

HSE Global Scholarship Competition – 2020

DEMO VERSION OF COMPETITION ASSIGNMENTS SOCIAL SCIENCES: INDIVIDUAL. SOCIETY. STATE

11th GRADE

to be completed within 120 minutes

the maximum score is 100 points

Assignment No. 1 (15 points)

"If geometry were as much opposed to our passions and present interests as is ethics, we should contest it and violate it but little less, notwithstanding all the demonstrations of Euclid and Archimedes..." (Leibniz).

Assignment:

- 1) Formulate the problem raised by the author of this statement.
- 2) Which special aspect of social cognition is argued here?
- 3) Name a social and philosophical doctrine, which recognizes this problem and provides a theoretical explanation for it.
- 4) Give an example illustrating the special aspect in question.

Tips:

1. Leibniz tackles the problem of how personal or public interests affect the adoption or, alternatively, denial of certain ethical doctrines and ideas.
2. The same problem is also typical of social cognition: postulates of specific social theories and doctrines affect personal or public interests in one way or another and depending on these interests, people tend to accept or deny such theories.
3. The Marxist theory was one of the first concepts to explicitly recognize this issue. One of its key arguments suggests that class interests can influence the process of social cognition (see Chapter 5: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grades).
4. The Protestant doctrine advocating the godly nature of work, including manual labour, was most popular among the newly emerging class of capitalist entrepreneurs in the beginning of the modern era. This group was objectively interested in ousting "idle classes", giving up luxury and placing a special focus on investments in production (see Chapter 7: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grades).

Assignment No. 2 (20 points)

N was born and raised in a migrant worker family. His father never had a permanent place of work, and his mother was employed as a janitor. At the age of 10, he started earning his first money, and he went on to earn his living starting from the age of 12. Some of his friends have managed to get an education, get out of poverty and find a full-time job through their hard work and self-limitation. One of his friends, for example, became a sergeant in the professional army,

his distant relative opened a small shoe shop, and a friend of his family found a job as a clerk at the seaport.

But N's dreams were different. He heard a lot about people who jumped out of poverty straight to the top of society. His dream was to own a yacht and a castle on the seaside, and he was ready to do anything to achieve these goals. He had never been a religious person and considered public morality ridiculous and childish.

N joined a teenage gang. However, after a series of robberies, he ended up in prison. After coming back out of prison, he decided to start an honest life.

But he discovered that now no one was willing to give him a job: because of his term in prison, he was labelled as a potential criminal by most people.

Assignment:

Describe the situation from the standpoint of sociological theories, using relevant terminology. Which patterns/trends, included in a social sciences course syllabus, have you noticed?

Tips:

N grew up in a family belonging to the lower stratum of the lower class. His mother's low-skilled manual job (a janitor), and his father's lack of permanent job are clear indications of that (Chapter 5: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grades). Early working life and therefore no education are typical of persons with such background.

According to Merton's classification (see Chapter 4: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grade), N's friends behaved as conformists, because they chose to adhere to the society's instrumental values (honest work and study), which allowed them to move one step up on the social ladder and secure positions among the representatives of the lower middle class.

N's story is a typical example of an innovator's path (according to Merton's classification). He was focused on terminal values which could not be attained by the people in his class (his own yacht, etc.), but at the same time, due to the lack of education and proper upbringing (disparaging attitude towards public morals, sarcastic and arrogant attitude to mass religious values), he disregarded instrumental values and was ready to violate them. Such behaviour normally leads to violation of laws.

On the face of it, formal social sanctions (see Chapter 4: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grades), i.e. incarceration and secondary social adaptation during his term in prison, had a positive effect – N decided to start an honest life. However, the society refused to accept a convicted criminal. This situation can be best explained in terms of the *social stigma theory* (see Chapter 4: Methodological materials: Social Sciences: Individual. Society. State", 8-11th grades), which suggests that a person who has been once labelled as a deviant, will continue to carry this social stigma, in many ways regardless of their subsequent behaviour. This theory views deviation not as much as an individual quality of a specific person, but rather as a social expectation, or a social role which is attributed to such person by society.

