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**ECONOMIC IDENTITY AS FACTOR OF FORMATION OF
HUMAN CAPITAL INSTITUTIONS**

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Abstract

The purpose of this paper is to study identity issues from different points of view. The analysis is based on the economic science tools. Economic identity introduces a framework that develops the emerging literature on personal identity by using a form of production functions in order to depict investment decisions in social identities. In particular, it focuses on the interpretation of the production functions. The proposal uses the structures of the social realm that are external to the individual, but which can affect his/her social identity. The concept of personal identity in economics has received a lot of attention in recent years. The use of personal identity requires expanding the psychology foundation behind the concept of identity in economics in order to account for the psychological dimension of what is required when trying to maintain a personal identity. This paper tends to examine the usefulness of considering developmental psychology in addition to the traditional social psychological foundation of identity economics within a framework of institutional economy and economic identity based on so-called insiders – scientific category.

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Keywords: Economic identity, professional formation, insider, professional community, outsider, sociogenic professional crises.



1. Introduction

People as professionals develop in the context of employment and under its influence throughout life. The paper bases on the definition of identity made by G.A. Akerlof and R.E. Kranton, who study identity as the result of the choice individuals make when they decide to take part in or stay out of a group (Akerlof & Kranton, 2010). Its definition relies on assigned social categories of the agent, the agent's own characteristics and the prescriptions associated with the social categories. F. Aguiar, P. Branas-Garza, M.P. Espinosa and L. Miller propose a personal identity argument, which considers a normative principle on how he/she should allocate his/her resources for each individual (Aguiar et al., 2010). Today in the socio-economic sphere, there is a tendency to significant changes in the labour market. Personal development, based on the age and personality characteristics, is more and more closely associated with professional activities. Nowadays, accumulated knowledge in the field of pedagogy, economics and psychology contributes to the study of the activities of the employee and his development in the profession from different angles. Therefore, the problem of identity in general and in specific professional activities in particular is considered from the point of view of their meaning content.

The process of professional formation of the personality as the subject of work is influenced by specific features of labour activity and the problem of self-identification. The readiness to innovation is now becoming one of the most important criteria of professionalism of teachers. One of the leading aims of education is to prepare skilled workers, capable of effective work in their field of speciality by world standards, ready for continuous professional growth, social and professional mobility. The essence of professional self-determination today is associated with finding personal meaning in choosing and mastering a professional activity.

2. Problem Statement

The problem of identity considered from different points of view is studied with the use of three ingredients - categories, norms and usefulness of identity. Elements of identity, appropriate to social context, are social categories and they are assigning a category to each person or his identity. Norms and ideals for each category, usefulness of identity, which are positive when actions conform to norms and ideals, or negative - if they are not (Akerlof & Kranton, 2008). Models can be built to describe economic identity with the help of a social phenomenon.

1. The view of personality as an economic entity: a subjective economic status, satisfaction with the level of material well-being, the level of economic claims, the view of personality on its business activities, and satisfaction level, features to increase revenues, ways (methods) of their increase.

2. The view of personality on the material welfare and wealth, attitudes to rich and poor people.

3. Social attitudes of personality to different forms of economic behavior: consumer, violation, business, investment, charity.

4. Attitude to money: the significance of money for the individual, emotional component of the individual's attitudes towards money:

- a) motivational parameter of the individual's attitudes toward money: power, intensity of desire of the individual to have money;

- b) the property of the individual, manifested in the handling of money: greed - generosity;
 - c) the behavioral component of attitude to money: evaluating the subjective significance of an action with money (earn, spend, accumulate, give rise to, just to have on hand), i.e. the most preferred identity of action with the money;
 - d) social representations of the individual about the role (modality) of money in individual and social life;
 - e) social representation of the person about the functions of money in one's life: the subjective assessment of the severity of the life goals of personality, the achievement of which directed funds.
5. The view of personality on profitable activities.
6. The idea of the personality of the owner:
- a) the idea of the owner, what kind of ownership can be considered by the owner;
 - b) the degree of desire to be a major owner.
7. The orientation to economic value (Akerlof & Kranton, 2010).

