



Catering to the needs of the vulnerable 20 per cent for a greater good might be what Singapore and the world need – until vaccine is discovered or a cure is made available. If any country in the world can organize and achieve this, surely it would be Singapore.

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# Lives vs Livelihoods: The case for the 80/20 model

Until a vaccine or cure is available, protecting the vulnerable seniors of our population might be what Singapore's economy needs to survive Covid-19. **BY GIRIJA PANDE AND WONG JOO SENG**

**T**HE highly infectious nature of the novel coronavirus has created a unique and global healthcare challenge for all policymakers since the beginning of 2020. After many weeks of a tight lockdown (or “circuit breaker”, as Singapore has termed it), governments are cautiously reopening their economies, mindful of the need to minimize risks of triggering any new waves of infection.

While researchers and scientists are diligently working on creating the vaccines or medicines for Covid-19, it is quite clear to policymakers that the creation, manufacture, and large-scale distribution of such counters are, optimistically, at least 18 to 24 months away. Till then, physical distancing, widespread use of masks and personal and hand hygiene, though seemingly old-fashioned, remain the only measures we have to reduce new infections.

At the same time, rigorous testing, contact tracing, and isolation will prevent further spread in the population. Hard lockdowns that we have seen in some countries have certainly reduced infection numbers but have also knocked out economies to a level never seen before. In the United States alone, job losses have crossed 40 million. In Singapore, layoffs could mount to about 100,000, especially in micro, small, and medium enterprise (MSMEs) segment, and many sectors may be permanently impaired if they are not provided with a continued lifeline of some sort.

Policymakers are also aware – especially in open societies – that it is well-nigh impossible to keep a strict lockdown beyond one to two months as pressure on reopening for social and economic reasons boils over regardless of the level of infections. Singapore is blessed with an enlightened public that understands these trade-offs and is disciplined enough to follow healthcare directives issued by our technocratic leaders.

It also has an excellent healthcare infrastructure, which has been remarkable in providing care to Covid-19 patients resulting in one of the lowest mortality rates in the world, despite the high infection rates in the migrant community. With the benefit of hindsight, had we been more proactive, rather than being blindsided by the threat to our migrant workers, we likely would have been help up as an example to the world in managing this pandemic similar to South Korea or Taiwan.

Policymakers in Singapore, like everywhere, have had to face tough choices while deciding on the phased reopening of our economy. Open too fast and the infections could spike; opening too slowly could devastate the economy, which has already been battered over the last three months. It is a case of being stuck between a rock and a hard place.

After careful assessment of the situation in recent weeks, Singapore will proceed to its Phase Two reopening on Friday, with no let-up in the distancing rules and other safeguards. More business, social and recreational activities will resume, apart from those that involve mass congregating. Social gatherings, as well as eating out, will be limited to five per group or table.

If we drill down into the various affected sectors of the domestic economy, the challenge seems to boil down to one critical issue: how does one maintain social distancing and yet enable “contact-heavy” sectors of the economy – such as travel, hospitality, food and beverage (including hawker centers), entertainment (pubs, nightclubs, theatres), sports and recreation – to rebound? It is here where social interactions take place in close proximity and where large crowds translate to bigger profit. Mass transport systems too suffer from similar challenges: whether to allow travelers to be densely packed in order to generate higher revenue, or to limit numbers to control infection.

It is evident by now that cleverly crafted solutions that disallow crowding in such places suffer from three major handicaps:

- Crowding is not easy to regulate, despite the use of intelligent technologies now being developed.
- Social distancing and similar restrictions in “contact-heavy” sectors will create sub-scale businesses that will continue to bleed.
- Those especially affected will be small retail food/services businesses, including mom-and-pop stores.

## A PRACTICAL COMPROMISE

Meanwhile, attracting foreign travelers and tourists to return is dependent on many externalities outside our control. Consequently, domestic demand could well be the engine to keep many of the local businesses going.

The solution lies perhaps in going back to the tried and tested “80/20 rule”, which postulates that just focusing on 20 per cent (of the key factors) usually contributes to 80 per cent of success in many situations.

It is now clear across the world that Covid-19's impact on various age groups is a significant and disproportionate one. This is unique. While those under 65 years of age who are infected have low mortality, those above 65 have a much higher chance of succumbing to the disease. Moreover, other vulnerable segments like people in nursing homes or those who are immunocompromised because of other pre-existing conditions or diseases are also impacted disproportionately.

If one assumes that these groups constitute about 20 per cent of Singapore's population, then isolating and restricting them somewhat while the rest are permitted and even encouraged to resume normal activities, could be a likely practical compromise. Of course, those serving these vulnerable segments must also be isolated and will need to be included in the 20 per cent.

Fundamentally, what we can consider is to segregate movements of this vulnerable segment (let us call them “precious uncles and aunts” of Pioneer and Merdeka generations) to allow the domestic economy to open fully. This will permit the economy to continue operating normally and provide jobs and services to all, including the most underprivileged. Unless freer movement is allowed by opening the economy substantially, we will not be able to recreate jobs lost to Covid-19.

Various steps could be taken to protect these “precious uncles and aunts” and give them some measure of normal life:

- Use technology to monitor their movements in the open.
- Restrict their interactions with other (figurative) 80 per cent of the population.
- Announce “golden hours” or specific times during which only the elderly group is permitted access to facilities, such as supermarkets, malls, gardens, beaches, and so on.

## THE GREATER GOOD

Balancing the need to save and create jobs by allowing the economy to open fully while taking care of the elderly could be a unique way to fight the Covid-19 scourge, one where Singapore could show the world a new way. Different countries are experimenting with ways to facilitate the safe daily living of their silver-haired minority, including for instance, electronic access cards that allow entry at select times in supermarkets or malls.

There is much to do when the aim is to segregate a portion of the economy from the rest of society. However, what is the alternative? Segregating everyone from everyone else? That surely cannot be the way forwards, as it will almost certainly decimate the economy in short order. That many of the elderly in the high-risk groups are long retired or may have more flexibility to work from home may make the possible solutions or measure less intrusive than they first appear. Identifying these distinct characteristics will go a long way in helping make the situation manageable.

Singapore's economy has suffered sharply since March. A large-scale reopening is the only way our many businesses in the heartlands and beyond can survive. The “lives versus livelihood” debate is a big one for all policymakers. Catering to the needs of the vulnerable 20 per cent for a greater good might be what Singapore and the world need – until vaccine is discovered or a cure is made available. If any country in the world can organize and achieve this, surely it would be Singapore.

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*The views expressed are personal opinions of the writers who both serve on the board of the Singapore International Chamber of Commerce*