Assignment No. 3 (15 points)

Philosopher Immanuel Kant argued that the social reality we can observe in our everyday experience can in no way serve as criteria of truth for ethical norms. Sociologist Emile Durkheim advocated quite the opposite idea: a scientific doctrine of morality can only be built upon the data derived from accurate observation of real social life.

Assignment:

1) How, do you think, can the contradiction between these two statements be resolved?

- 2) Give examples of real-life situations and tasks, when it would be more productive for us to use one idea and when the other?
- 3) Do you think these two ideas can be blended together?

Tips:

The controversy between these two statements is a special case of a more general disagreement between philosophical and sociological approaches applied to social and ethical norms. Furthermore, this contrast is rooted in the very nature of ethical laws (see Chapter 3: Methodological materials: Social Sciences: Individual. Society. State”, 8-11th grades).

The fundamental difference between ethical laws and the laws of the physical world was recognized even by ancient philosophers. Unlike physical laws, which apply regardless of the will and desire of people, ethical laws are *imperative*, i.e. prescribe how one should act, but at the same time allow violations. You cannot violate the law of gravitation, and if it were to be violated at least once, it would cease to be a physical law. Quite the opposite, one of the key ethical principles "you shall not kill" has been violated too many times (see Chapter 3: Methodological materials: Social Sciences: Individual. Society. State”, 8-11th grades).

But if ethical laws can indeed be violated, we cannot rely on observations of the world around us to establish whether these laws are true or false. How can we determine whether or not they are *genuine* in this case? This is where we must have a clear understanding of the differences in the philosophical and sociological approaches described in the above-mentioned statements of Kant and Durkheim.

Classical philosophy, all the way back to Socrates, mostly relied on the existence of certain higher principles and rules, which were considered objective and genuine because of their divine origin. These rules are intuitively understood by all people, although people do not always abide by them. Therefore, philosophy took it upon itself to formulate such principles and explain their nature (see Chapter 3: Methodological materials: Social Sciences: Individual. Society. State”, 8-11th grades).

Sociology has always been guided by empirical facts and phenomena. In terms of ethics, sociology was mostly interested in the norms and principles that people really follow in their everyday life. And since people don't always adhere to the key ethical laws, sociology tried to explore to what extent people do actually follow these norms and explain the reasons for such discrepancies (see Chapter 1: Methodological materials: Social Sciences: Individual. Society. State”, 8-11th grades).

Therefore, the approaches suggested by Kant and Durkheim can, in fact, be regarded as complementary rather than mutually exclusive. If we follow the sociological approach only, ethics will no longer have any higher guiding principles. On the other hand, if we exclusively stick to the philosophical approach, ethics will lose its touch with reality: it will only focus on telling us what the world should be like without giving us an idea what it really is.

Assignment No. 4 (15 points)

The pension system, as well as health care and education, are always among the key subjects of discussion in any country. When it comes to reforming socially important industries, experts give different arguments in favour and against privatization or nationalization of these sectors.

Assignment:

Using your knowledge of public administration processes, answer the following questions and provide relevant arguments.

- 1) What are the pros and cons of privatization of public services in education/ healthcare/pension system? Please give examples based on the historical experience of other countries.

2) Why can the state/governmental involvement prove ineffective?

3) It is well known that in some countries the process of privatization and transition from planned economy to market economy has brought about negative expectations with respect to reforms in general. Describe negative factors which may slow down or reduce the effectiveness of reforms.

Comment:

Unlike state-controlled administration of socially important sectors, the private sector by definition has less financing options, which may result in higher fees and a reduced outreach to the population. On the other hand, the competition for each client between service providers and a lower burden on the budget of a country in general/ its regions/municipalities can be considered as an advantage. The pension reform in Chile in 1981 can serve as an example of reductions in the services outreach.

One of the reasons for such lack of efficiency is limited opportunities for transition to motivation-based contracts relying on key performance indicators. This problem is rooted in the complexity of public services (for example, teaching economics at secondary schools), i.e. they cannot be clearly divided into stages with a straightforward evaluation procedure. To think about what will happen if a teacher's salary would directly depend on the number of "excellent" grades assigned to students during an academic year?

This question can become a good topic for an essay. We must keep in mind that in the times of change some people tend to benefit more, while others may consider themselves 'losers' (remember the "Luddites" in the 19th century). Changes always lead to uncertainty about the future, and any reformer can benefit from the changes he/she initiated. The scope and depth of your analysis will be evaluated, therefore, your answer to this question should be presented as a brief action plan (with a rationale for each step).

Assignment No. 5 (20 points)

In 2003, Russian municipalities introduced a new position of a "city manager" or "city administrator". The key difference between the new position and the older ones - the head of administration/city mayor is that a city manager signs a contract and is expected to achieve specific results. At the same time, since both the city manager and the mayor have certain authorities, conflicts are not uncommon.

Answer the following questions, using your economic intuition and knowledge in the field of management.

Assignment:

- 1) Explain the differences in motivation between an elected official and a contract-based employee. How can the candidates' selection process affect a successful candidate's subsequent actions?
- 2) What professional key performance indicators (KPI) would you suggest for (1) a tax inspector, (2) a judge, (3) a minister of the consumer goods industry? Explain your answer.
- 3) What are the potential risks in a situation when a KPI can be achieved through different methods? Explain your answer. Provide examples, if necessary.

Comment:

Politicians are elected, while managers are appointed by top authorities. Therefore, the first category will be primarily concerned with their re-election, while the latter will do their best to achieve the results stipulated in their contracts or seek to be in the good graces of their superiors. Administrators whose future careers depend on the election results will most likely refrain from making unpopular decisions. At the same time, "appointed" managers may ignore certain public problems, if no clear KPI can be established for successfully solving such a problem.

The question about key performance indicators is still open, but we must always keep in mind that the nature of a specific KPI leads to certain behavioural and decision-making patterns. For example, if we decide to assess a tax inspector's performance in terms of fines charged for tax violations, the inspector may be tempted to abuse his/her powers.

Assignment No. 6 (15 points)

City and regional administrations, as well as governments of entire countries, often have to deal with growth in budget expenditures in the context of revenue reductions. At the same time, experts have different views on the problem of the budget deficit, emphasizing that the latter does have its disadvantages along with the not-so-obvious advantages.

Assignment:

- 1) What tax classifications do you know? Give examples from the Russian or international practices to illustrate key differences between different types of taxes.
- 2) How can taxes affect the activities of individuals ("citizens") and legal entities ("companies")?
- 3) What are the negative implications of a constant budget deficit? Please give historical examples.
- 4) Does an ideal tax system exist? Provide reasons for your answer based on necessary background information.

Comment:

The key tax classification is based on the level of a taxpayer's income: whether or not the income tax depends on the income (income-based and lump-sum taxes), and how the taxes are charged (regressive, proportional, progressive taxes). Feel free to mention other classifications.

In the developed countries, citizens tend to view tax fees as their duty to the government which cares about them, whereas in poorer countries, taxes are perceived as "fines" for different actions taken by individuals and legal entities. Therefore, the state would always stimulate either tax avoidance (which may take legal forms, such as offshores, or tax planning strategies, etc.), or tax evasion (which is illegal). If both are impossible, taxpayers can either reduce their spending or wind up their businesses.

A constant budget deficit leads to the active borrowing of money from households or financial markets through issuing bonds or printing additional banknotes (within the framework of the government's relations with the Central Bank). In any case, the government will be forced to declare a default, if it is unable to pay the creditors. Therefore, the implications are quite

simple: growing inflation due to increased currency emission or growth in interest rates and reduced investments into the national economy due to massive borrowings from private investors initiated by the government. This comment is not exhaustive.