

ISSN 1911-2017

ASIAN SOCIAL SCIENCE

Vol. 4, No. 1
January 2008

Editor-in-chief

Chris Miller

Managing Editor

Steven Clayer



Canadian Center of Science and Education



Contents

The Roles of Teachers in Implementing Educational Innovation: The Case of Implementing Cooperative Learning in Vietnam <i>Pham Thi Hong Thanh</i>	3
An Analyses of Yuan Shikai's Policy towards Japan <i>Deren Lin & Haixiao Yan</i>	10
A Brief Analysis on Elite Democracy in Authoritarianism Countries <i>Jia Hong</i>	13
Learning English as a Foreign Language: Cultural Values and Strategies in the Chinese Context <i>Yunbao Yang</i>	18
On the Objective System of Modern Peasant Household Cultivation Strategy <i>Zhucun Zhao</i>	23
Supervisory Framework of China Electric Power Universal Service <i>Guoliang Luo & Zhiliang Liu</i>	26
Kautilya's Arthashastra and Perspectives on Organizational Management <i>Balakrishnan Muniapan</i>	30
The Psychology of Western Independent Tourists and Its Impacts on Chinese Tourism Management <i>Li Song</i>	35
Developing Students' Oral Communicative Competence through Interactive Learning <i>Baohua Guo</i>	43
Developing Organizations through Developing Individuals: Malaysian Case Study <i>Mohamad Hisyam Selamat, Muhammad Syahir Abd. Wahab, Mohd. Amir Mat Samsudin</i>	51
Discussion on the Sustainable Development of Electric Power Industry in China <i>Shijun Yang, Dongxiao Niu, Yongli Wang</i>	63
An Empirical Study on IPO Underpricing Under Full Circulation in China <i>Pingzhen Li</i>	67
Is Full Inclusion Desirable? <i>Melissa Brisendine, David Lentjes, Cortney Morgan, Melissa Purdy, Will Wagnon Chris Woods, Larry Beard, Charles E. Notar</i>	72
An Empirical Research on the Relations between Higher Education Development and Economic Growth in China <i>Xiaohong Wang & Shufen Wang</i>	78
On Party Newspaper's Dominant Role and Its Marginalization in Operating <i>Xiangyu Chen</i>	83
HIV/AIDS in Vietnam: A Gender Analysis <i>Nguyen Van Huy & Uday Sankar Saikia</i>	89



Contents

China's Urban-Rural Gap: An Analysis Based on Capability <i>Xiaoke Zhou & Yanling Xi</i>	94
Economic Analysis to "Peasant Worker Shortage" in China <i>Weini Chen</i>	99
On Differences between Eastern and Western Plastic Arts <i>Lu Xue</i>	103
Problems That Lead to the Failure in Language Communication <i>Shenghua Yan</i>	106
Advance Care Directives and the Position in Ireland: What lessons can Ireland learn from the United Kingdom, the United States and Europe? <i>Laura Donnellan</i>	108
The Influence of SA8000 Standard on the Export Trade of China <i>Huimin Wang</i>	116
The Impact of Non-tariff Barriers on China's Textile and Clothing Exports and Relevant Strategies <i>Tingqin Zhang & Lihong Han</i>	120



The Roles of Teachers in Implementing Educational Innovation

The Case of Implementing Cooperative Learning in Vietnam

Pham Thi Hong Thanh

School of Education, Level 4, Social Sciences Building (#24)

The University of Queensland, St Lucia, Qld 4072, Australia

Tel: 61-7-3365 6550 E-mail: s4088650@student.uq.edu.au

Abstract

Since the late 1990s there has been a top-down movement to reform teaching and learning approaches in Vietnam. An important component of this reform is to change the traditional teaching and learning approach into cooperative learning. However, cooperative learning has failed to make its impact on the current teaching and learning approach. This paper examines one of the most important constraints on the implementation of cooperative learning in Vietnam, namely, perceptions of Vietnamese teachers toward the roles and responsibilities of teachers in class. It argues that many principles of cooperative learning are in serious conflict with traditional perceptions of Vietnamese teachers regarding the nature of teaching and learning. Therefore, policymakers and educators need to take cautious steps when implementing such radical approaches in Vietnamese educational settings. If they want to obtain support from teachers, they cannot merely borrow the original version of the innovation. Rather, they need to take various modifications into consideration.

Keywords: Assumptions, Approach, Values, Principles, Cooperative learning

1. Introduction

Entering the 21st century, under the impact of global forces Vietnam is facing a range of political, social, economic, technological and educational changes. It is widely accepted that the shift from a central economy to a mixed system with both socialist and market sectors since the late 1990s has required the Vietnamese education system to carry out remarkable changes. Today, people require that education and training must not only be able to equip students with new scientific and cultural knowledge but also develop their reasoning thought, creative abilities and team work skills.

These requirements have pushed Vietnamese educational authorities to change their perceptions about teaching and learning philosophies. They have admitted that traditional teaching and learning approach, with its emphasis on individual, achievement and transmission of information, has become inadequate in supporting the development of students' thinking and learning skills in today's global society (Phan, 2001). Instead, they believe that radical teaching and learning philosophies which enable students to become actively involved in their learning processes have provided students with more opportunities to develop important knowledge and skills for today's labour market. Therefore, Western teaching and learning approaches such as student-centred learning, team work, and especially cooperative learning have been increasingly adopted and applied in Vietnamese higher education institutions. The increasing adoption of such approaches come from a belief among Vietnamese educational authorities that borrowing modern (Western) philosophies and practices would mean taking advantage of the forerunners, making a huge leap by skipping the painfully long research stage (Walker & Dimmock, 2002).

However, so-called global imports have led to a situation in which many Western philosophies do not suit the local context in terms of both cultural values and infrastructure conditions, leading to rejections from different levels. In the case of cooperative learning, although this approach has been proved to be able to equip students with essential elements for work places of today and the future (Adams & Hamm, 1990; Johnson et al., 1994), it consists of many principles and values which completely contrast with those in Vietnam such as class size, teaching resources and especially local assumptions about the nature of teaching and learning. As a result, the goals of a recent educational reform as changing teaching and learning approach at Vietnamese higher institutions from the teacher-centred to cooperative learning have almost failed. And the dominant approach to learning of Vietnamese students so far is still teacher-centred.

It is necessary, therefore, that investigations need to be conducted into mismatching values and principles of cooperative learning and Vietnamese culture so that Vietnamese policymakers and educators can take cautious steps when applying this radical approach to the local educational settings. It is sure that there are a host of local cultural constraints on the implemen-

tation of cooperative learning in Vietnam. Within the scope of this paper, the author only attempts to examine perceptions of the respective roles and responsibilities of Vietnamese teachers as one of the constraints against cooperative learning. The paper will argue that cooperative learning has failed to replace the traditional teaching and learning approach at Vietnamese higher education institutions partly because Vietnamese teachers are not happy to transfer their roles as a knowledge transmitter to a learning facilitator as cooperative learning requires.

2. Cooperative learning and the roles of teachers in cooperative learning class

Cooperative learning tends to be more carefully structured and delineated than most other forms of small group learning. Grounded in theory, research and practice, it is a well-documented philosophy of classroom instruction encompassing many different strategies. Cooperative learning has been defined differently by different researchers. For example, Johnson and Johnson (2001:1) define cooperative learning as the “instructional use of small groups so that students’ work together to maximize their own and each other’s learning”. On the other hand Sharan (1994:336) defines it as “a group-centred and student-centred approach to classroom teaching and learning”, whilst Slavin (1987:116) refers to the term as a set of “instructional methods in which students are encouraged or required to work together on academic tasks”. Presseisen (1992:1) also defines it as “an instructional approach that integrates social skills objectives with academic content objectives in education”.

So far, researchers have not agreed with each other to work out an official definition of this term. Therefore, in essence, we can simply understand that cooperative learning is referred to any variety of teaching methods in which students work in small groups to help one another learn academic content. In cooperative classrooms students are expected to help each other, discuss and debate with each other, assess each other’s current knowledge, and fill any gaps in each other’s understanding. Cooperative learning often replaces individual seatwork, individual study, and individual practice but not direct instruction by the teacher. When properly organized, students in cooperative groups make sure that everyone in the group has mastered the concepts being taught (Slavin, 1995).

Cooperative learning has been proved to be more effective instructional method over competitive and individualistic approaches (Johnson et al., 2000). Specifically, cooperative learners have been demonstrated to benefit students from achieving better academic outcomes (Cohen & Lotan, 1995; Foley & O’Donnell, 2002; Slavin & Madden, 1999; Slavin, 1996), developing critical thinking skills (Brandon & Hollingshead, 1999), developing creative thinking ability (Johnson et al., 1994; Qin et al., 1995; Siegler, 1998) and enhancing social skills such as communication, presentation, problem-solving, leadership, delegation and organization in students (Cheng & Warren, 2000). Also, cooperative learning helps accelerate students’ social-interpersonal developments and to, thereby, solve teachers’ instructional problems as well (Sharan, 1980; Slavin, 1980).

However, there is a notice that cooperative learning only benefits students when cooperative learning strategies are held properly. Otherwise, they would decrease students’ academic achievement (Slavin, 1996). To organize a proper cooperative learning strategy, according to Johnson and Johnson (1975), who are considered the most well known proponents of cooperative learning (Good & Brophy, 2000; Natasi & Clements, 1991; Stipek, 2002), the instructor needs to involve these five essential elements in his/her cooperative activities:

(1) Positive interdependence: This means all members of a learning group need to contribute to each other’s learning. The whole group needs to recognize that their goals can only be attained when the goals of all members in the group are also attained (Johnson et al., 1993). Consequently, in order to reach their common goal, every member needs to learn the materials and help other members to understand the materials too. Johnson et al. (1984) characterize this phenomenon as “we sink or swim together”.

(2) Individual accountability: This condition emphasizes that although learning activities rely on cooperative efforts, individuals are ultimately responsible for their own learning and cannot “coast” on group achievement (Cottell & Mills, 1992:98). If individual accountability is not assessed regularly, “social loafing” may occur meaning only a few members of the group are actually working on the task, the rest of the group contribute a little effort without being noticed (Latane et al., 1979). Therefore, it is important to assess the group according to the individual learning of each member so as to structure individual accountability for maximum effect of cooperative learning (Manning & Lucking, 1991).

(3) Face-to-face promotive interaction: This practice must take place so that students can do verbal interchanges such as talking aloud, challenging one another’s points of view. Such physical environment is important to create situated settings for students to exchange their ideas, so promote their learning. By scheduling meetings appropriately, the working process of the group is also assessed regularly.

(4) Interpersonal and small group skills: These skills are very important since they help reduce interpersonal conflicts and facilitate interaction (Cohen, 1994a). Students need to be taught these skills if the group wants to succeed. Simply placing unskilled students into a group does not help students communicate more effectively.

(5) Group processing: Students do also have to keep an eye on clarifying and improving the effectiveness of members’ contributions to the collaborative efforts to achieve their group’s goals. Students can assess what their group has done well and what they should improve on via group processing.

Once these five elements are organized properly, cooperative learning will change the roles of the teacher remarkably. Power will be shifted from the authority figure of the instructor to the students themselves, who then become actively involved in their own learning and in the learning processes of their peers. In informal terms, the teacher becomes not the “sage on the stage”, but “the guide on the side” (Johnson et al., 1994). Hassard (1990:ix) models the teacher’s roles in a student-centred learning approach like cooperative learning as follows:

[It] requires a conscious shift of perspective on the part of the teacher, away from authoritarian and toward coordination of cooperative actions and the facilitation of instruction. Teachers who have incorporated this philosophy into their classrooms orchestrate the students’ activities and are masters in securing and creating well-designed, team-oriented tasks.

As such, the teacher is now just a technique assistant rather than a knowledge transmitter. Main tasks for that the teacher needs to be responsible before and after a cooperative lesson can be summarized as: structuring the existing curricula cooperatively and construct the cooperative learning lessons to meet the students unique requirements (Johnson & Johnson, 2004); training students’ cooperative skills so that they know how to interact effectively (Tang, 1996); monitoring the cooperative process by constantly observing the groups (Johnson & Johnson, 1990); listening to students as they explain their views to one another and find out how well they understand the topic and instructions (Thomas, 2005); detecting students’ major concepts and strategies (Johnson et al., 1994); assess student’s contribution to his or her group; provide feedback to groups and individual student; help groups to avoid redundant efforts; and make sure each member is responsible for their group’s outcome (Johnson et al., 1994).

These tasks assume that instead of lecturing the lesson from the beginning to the end, the teacher only needs to present to students main points of the lesson, then lets students work in their groups. The teacher only intervenes when students need clarification in instructions, or when the teacher feels the need to question about group’s answers, or to praise students for creative idea or good use of social skills (Johnson et al., 1994; Lotan, 2004). However, the teacher needs to involve in the lesson appropriately in order to engage students in learning actively.

A comparison between the roles of the teacher in a cooperative class and a traditional class can be made in Table 1.

In sum, what has been presented above emphasizes that once teachers accept to apply cooperative learning to their classes, they have to ‘scarify’ their authoritarian positions. And in reality, many teachers are not willing and happy to accept their new roles as only a learning facilitator. They may still adopt this approach but do not perform their assistant roles properly. As a result, students need to follow a never-changing approach of teacher-centred lecturing. The next section will discuss traditional assumptions about the nature of teaching and learning in Vietnam. This discussion aims to explain why it is too hard for Vietnamese teachers to change their way of working in class.

3. Traditional assumptions about teaching and learning

For Vietnamese, due to more than a thousand years of Chinese influence, the Confucian philosophy is very much alive and sets a powerful interpersonal norm for daily behaviours, attitudes, and practices demanding reflection, modernization, persistence, humility, obedience to superiors, and stoic response to pain (Park, 2000). Consequently, Vietnamese students share a common Confucian heritage and are commonly referred to as Confucian Heritage Culture (CHC) students (Lee, 1999).

For Confucius, a good sample of teachers must be shaped in the maxim that “to give students a bowl of water, the teacher must have a full bucket of water to dispense” (Hu, 2002:98). Therefore, teachers need to select knowledge from authoritative sources such as books and classics as they are considered the main sources enriching people’s knowledge. Once teachers obtain enough knowledge, they only need to interpret, analyse and elaborate on these points for students. As a result, CHC students only need to receive knowledge from teachers as a truth rather than try to think independently, contradict teachers’ knowledge and draw their own conclusions (Ruby & Ladd, 1999; Bradley & Bradley, 1984). Because individuality and uniqueness are relatively unimportant, individual interpretations of content are relatively unimportant and, as such, discouraged (Pratt, 1992), so students find it unnecessary to source alternative knowledge regarding a particular topic. Therefore, the focus of teaching is not on how students can create and construct knowledge, but on how extant authoritative knowledge can be transmitted and internalized in a most effective and efficient way (Brick, 1991; Jin & Cortazzi, 1995). These perceptions challenge the principle in cooperative learning which only allows the teachers to intervene when students need clarification in instructions, or when the teacher thinks that students have not understood their points.

Second, according to Hofstede and Hofstede (2005), Vietnam is one of the CHC nations scoring high on the Power Distance Index (Malaysia scores highest with 104; China: 80; Singapore: 74; Vietnam: 70; Hong Kong: 68; Korea: 60; Taiwan: 58 and Japan: 54). It is generally asserted that nations with such high score on power distance place greater emphasis on hierarchical relationships. Different from teacher-equal-student teachings of Socrates, who is thought to be the father of Western philosophy, Confucius’s teachings teach learners to respect and obey authority figures (Confucius, 1947) – in the educational realm it means that students should obey and listen to teachers. Teachers in CHC nations are not only teachers but also models of correct behaviour. Teacher is ranked just below the King and above the father: the King-the Teacher-the Father (McSwinnery, 1995). Students should respect teachers not only when they are at school, but in their whole life

(Kennedy, 2002; Scollon & Scollon, 1995). Therefore, there is a saying in Korea: 'One does not dare to step on a teacher's shadow'. Teachers are considered to be a *guru* who is supposed to satisfy learners in the search for the *truth* (in knowledge) and *virtues* (in life) (Phuong-Mai et al., 2006).

Such respects make it difficult for Vietnamese teachers and students to accept any pedagogical practice that tends to put teachers on a par with their students and detracts from teacher authority. In particular, it is against Vietnamese expectations to adopt a pedagogy that may put teachers at the risk of losing face. As such, the principles of cooperative learning that allow students to begin developing their knowledge with the students themselves, then exchange information within the group to get collective knowledge which may exceed the knowledge of their teacher, and finally can be able to bring the teacher's knowledge into question seem unrealistic. It seems really hard for Vietnamese teachers to lower their role from a 'king' to a facilitator who moves from group to group to observe and motivate learning.

Third, it is also the exclusive roles of the teacher in delivering knowledge creating a situation in which Vietnamese students are not familiar with questioning, evaluating, and generating knowledge. They accept teachers as definitive knowledge source and adopt themselves as passive listeners in the class. They believe that truth is not found primarily in the self, but in exemplars [teachers] (Confucius, 1947). For a long time, students have been taught to "master the content, through diligence and patience, without questioning or challenging what is presented" (Pratt, 1992:315). Therefore, debates and discussions are not paid attention. Teachers can involve these activities in their lesson just for changing the learning environment, but not for increasing students' knowledge or skills. Consequently, Vietnamese students do not have much chance to practice their speaking skills in front of the public, so they may feel scared of public presentations and discussions which are strongly emphasized in cooperative lessons. Moreover, since these students are not well equipped with communicative skills, they may fail to discuss with their peers in cooperative groups.

Last but not least, since teachers believe that they master a profound body of knowledge. Therefore, it is assumed that they have exclusive rights and responsibilities to evaluate students' progress. They tend to be suspicious of peer evaluation, as they believe that peers are not qualified to correct others' work (Jones, 1995). Given these expectations, peer evaluations which is one of the principles helping bring about an active cooperative learning environment (Persons, 1998) seems impossible to be implemented in Vietnamese classes.

These assumptions about the nature of teaching and learning have been deeply imbedded in the mentality of both Vietnamese teachers and students. Therefore, they are not easy to be removed. To prove this argument, the author uses some statistics of a survey conducted by Nguyen (2005) to show how Vietnamese teachers use their teaching approaches, and how much attention they pay to teaching improvement. This survey used 50 teachers at the HoChiMinh University in Vietnam as participants. These teachers were asked to complete questionnaires including both closed and open questions about the frequency of teaching methods they use in their class and their attention to teaching innovations. Since the results presented in Table 2 and Table 3 were obtained from only a small number of teachers at a university, they do not generalize the national situation. However, they at least give us some information about how teachers work and how they support educational innovations.

Table 2 shows that the most frequent teaching approach applied by the teachers is lecturing and asking questions. The teachers are also interested in approaches which combine both lecturing and allowing students to discuss in groups. However, group works only account for a small portion of time during a lesson. Two last approaches which give the teachers the only right to talk and students need to listen and take notes have been seriously criticised, but still exist.

After obtaining these results, Nguyen also collected data for a further question about how the teachers support a student-centred approach. The findings reported that 19.7 per cent of the teachers gave their strongly support, 36.8 per cent support, 34.2 per cent no answer, 6.2 per cent support a little and 3.0 per cent no support. As such, a half of the teachers have positive thinking about a more radical teaching approach, and the other half have neutral and negative thinking about such innovation. This implies that educational policymakers must be careful with their innovations. It would be very hard for them to implement their innovations successfully if teachers are unwilling to support their changes. Therefore, whatever changes they want to carry out in Vietnam, they need to take modifications into consideration so that teachers do not have to change their roles and responsibilities drastically, then they may support.

4. Conclusion

The discussion above shows that cooperative learning and Vietnamese traditional assumptions about the roles of the teacher do not match in several respects. They consist of various opposing philosophies about the nature of teaching and learning. Their conflicts, in essence, can be described as student-centeredness vs. teacher-centeredness. It would be hard to sweep away the traditional learning approach to implant cooperative learning if teachers do not change their positions in teaching. Therefore, it is dangerous for policymakers and educators when implementing western innovations without investigating these issues. Coleman (1996:11) warns that "innovations which are intended to facilitate learning may be so disturbing for those affected by them – so threatening to their belief system – that hostility is aroused and learning becomes impossible". However, it does not mean that it is impossible to implement cooperative learning in the context of Vietnam. In fact, cooperative learning has many other practices suitable to the Vietnamese collective culture and social behaviours of

students. Therefore, it certainly makes sense to try to modify cooperative learning activities in a way which does not require teachers to completely change their roles but still pull students to work together. Future research should investigate this issue more. And in fact, this issue is a part of a PhD thesis which the author is working on at the University of Queensland, Australia.

References

- Adams, D. & Hamm, M. (1990). *Cooperative learning: Critical thinking and collaboration across the curriculum*. Springfield, IL: Charles C. Thomas.
- Bradley, D. & Bradley, M. (1984). *Problems of Asian students in Australia: Language, culture and education*. Department of Education and Youth Affairs, Canberra.
- Brandon, D.P. & Hollingshead, A.B. (1999). Collaborative learning and computer supported groups. *Communications Education*, 48, 109-126.
- Brick, J. (1991). *China: A handbook in intercultural communication*. Sydney: Macquarie University.
- Cheng, W. & Warren, M. (2000). Making a difference: using peers to assess individual students' contributions to a group project. *Teaching in Higher Education*, 5, 243-255.
- Cohen, E.G. & Lotan, R.A. (1995). Producing equal-status interaction in the heterogeneous classroom. *American Educational Research Journal*, 32, 99-120.
- Cohen, E.G. (1994a). *Designing group work: Strategies for the heterogeneous classroom* (2nd edition). New York: Teachers College Press.
- Coleman, H. (1996). Autonomy and ideology in the English language classroom. In H. Coleman (Ed.), *Society and the language classroom* (pp.1-15). Cambridge: Cambridge University Press.
- Confucius (1947). The wisdom of Confucius. In S. Commins & R.N. Linscott (Eds.), *Man and man: The social philosophers* (pp. 323-258). New York: Random House. (Original work published ca. 479 B.C.E.).
- Cottell, P.G. & Mills, B.J. (1992). Cooperative learning in accounting. *Journal of Accounting Education*, 10, 95-111.
- Foley, K. & O'Donnell, A. (2002). Cooperative learning and visual organizers: Effect on solving mole problems in high school chemistry. *Asia Pacific Journal of Education*, 22, 38-51.
- Good, T.L. & Brophy, J.E. (2000). *Looking in classrooms* (8th ed.). New York: Longman.
- Hassard, J. (1990). *Science experiences: Cooperative learning and the teaching of science*. Menlo Park, CA: Addison-Wesley.
- Hofstede, G. & Hofstede, J. (2005). *Cultures and organization-software of the minds* (2nd edition). New York, McGraw-Hill.
- Hu, G. (2002). Potential cultural resistance to pedagogical imports: The case of communicative language teaching in China. *Language, Culture and Curriculum*, 15(2), 93-105.
- Jin, L.X. & Cortazzi, M. (1995). A cultural synergy model for academic language use. In P. Bruthiaux, T. Boswood & B. Du-Babcock (Eds.), *Explorations in English for professional communication* (pp.41-56). Hong Kong: City University of Hong Kong.
- Johnson, D.W. & Johnson, R.T. (2004). *Cooperative learning*. [Online] Available: <http://www.co-operation.org/pages/cl/html>. Retrieved on August 20th, 2007.
- Johnson, D.W., Johnson, R.T. & Stanne, M.B. (2000). Cooperative learning methods: A Meta-Analysis. [Online] Available: <http://www.co-operation.org/pages-methods.html> on 20 April 2007.
- Johnson, D.W. & Johnson, R.T. (1975). *Learning together and alone*. Englewood Cliffs, NJ: Prentice-Hall.
- Johnson, D.W. & Johnson, R.T. (1990). Social skills for successful groups work. In R.S. Brandt (Ed.), *Readings from educational leadership on cooperative learning and the collaborative school* (pp.51-54). Association for Supervision and Curriculum Development, 125 North West Street, Alexandria.
- Johnson, D.W. & Johnson, R.T. (2001). *The cooperative learning institution*. Available online at <http://www.clcrc.com>. Retrieved on August 25th, 2007.
- Johnson, D.W., Johnson, R.T. & Holubec, E. (1994). *The new circles of learning: Cooperation in the classroom and school*. Alexandria Virginia: Association for Supervision and Curriculum Development.
- Johnson, D.W., Johnson, R.T. & Holubec, E. (1994). *The new circles of learning: Cooperation in the classroom and school*. Alexandria Virginia: Association for Supervision and Curriculum Development.
- Johnson, D.W., Johnson, R.T. & Holubec, E.J. (1993). *Circles of learning: Cooperation in the classroom*. Edina, MN: Interaction.

- Johnson, D.W., Johnson, R.T., Holubec, E.J. & Roy, P. (1984). *Circles of learning: Cooperation in the classroom*. Alexandria, VA: Association for Supervision and Curriculum Development.
- Jones, N.B. (1995). Business writing, Chinese students, and communicative language teaching. *TESOL Journal*, 4(3), 12-15.
- Kennedy, P. (2002). Learning cultures and learning styles: myth-understandings about adult Hong Kong-Chinese learners. *International Journal of Lifelong Education*, 21(5), 430-445.
- Latane, B., Williams, K. & Harkins, S. (1979). Many hands make light the work: The causes and consequences of social loafing. *Journal of Personality and Social Psychology*, 37, 822-832.
- Lee, W.O. (1999). The cultural context for Chinese learners: Conceptions of learning in the Confucian tradition. In D.A. Watkins & J.B. Biggs (Eds.), *The Chinese learner: cultural, psychological, and contextual influences* (pp.159-181). Hong Kong: CERC and ACER.
- Lotan, R.A. (2004). Stepping into groupworks. In E.G. Cohen, C.M. Brody & M. Sapon-shevin (Eds.), *Teaching cooperative learning: The challenge for teacher education*. New York: State University of New York Press.
- Manning, M.L. & Lucking, R. (1991). The what, why and how of cooperative learning. *The Social Studies*. May/June, 120-124.
- McSwinney, J. (1995). Business process re-engineering for small and medium-sized manufacturing enterprises. *Proceedings of IFIP conference on re-engineering the enterprise*. Galway, Ireland, 245-54.
- Natasi, B.K. & Clements, D.H. (1991) Research on cooperative learning: Implications for practice. *School Psychology Review*, 20(1), 110-131.
- Nguyen, K.D. (2005). *Investigations on teaching innovation at HoChiMinh teacher's College*. Unpublished Paper. Vietnam.
- Park, C.C. (2000). Learning style preferences of Southeast Asian students. *Urban Education*, 35(3), 245-268.
- Persons, O.S. (1998). Factors influencing students' peer evaluation in cooperative learning. *Journal of Education for Business*, 73(4), 225-229.
- Phan, V.K. (2001). Chien luoc hat trine giao duc 2001-2010. *Bai tham luan hoi thao "Giao duc Dai hoc" ngay 1-3 thang 10*, Ha Noi.
- Phuong-Mai, N., Terlouw, C. & Pilot, A. (2006). Culturally appropriate pedagogy: the case of group learning in a Confucian Heritage Culture context. *International Education*, 17(1), 1-19.
- Pratt, D.D. (1992). Chinese conceptions of learning and teaching: A westerner's attempt at understanding. *International Journal of Lifelong Education*, 11(4), 301-319.
- Presseisen, B.Z. (1992). A perspective on the evolution of cooperative thinking. In N.Davidson & T.Worsham (Eds.), *Enhancing thinking through cooperative learning* (pp.1-6). Columbia University: teachers College.
- Qin, Z., Johnson, D.W. & Johnson, R.T. (1995). Cooperative versus competitive efforts and problem solving. *Review of Educational Research*, 65, 129-143.
- Ruby, R. & Ladd, P. (1999). Learning styles and adjustment issues of international students. *Journal of Education for Business*, 7(6), 363-79.
- Scollon, R. & Scollon, S. (1995). *Intercultural communication*. Blackwell, Oxford.
- Sharan, S. (1980). Cooperative learning in small groups: Recent methods and effects on achievement, attitudes and ethnic relations. *Review of Educational Research*, 50, 241-271.
- Sharan, S. (1980). Cooperative learning in small groups: Recent methods and effects on achievement, attitudes and ethnic relations. *Review of Educational Research*, 50, 241-271.
- Sharan, S. (1994). Cooperative learning and the teacher. In S.Sharan (ed.), *Handbook of cooperative learning methods*. London: Greenwood Press.
- Siegler, R. S. (1998). *Children's thinking* (3rd edition). Upper Saddle River, NJ: Prentice-Hall, Inc.
- Slavin, R.E. & Madden, N. (1999). Effects of bilingual and second language adaptations of success for all on the reading achievement of students acquiring English. *Journal of Education for Students Placed At Risk*, 4, 393-416.
- Slavin, R.E. (1980). Student team learning: A manual for teachers. In S. Sharan, P. Hare, C. Webb & R. Hertz-Lazarowitz (Eds.), *Cooperation in education* (pp.82-135). Prove, UT: Brigham University Press.
- Slavin, R.E. (1987). Cooperative learning and individualized instruction. *Arithmetic Teacher*, 35, 14-16.
- Slavin, R.E. (1995). *Cooperative learning: Theory, research and practice*. London: Allyn and Bacon.
- Slavin, R.E. (1996). Research on cooperative learning and achievement: What we know, what we need to know. *Contemporary Educational Psychology*, 21, 43-69.

Stipek, D. (2002). *Motivation to learn: Integrating theory and practice*. Boston: Allyn and Bacon.

Tang, C. (1996). Collaborative learning: the latent dimension in Chinese students' learning. In D.A. Watkins & J.B. Biggs (Eds.), *The Chinese learner: Cultural, psychological, and contextual influences*, 159-181. Hong Kong: CERC and ACER.

Thomas, L.K.H. (2005). *Relationships between conception and practice: A study of teacher's conceptions of teaching and classroom teaching practice related to cooperative learning*. Unpublished thesis. The University of Hong Kong.

Walker, A. & Dimmock, C. (2002). One size fits all? Teacher appraisal in a Chinese culture. *Journal of Personnel Evaluation in Education*, 14(2), 155-178.

Table 1. The roles of teachers in cooperative learning and traditional class

Cooperative learning	Traditional learning
Select and divide the lesson for group work	Follow the course profile
Train students cooperative skills	Ignore teamwork skills
Arrange the classroom and assigning roles	Try to keep students in their own seats
Observe and intervene	Ignores group functioning
Play more sophisticated instructional role like asking higher-order questions, extending the group's thinking on its activities	Provide detailed instruction
Being "the guide on the side"	Being "the sage on the stage"
Being facilitator of learning	Being transmitter of information /authoritarianism
Assess student's contribution	none
Provide feedback to groups and analyse group effectiveness	none

Table 2. The frequency of various teaching approaches applied at the HoChiMinh University

Names of approaches	Always	Usually	Sometimes	Rarely	Never	Ranking
Teacher lectures and asks students questions individually	18.7	46.7	32.0	2.7		1
Teacher lectures and students discuss to answer questions	16.0	36.7	25.3	18.7	1.3	2
Teacher lectures (a half) and students work in groups (a half)	16.0	20.0	42.7	9.3	12.0	3
Teacher reads and students write		4.2	19.4	45.8	30.6	4
Teacher lectures only			10.9	4.7	84.4	5

Source: Statistics about the frequency of various teaching approaches (Nguyen, 2005:17)



An Analyses of Yuan Shikai's Policy towards Japan

Deren Lin

School of Foreign Languages, Peking University

Room 131, Building 45B, Peking University, Beijing 100871, China

Tel: 86-10-5276 6022 E-mail: ldrsopm@163.com

Haixiao Yan

School of Foreign Languages, Peking University

Room 132, Building 45B, Peking University, Beijing 100871, China

Tel: 86-10-5276 6023 E-mail: yanhai12@tom.com

Abstract

From 1912 to 1916, China was under the control of Yuan Shikai. Because Yuan signed unequal treaties, especially his acceptance of the "Twenty-One Demands", presented by Japan, he was considered as a betrayer of China. However, in dealing with the relationship with Japan and other foreign powers, Yuan made efforts to protest against their unreasonable demands and reduce losses. For the economic and military weakness of China, these unequal treaties were compromises made by Yuan's government. Yuan Shikai's domination should be objectively evaluated.

Keywords: Yuan Shikai, Diplomatic policy, Japan

The 1911 revolution overthrew the Qing Dynasty. Instead of Sun Yat-sen, the spiritual leader of the revolution and the provisional president of the new republican government, Yuan Shikai was elected by the Nanjing Assembly to be first president of Chinese Republic in 1912. It was a transitional period of modern Chinese society. With superficial republic political system, China was still a semi-colonial and semi-feudal country, since the defeat of Opium War, but not a substantive modern republic. Most government officials were accustomed to feudalism and the republican government continued to use a certain number of Qing's policies, especially in diplomatic relations. Foreign powers, such as American, Britain and Japan, had a great influence on Yuan's government as before. Under the intervention of those foreign powers, Yuan's government lacked of independence in both internal affairs and foreign affairs.

Among these foreign powers, Japan, as the nearest one, had more geographic advantages in obtaining political and economic benefits from China. In September 1908, Japanese government asserted that in any situations Japan should endeavour to obtain the dominant position and antecedence in Chinese affairs (Su, 2001, p.70). In the years after, the Japanese government continuously confirmed the necessity to maintain the priority in controlling China.

Concerning with the relation between Yuan Shikai and Japan, the prevalent viewpoint of Chinese historians is that Yuan colluded with Japan to consolidate his political power (Zhuang, 1982, p.46). Especially Yuan's acceptance of the "Twenty one Demands", presented by Japan, was considered as the evidence of his traitorous policy. However, some other historians concluded that Japan hold a hostile attitude towards Yuan (Zhou, 1994, p.113). In addition, according to historical records, Yuan Shikai strove against Japan's oppression and defended China's rights in a certain degree during his term of office. To this extent, Yuan deserves an objective judgment.

When the new Chinese republic was founded, the turbulent political scene, conflicts between different factions, and the economic depression caused the enervation of national power. Consequently, in Yuan's mind, the primary task remained in securing his own power, and he was not able to spare his vim and vigour to revive from the diplomatic predicament initiated from the late Qing Dynasty. Under this situation, the best way to defend his rule was utilizing foreign powers to defeat inner rivals (Wei, 2003 p.50). In another aspect, after the 1911 Revolution, China's chaos situation provided foreign powers an opportunity to enlarge their profits in China. UK invaded into Tibet; Russia helped betrayers split Mongol out of China; Japan extended the influence in Manchuria, which pushed China into the danger of division. In order to prevent foreign powers' subjugation, Yuan's government had no other choices but to make compromise with foreign powers and to unwillingly satisfy their demands in economy, military and politics to exchange both economic support and political acknowledgement.

In 1913, Yuan's government asked for a 2500 million-pound loan from a bank group consisted of five banks from UK, Germany, France, Russia, and Japan. The guarantee for the loan included three items: the income salt-sale of the government,

the rest part of tariff, and the taxation from Shandong, Chili, Henan, and Jiangsu province (Lai, 2000, p.259).

Yuan's loan from the foreign powers is popularly considered as a damage of the country's economy sovereignty, which enhance economic dependence on foreign powers. However, at that time, Yuan had no better way to sustain the financial circulation. At the beginning of Yuan's ruling period, the national finance was in a difficult situation. The wars between Yuan and his rivals greatly raised the military disbursement. Simultaneously, the repayment for the pre-loan was a heavy burden on Yuan's government. In order to raise military funds for safeguard his state power, Yuan referred to the financial aid from foreign powers.

Yuan secured the financial stability of the government at a cost of the 2500 million-pound loan. Through this loan, Yuan's government gained the trust and support of the foreign powers.

In dealing with the diplomatic relations with foreign powers, Yuan made full use of the contradictories between them to prevent their invasive demands and reduce losses. Each foreign power sought for more benefits than others. Therefore, they made efforts to reduce and thwart others' acquirement for extra benefits. Because of these contradictories, it was impossible for one single foreign power to monopolize China. During that period, China was not able to strongly protest their invasion and fulsome demands. An uncompromising resistant might change foreign powers' partiality, or even lead to military invasion. For example, Japanese government asserted that if Yuan didn't accept Japan's demands, Japan wouldn't retreat from Shandong and assist Yuan to suppress southern radicals. Even Japan might suborn Zhang Zuolin to accelerate Manchuria's independence (Zhang, 1992, p.154). Thus, Yuan would seek for the other foreign powers' help when one of them endeavoured to acquire more benefits.

Japan proposed the "Twenty-One Demands" in 1914, whose content indicated Japan's motivation of monopolizing China. For fear of other powers' interference, Japan attempted to negotiate with Chinese government without informing other countries. However, during the negotiation, Yuan intensively disclosed the content of the treaty to UK and American governments. He expected them to mediate the negotiation so that Japan would concede. On March 16th, American Secretary sent aide-memoire to Japan to protest the requirement for benefits of police and Fujian province in the Fifth Demand, which disrespected China's sovereignty and the equalization principle in industry and commerce (Ma, 2005, p.63).

Other powers' interference brought oppression on Japan which supported China in denying the Fifth Demand. This "check and balance" policy indicated China's weakness. However, this policy also revealed the diplomatic endeavor made by Yuan's government to maximally protect Chinese rights.

During the World War I, the European powers and American were busy in war and had no spare strength and energy to maintain Chinese affairs. Under this situation, on January 1, 1915, Japanese government presented "Twenty-One Demands" to Chinese government with the goal of making China a virtual Japanese colony. The Japanese wanted the Chinese government to cede Shandong to Japan, an area that it had just taken from Germany at the start of World War 1; allow Japanese investments and troops in Manchuria and Inner Mongolia; give up partial control of several Chinese-owned iron and steel industries; refuse to give other foreign nations additional coastal territory; and allow Japanese advisors to run the Chinese government (Grasso, 2004, p.78).

Confronting with the "Twenty-One Demand", Yuan accepted most demands on May 9th, 1915. Thereafter, Yuan was considered as a traitor by most Chinese, because of his acceptance. However, during the negotiation, Yuan's efforts to reduce losses, which caused by the treaty, were generally ignored by most Chinese. Compelled by Japan's ultimatum and the helpless situation, Yuan accepted the treaty unwillingly.

As president, Yuan was very indignant to Japan's demands. On January 9th, when he met Japanese military advisor, he said that Sino-Japan relationship should base on equality and friendship, and why Japan treated China as savage or slave; as for the demands presented by Japanese ambassador, it was impossible to accept completely (Ma, 2005 p.64).

On the other hand, Yuan was not to refuse the treaty completely. The government of a weak country had few choices in diplomacy. In order to avoid irritating Japan, Yuan was afraid that the refusal of the demands would threaten his dominion. Consequently, Japan kept an uncompromising stand during the process.

From February 2nd, the first meeting, to April 17th, there were 25 formal meetings between the two governments. Yuan's delegacy presented an amendment on February 9th, and Japanese delegacy presented one on April 24th. Both sides didn't make a compromise. On May 1st, Chinese delegacy rejected Japan's amendment. Finally, Japanese delegacy issued an ultimatum, May 7th, and demanded China to reply before 6 p.m. May 9th. Japan declared that if China's reply was unsatisfied, Japan would adopt appropriate measures, alluding to military invasion afterwards (Su Quanyou, 2004, p.136).

After the acceptance of the "Twenty-One Demands", Yuan pointed out that according to the present strength of China, to battle with Japan would lead to China's collapse. He notified his fellow officers to remember this national humiliation and strive for a better future of the nation. On May 13th Yuan permitted Gu Weijun to publicize a declaration which recorded the process of negotiation between China and Japan. Although Yuan accepted the "Twenty-One Demands", in its practical operation process, Yuan still made efforts to protest the treaty's carrying out. He once presented to his secretary that he would use administrative power, instead of legal power, to block the treaty's operation (Ma, 2005, p.63). His protest did not

substantively destroy the treaty, but, in certain degree, it reduced Chinese losses. China had avoided the fate of becoming a Japanese colony, and the ground work was laid for future problems with Japan.

After the negotiation of the “Twenty-One Demands”, the relationship between China and Japan was not improved. Instead, it deteriorated (Zhu, 2004, p.14). