need to eradicate the “predators” to family formation and child bearing. Borrowing Traditional Chinese Medicine’s philosophy, the government should not just treat the symptoms of low fertility with Baby Bonus but also attack the root cause of it with other social strategies. Despite many discussions on why young fertile Singaporeans are not willing to raise

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3 Double Income No Kids - Either both partners are working or one has two incomes.
more children or to give birth, there is **one underlying cause** – Stress of keeping up in the society. In our primitive past, temporary stress is needed to pump adrenaline for our ‘fight or flight’ system in order to survive in the wild. But with today’s modern society, stress which is supposed to last only for a few seconds became longer lasting (Medina, 2008). According to Professor Medina, prolonged stress changes the way we learn, from how we learn in school to how we learn to behave and survive in society. In this highly materialistic Singaporean society, **everything including intangibles has a price tag** - Prenuptial agreements have been a hot debate recently, and countries like China, US and the Philippines have made prenuptial agreements valid.

Therefore, instead of advocating for work-life balance and educating Singaporeans about stress, the first priority of the government should be nurturing an environment conducive to educate the minds of Singaporeans in upholding virtues and not being overly materialistic. Materialism starts when young Singaporeans are rewarded with scholarships and recognition only if their academic results were excellent. I recommend the government to transform its **academic** system into an **education** system. First, **do not create an ideal set of abilities** Singaporeans should have in order to survive in modern societies. Albert Einstein says that everyone is a genius but if we judge a fish based on its ability to climb a tree; the fish will live its whole life believing that it is stupid. As such, the education policies should not just heavily reward academic stellar but in sports, arts, entrepreneurship, or even competitive video gaming. The acceptance of students into Singapore’s public tertiary schools should not be based on past academic records but be based on their achievements out of passion. Currently, most Singaporeans have little to talk about their passion other than academic achievements, and increasingly, companies noticed the importance of “what a new hire **like** to do” over “what a new hire **can** do”. There are also many Singaporeans who still do not know what they want in a career after 10 years in the work force because Singaporeans are simply skills-trained and not educated to discover their own strengths and passion. To help Singaporeans explore their own passion before entering the work force, tertiary institutions should not grade any module taken in the first year of their courses. Next, Singaporeans should be entitled to Singapore’s Tuition Fee Loan scheme to study overseas courses not available or well known in Singapore such as criminology. Last, Singaporeans should be inculcated with the idea of “You scratch my back, I scratch yours”, to eliminate intense competition in schools. All students starting in Secondary schools should have peer evaluations and strong emphasis on team work. Community service programmes only promote giving to less privileged people and this does not equate to the spirit of generosity. If a student
can graciously help another student (which is a contender to the student’s own grades), that is the true spirit of education – advancing the human civilization and not for selfish gains and rewards. Overall, Singaporeans should not think that academic prowess trumps over other important aspects of education such as life skills, resilience and virtues. Einstein agreed that, “Education is what remains after one has forgotten what one has learned in school.” Although the government can plant seeds to boost fertility, the soil and growing environment must be conducive for the seed’s growth. The direction and environment for birth strategies is more important than the speed and effectiveness of birth policies. With these recommendations to Singapore’s education, Singaporeans will grow up less materialistic; less pressured by competition and will be stress-free to enjoy other aspects of life – family and children. And because every profession in Singapore is held in esteem, Singaporeans will be able to find their lifelong partners without the social stigma of “Graduates should marry graduates”. People need not to be incentivised to do things beneficial to Singapore’s society and economy. It will be second nature for Singaporeans to be united and fulfil their duties of being a good citizen and the government need not to spend big sums of money to link good deeds with incentives.

Can we blame our current fertility woes to past anti-natalism and eugenics practices? No, let the past be the past. Besides, the real issue of today’s low fertility rate is the mind-sets of Singaporeans with the stress and cost of living. The government’s approach should appeal more to the sense of fulfilment of having children rather than the sense of getting more monetary value out of having children. My recommendations have targeted the socio-economic trend and the lifestyles of today’s Singaporeans. Fortunately, Singapore understood that policy making is not just about tackling an issue with more incentives. Former Prime Minister Lee Kuan Yew admits, “So, just ponder over it [SIC] and you will know the solution is not simple. But we’ve got to persuade people to understand that getting married is important, having children is important.” (Ramesh, 2012) And this persuasion comes when the entire Singapore society is convinced that indeed, there are many other things in life more enjoyable and important than work and material gains – and it all starts from educating our society from young.

Brian Dyson, CEO of Coca-Cola, gave a superb analogy and relationship between work and other life’s commitments. In life, we juggle five balls in the air – work, family, health, friends, and spirit. Only work is made of rubber. If we drop work, it will bounce back. But family, health, friends and spirit are made of glass. If we drop one of these, they will be irrevocably scuffed, damaged, or even shattered. They will never be the same again and it affects the rest of our lives forever. It is not too late for Singaporeans to avoid such grave mistakes.
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Appendix A: Current Baby Bonus Scheme

Table 1: CDA Government Co-Matching Caps

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Table 2: CDA Payments at Approved Institutions

1. Fees at Approved Institutions which have registered with MCYS under the Baby Bonus Scheme:
   - Child Care Centres;
   - Kindergartens and special education schools registered with the Ministry of Education or the Council for Private Education;
   - Early intervention programmes registered with the National Council of Social Service or the Centre for Enabled Living;
   - Healthcare institutions licensed under the Private Hospitals and Medical Clinics Act; and
   - MediShield or MediSave-approved private integrated insurance plans.

2. MediShield or MediSave-approved private integrated insurance plans.

http://app1.mcys.gov.sg/PressRoom/CDAextendedby6years.asp