

ANGLO-CHINESE JUNIOR COLLEGE
JC2 PRELIMINARY EXAMINATION 2012

GENERAL PAPER

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Paper 2
INSERT

1 hour 30 minutes

READ THESE INSTRUCTIONS FIRST

This Insert contains the passages for Paper 2.

This document consists of **3** printed pages.



Passage 1

Anna Rodrigue and Barry Schwartz write about the value of efficiency.

- 1 In theories of business administration, the standard of value for human action is relative to the ability of attaining the goal set up for it. This, then, is the standard of all technical activity: efficiency. Efficiency is the shortest, fastest and simplest way of achieving a planned objective with a minimum of cost. As a means of evaluating human activity in business and practical activity in general, efficiency is, therefore, the standard. It is a standard of quality pertaining to the action, but it cannot be considered a moral virtue, since the quality of good or evil does not derive from the form in which an objective is achieved but from the goal or end that the action achieves. To give an extreme example, one could say that Hitler and his engineers were extremely efficient in achieving the goal of exterminating Jews. 5
- 2 In justifying efficiency, one should say that in modern times, reason has to apply its own rational parameters to action in order to organise a society that has grown to massive proportions. Therefore, efficiency is a quality that derives from the rationalisation of action. In mass society, institutions and policies have to be previously planned in order to achieve a desired objective, as, for instance, the running of government, hospitals and schools. Max Weber, for instance, points out that it is the business of bureaucracy to be efficient. John Dewey writes of social efficiency as that action that has the most beneficial results for all society. 10 15
- 3 It may seem heartless to worship efficiency at any cost, including lost jobs and decimated communities, but it is important to understand that increased efficiency is the only way a society's standard of living will improve. If your company raises your pay without becoming more efficient, it will have to raise its prices in order to pay you. And if all companies raise their prices to allow for higher wages, you will end up just running in place, with your higher wages exactly matched by the higher prices of the things you buy. It is only if your company and others find a way to pay you more without charging more that your living standard goes up. So, if we want to make material progress, we must become more efficient. In addition, as markets have become ever more globalised, increased efficiency of companies has become a condition for their very survival. So firms compete to become more efficient, and we as consumers benefit from this competition. 20 25
- 4 What stands in the way of efficiency is friction. When automobile manufacturers struggle to squeeze as many miles per gallon as possible out of their car designs, friction is the enemy. And so it is in the world of finance. Hard as it is to imagine, people did not always have money. The invention of money went a long way toward reducing the friction, the inefficiency, in financial transactions. No longer did the farmer have to bring sacks of potatoes to the marketplace to trade for eggs and milk. Money was a medium of exchange that greatly reduced the friction. 30
- 5 Arguably, much that has happened in the financial world over the last 200 years can be seen as a continuation of the revolution in efficiency begun by money. Credit, for example, meant that the farmer could go shopping for eggs and milk without even having the money. He could promise to pay at a later date, after the potato harvest. Nor did the farmer need to save up the surplus from many years of bumper crops before buying more land. It was possible to get the land now with credit, and pay for it over time, in part with the proceeds from newly cultivated acres. Today, financial markets are all about efficiency. Credit card interest rates of 20 percent or more eliminate the need for credit card companies to spend time unproductively checking the credit of applicants. High interest rates more than cover the occasional delinquent. Instead of having to go through red tape to get a loan when your kitchen pipes burst or when your car engine dies, you can just write a cheque. 35 40
- 6 Each of these developments has made it easier to do one's business without wasted time and energy — without friction. Each has made economic transactions quicker and more efficient. That is obviously good. 45

Passage 2

Adam Frank writes about the tyranny of efficiency.

- 1 What is your first memory of being late? The odds are it had something to do with school. For most of us, school was our first instruction in time behaviour, whether it was rushing out the door to catch the bus or rushing through the hallways to beat the bell. While not a subject explicitly on our school schedule, time management was a central lesson in the school experience. What we learned at school was a particular version of time — a time-logic — that is particular to our culture and our history. It was Fredrick Winslow Taylor, the 19th century inventor of "scientific time management", who identified efficiency as the ultimate goal of modern time behaviour. "Efficiency is both a value and a method. As a value, efficiency becomes the social norm for how all human time should be used. As a method, efficiency becomes the best way to use time to advance the goal of material progress." 5 10
- 2 With a stopwatch as his weapon, Taylor fought to show how huge production increases could be won when each "work process" was broken down into simple elements and streamlined. Production could be increased through scientific study and management. From the making of cars to the mining of minerals, efficiency as an ultimate time value lifted many people to new levels of wealth and leisure. It certainly seemed like a good idea — until now. 15
- 3 There are two principal reasons why the time-logic we were trained to live by must come to an end. The first rises from a truth never considered when efficiency first became the ultimate temporal value. While the possibility of efficiency gains seemingly never ends, production exists in a real world with real limits. More efficient forestation means running through forests faster. More efficient fishing methods means running through natural fishing stocks faster. Faster production of everything means more of everything — including more unwanted waste material (like greenhouse gases). And while efficiency can lead to other outcomes, such as the streamlined production of higher quality goods, over the last century our modern time-logic has led to the over consumption of finite planetary resources. The recognition of limits stands as the global culture's strongest imperative to move beyond its current time-logic. 20 25
- 4 But on the level of the individual, the imperative to change emanates from a different source. As individuals, the desire to build a new time springs from our deeply felt need to reclaim value and balance in our lives. There are statistics enough to show how the acceleration of life under modern time has stressed our personal ecosystems of family, friends and community. We spend more time at work, take fewer, shorter vacations and report an increased sense that we are unable to complete the tasks given to us. In fact, our stress inducing time-logic leaves its imprint across all of our daily experiences. If you are searching for one nearly universal embodiment of the phenomenon, you need look no further than the traffic on your commute. The frustration and hopelessness we can feel even in short traffic jams is indicative of the constant struggle to do more in less time. When our morning commute fails to hit its expected mark, then, like dominoes, the time-logic of tightly stacked to-dos and appointments topples, leaving us drained before the day even begins. 30 35
- 5 The value of efficiency we learned as children drives the expectation that we can "time-manage" our way out of impossibly overbooked schedules. The myth of multitasking has only compounded this dilemma, taking efficiency to new imaginary limits where we can somehow duplicate ourselves and get twice as much done. The truth is that we have limits. True connections between family, friends and colleagues cannot be compressed down to tightly scheduled "quality time". The relentless logic of efficiency can unintentionally strip the most valued qualities of human life just as easily as it strips forests. In both instances, what is left has been denuded and made barren. 40