3. Research Questions

J.B. Davis defines personal identity as the way in which individuals “manage” their multiple social identities and he proposes representing it with production functions (Davis, 2006), based on the observation that individuals take the arguments of their utility functions as objects. The use of personal identity requires expanding the psychology foundation behind the concept of identity in economics in order to account for the psychological dimension of what is required when trying to maintain a personal identity (Davis, 2007). A depiction of the investment efforts in social identities and of the factors affecting these investments requires exploring complementary psychological foundations for the work on identity in economics (Davis, 2008). The concept of personal identity is used as it refers in economics to the investment efforts individuals make in their social identities in order to maintain or develop their personal identity (Davis, 2009). The focus is on the fact that the economy in the study of identity data does not use the knowledge from psychology. It is studied on the base of economic and social laws. Social identity is based on the structure of the social sphere, which is exogenous with respect to it (Davis, 2011).

The structure is determined and reproduced by organizational boundaries; the identity function is used to combine social identities. Concepts of social values, interest groups depend on the previous trajectory of development to create a theoretical framework in the study of qualitative dynamics in the evolution of economic orders. A study of social values and collective action focuses on the behavioral aspects related to the formation of stable habits and patterns (Volchik, 2014). Ronald Harry Coase first emphasized the role of the nature of the firm as an environment in which transaction costs are reduced to explain the existence of non-market forms of economic organization (Coase, 1937). A fundamental difference between the inside and the outside of the firm lies in how within firms or organizations, as

opposed to markets, collective intentions underlie the formation and adherence to organizational goals. There is a sense of “we” inside organizations that is (normally) absent in (ordinary) market transactions. The “we” here represents joint commitments and joint beliefs, and is shorthand for things such as “what we (as an organization) do,” “what we (as an organization) can do,” “who we (as an organization) are,” “what values we (as an organization) stand for,” “where we (as an organization) come from,” etc., as described in H.A. Simon (1991). In addition, organizations to which individuals may belong may promote conflicting social identities: e.g., the social identity nurtured within a religious congregation may concern support while the social identity nurtured within an athletic club may concern competition. Individuals’ spatial location has an effect on their personal identity.

4. Purpose of the Study

The research objective is to investigate interaction between the problem of economic identity and professional deformations through the pedagogy, psychology data.

Economics is not traditionally equipped to study the effect of local atmosphere and its effects on behavior as non-monetary factors are not accounted. This makes it difficult to describe the impact of the specific features of environments on individual behavior. In its effort to incorporate the effects of social commitments to social groups and specific social spaces, this approach is analogous to the attempts to depart from the no-spatial location thinking that is prevalent in economics. The proposed framework has three implications.

First, the framework helps to study identity boundaries and their role in explaining organizational change. Second, the argument accounts for the different returns to scale of investments in social identities. Third, the framework enables one to use and report narratives in economics. All three implications are studied in management, psychology, and anthropology.

This representation of personal identity may help to explain how individuals may choose to identify with social groups and choose a combination of social identities that would enable them to individuate themselves (Boulu-Reshef, 2013).

Description of social identities can be contradictory because of differences in social norms and values (Boulu-Reshef, 2015). In the economic science, social identity is still largely ignored, with the exception of the representatives of the institutional school. In this field of a science, there is the need for deeper analysis of factors distortion of professional conduct.

5. Research Methods

The methodology is based on the data of psychology. The foundations of economic identity can be found in the scientific works of E. Erikson (1968). In the framework of his concept, the role of people’s participation in the management of their personal identity is taken into account. One can also rely on the concept of psychologist J. Marcia (1993). The research is devoted to the study of the preconditions and consequences of identity formation. He identified four statuses of ego-identity which one can use from the viewpoint of economy: 1) identity diffusion; 2) foregone; 3) moratorium; 4) achievement of identity. These statuses depend on professional activity and ideology. Commitment involves taking hard decisions

regarding the selection of profession and ideology, as well as the development of targeted strategies for implementation of adopted decisions. Thus, a comprehensive study of this phenomenon is possible by using the methodological apparatus of economics, pedagogy and psychology. If a person identifies himself within the profession that he does, the efficiency of labor, its usefulness would be much higher. Identity as an aspect of motivation will help to relieve occupational stress and internal conflict (Erikson, 1993)

6. Findings

In the Russian science field, V. A. Yadov explored this problem. He considered the question of self-identification as "determining which community, the individual is accepted as a society within the boundaries of this community and how it relates to others; what is his own position in these relationships". V. A. Yadov interprets identity as "the awareness, the experience of belonging to a professional community". It is important to stress that V. A. Yadov considers professional behavior through a strategy of building a "we-identities". The basic social identification function is the inclusion in the system of social relationships through the community and groups that provide protection of vital interests of the individual and his needs in the preservation, development and expression. This functional identity is not contrary to ideal in cases where the achievement of a personal interest in a particular situation coincides with the ideal identity of a professional group. The results of his studies about the trends in the formation of a new social identity demonstrate that unexpected changes in politics and economics of Russia lead to psychological large-scale disasters, interrupting the usual professional relationship, destabilizing the structure. Political, economic and social changes affect the professional sphere because it involves a large number of people, which inevitably leads to the development of large-scale sociogenic professional crises. The essence of the crisis of identity according to V. A. Yadov is the destruction of the old grounds of identification, separation of group interests and the lack of forces able to create conditions for their approval. On the base of his studies, one can talk about professional insiders and outsiders. The main characteristic of identity, according to V. A. Yadov, becomes precarious and chaotic change of self-identifications (Yadov, 2013), which is characteristic of the considered professional group. Since the beginning of the 21st century, the problem of professional identification becomes increasingly urgent. Within a pedagogical environment, this question is timely due to the value-normative transformation of modern teachers, professional identity, which is implemented in a new existential space.

Thus, identity can facilitate collective action, motivating economic agents, participation in the affairs of the professional group to which they identify themselves. The stronger social ties within the community and corresponding stable identity, the more resources can be mobilized if necessary, with minimal transaction costs. The identity of the teachers is related directly to the idea of them as highly qualified, competent specialists, covering different levels of professional deformation. Insufficient conscious representation of the teacher about competence, lack of understanding the dangers of professional activity can lead to the risk of deformation.

Deformation as a deficit of competence represents the process and the result of changes in integral characteristics of the identity of the professional, which leads to the simplification of the system of

professional activity, professional communication, image of the profession and oneself in it, structurally based on its attributive characteristics. Relevant features of deformation of professional competencies of teachers are information and cognitive incompetence, communicative, social and personal incompetence in the field of self-development, adaptation and stagnation.

Self-development allows constantly improving themselves and self-actualizing. Adaptation allows adapting to the requirements of the education system to respond to modernization processes. Stagnation occurs when the teacher stops in his or her development life by the exploitation of old behavior patterns in the process of teaching.

Professional deformation reduces the quality of teaching, leads to neurosis of the students and the educators that hinder the manifestation of professionally significant qualities of the person. Inadequate professional activity at the stage of development, and later during its execution, leads to a distortion of the personality profile of a specialist. Specific jobs often do not require the variety of personal qualities and abilities. In this case, human resource capabilities remain unclaimed and the person does not reach the highest stage of development.

Determinants of occurrence of professional deformation are multidirectional ontogenetic changes, dysfunctional versions of the output of their age-related crises, the subject, object and content of the profession, social environment, vital events and random moments. The main features of professional deformations include physiological changes, the stereotypes of professional activity, professional development stagnation, accentuation of character, and psychological protection.

Individual aspects of the problem of professional deformation of teachers in high education in Russia highlighted in the works of modern Russian pedagogues, psychologists and sociologists. In recent work examines the andragogical aspects of professional and personal self-development teacher, comprehensively considers the problem of professional deformation of the personality.

E. F. Zeer in his work "Psychology of professions" (2008) traced the relationship of the rise of professional deformation with age. The author noted that many years of performing the same professional activity leads to professional fatigue, the depletion of the repertoire of ways to perform activities, loss of professional skills, decreased performance. After 50 years of a specialist, according to E. F. Zeer, there are still conservation relations and ways of life, loss of sense of professional identity and the awareness of his work as a noble mission. The author reinforced the picture of professional deformation of a teacher the term "psychological impotence". All these statements are of significant importance to our study.

To understand the essence of professional deformation of educational workers, it was important to systematize socio-psychological types of destructive behavior of teachers and reasons why they appear. The most important are:

Pedagogical aggression. Possible causes: the individual characteristics, psychological defense projection, frustration intolerance, i.e. intolerance, caused by any small deviation from rules of conduct.

Authoritarianism. Possible causes: high self-esteem, arrogance, schematization of types of students.

Demonstrative. Reason: protection-identity, high self-esteem "image I", ego.

Didacticism. Reasons: thinking patterns, speech patterns, professional accentuation.

Pedagogical dogmatism. Reasons: thinking patterns, age of intellectual inertia.

Dominance. Causes: the inadequacy of the incongruity of the situation, the intolerance to the shortcomings of the students.

Pedagogical indifference. Reason: protection-alienation, a syndrome of "emotional combustion", generalization of the negative personal teaching experience.

Pedagogical conservatism. Reason: stereotype activity, social barriers, a chronic overload of teaching activities.

Role-based expansionism. Reason: stereotypes of behaviour, total immersion in educational activities, dedicated professional work, rigidity (the inability and unwillingness of the individual to the restructuring of the planned activity diagrams).

Social hypocrisy. Reason: protection-projection, stereotyping, moral conduct, age idealization of life experience, bad experience of adaptation to the socio-professional situation.

Behavioral transfer. Reason: protection-projection, display of reactions characteristic of students.

The question of behavioral stereotypes of Russian teachers is addressed to S. A. Druzhilov study. Teaching profession is fraught with danger of becoming teachers, as he said, "homo educative". In the modern school, "homo educative" is a person who is confident in the loyalty of his approach to education, the inviolability of his, and only his law on the formation of student's personality, a priori, believing himself to be ready for directed influence on another person. It is characteristic of a person once and for all to take the point of view offered to him by the system of education. His ordinary consciousness, as a rule, is armed with certain ideas, it uncritically accepts the concept of identity formation, being dogmatically committed to any concept of personality, "homo educative" devoid of the opportunity to relate the contradictions of the pedagogical process and the problems of personality formation with the evolutionary trends of culture and society" (Druzhilov, 2014)

Key research findings. The survey was conducted to describe the economic identity of teachers in higher education. The percent of women was 83%, men – 17%. The age of respondents in percent is: (25-34) – 9,5 %; (35-54) – 50,8 %; (55-65) – 20,6%; and over 65 years old – 19,1%. Doctoral degree - 11,1%, PhD - 69,7%, no degree - 19,2%. 70.3% of respondents considered the work of university teachers as prestigious. 3,2 % , - identified their socioeconomic status as high, 77,8%, - as average, 19% – below average. Key indicators in assessing the effectiveness of their teaching were successful activity of students, interest in subject – 71,4%, the professionalism of the teacher -22,2%, scientific publications – 4,7%, public recognition - 1,7% (Fig. 1).

In determination, the economic identity of the individuals primarily relies on assessment of their own level of well-being. It should be emphasized that this case also used different social standards and the individual criteria to define its economic identity. The main factors that reflect the different criteria of evaluating the economic identity status of the individual are; satisfaction of basic social needs, a subjective scale of well-being, self-assessment of business potential, satisfaction of business and self-realization.

Satisfaction of basic social needs directly related to the features of requirement of motivational status of the individual - the individual's perceived discrepancy between desired and achieved outcomes and of the conditions of life. The leading component in determining the modality of the well-being of the individual are the satisfaction of material needs and needs for personal security.

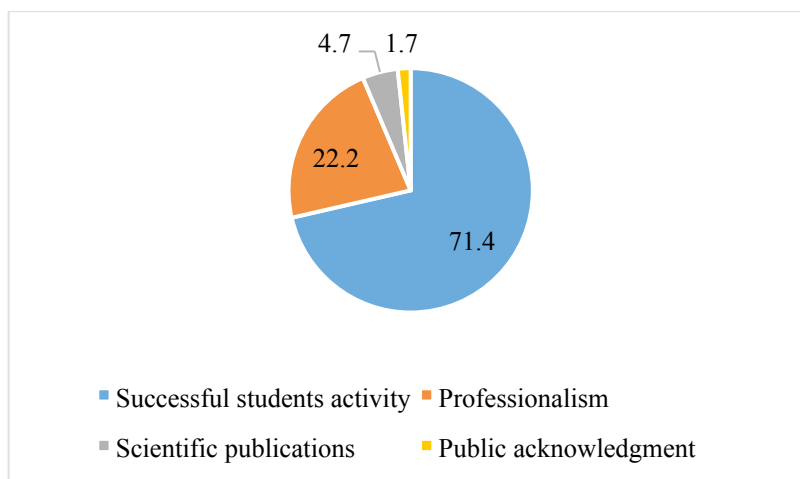


Figure 01. Indicators of efficiency

A subjective scale of well-being evaluates a subjective level of wealth related to the notions of material things. This factor characterizes the evaluation of proprietary "standards" of material well-being of the individual and includes views on incomes of the rich index, the polarization of the boundaries of wealth and poverty, an assessment of the level of income, which guide people today.

Self-assessment of business potential is a vector of individual experiences of their business "viability - helplessness" in connection with the property belonging to a certain group. It is determined based on an assessment of material well-being, his perception of others (i.e. taking into account the collective point of view), and expectations of future change. This factor includes the following indicators: satisfaction with their business activity, the personal effort in generating income, evaluating material well-being, the evaluation by an individual of the opinions of others about one's economic status, forecasting changes in its financial position in the near future.

Satisfaction of business and self-realization is a vector of estimates of "personal welfare" of the individual. This factor includes such indicators as the satisfaction of one's business and personal life. This combination of the proposed parameters allowed one to assume that this factor reflects the responsibility of the individual for success in life. Their achievement depends not on external causes and circumstances, situational factors, but on the realization of man's own qualifications and abilities, and inner potential.

Thus, the economic and psychological status of the individual is not only an assessment of property rights today, but also perceived individual discrepancy between the desired and the achieved, a reflection of its socio-economic expectations. Consequently, the economic status characterizes the "temporary" state of economic identity.

According to the research, the teaching profession deforms the personality. The development of professional deformation of a teacher contributes to reproductive education and the authoritarian position of the teacher. The main indicators of these deformations are a peremptory tone of teachers, their conservatism, secrecy in communication, evaluation of judgments, which, as a rule, become character traits. Many educators demonstrate an insightful manner of speech, which contributes to the suppression of a sense of humor. To a certain extent, being useful in an educational institution, it is not always appropriate in personal relationships. Pedagogical deformation is influenced by the fact that the teaching staff of any educational institution consists mainly of women who learned and promote male behavior

(aggression, arrogance, cruelty, etc.) (Vlasova & Murzina, 2011). The use of the male language and behavior patterns leads to the fact that female teachers are losing female identity that negatively affects them.

As a result, the teachers formed three levels of deformation: slight, medium, high. They can be overcome by the complex organizational and didactic model. It consists of three levels:

Level 1 – andragogical model focused on prevention of deformations. This model requires a change in teachers' action with a fairly low degree of deformation. The main direction - preventive and operational assistance in self-development, support in research and creative self.

Level 2 - reflective model that focuses on the correction of activity of teachers with the average level of distortion. It is designed to develop pedagogical reflection, resulting in the conditions for the realization of the problematic sides of their own teaching.

Level 3 - existential model, oriented to overcome the actual strains through the development of the spiritual intentions of professional competence, to create inner spiritual need for professional and personal improvement.

The system, complete the work on overcoming of deformations of professional pedagogical competence effectively carried out on three levels (Murzina, 2010):

1. Prevention based on the "Andragogical model";
2. Correction based on the "Reflexive model";
3. Overcoming them based on the "Existential model".

Based on the results of the research, educators identify themselves in the University and in teaching as insiders – 85,6 %, outsiders - 14,4% (Fig. 2).

The results are of certain interest because despite of deformative character of work, a great number of teachers have economic identity.

The author concluded that there is interaction between psychology-based conception of personal identity and economic identities based on personal professional identity.

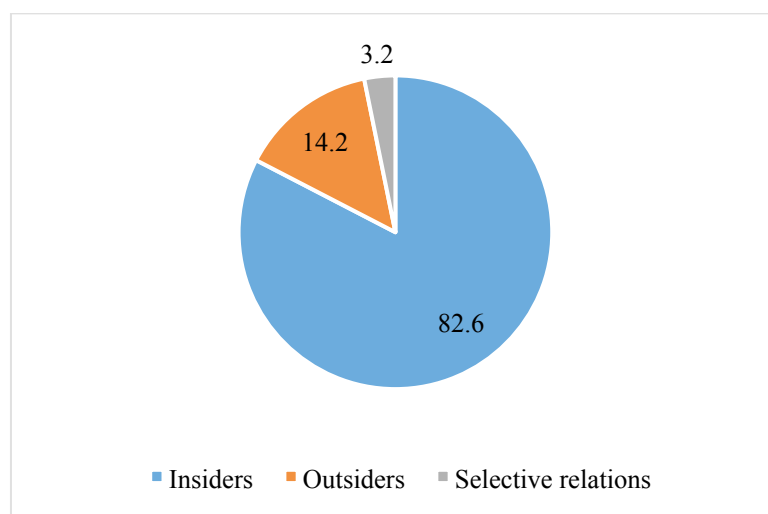


Figure 02. Economic identity

7. Conclusion

Economic identity of the individual as a production function involves an active personal choice of the individual's membership in a particular social group.

Economic identity regulates the economic behavior of individual, interpersonal and intergroup relations. Economic behavior of the individual is based on social norms and economic institutions. The interaction between economic identity and norms is based on the universal social categories.

The purpose of this article was to analyze the interaction between economic identity and pedagogical deformations. Thus, one actualized the need for justification of such pedagogical conditions and ways of overcoming of professional deformations that would not cause the resistance of teachers and contribute to successful self-development of teachers in the course of a lifetime.

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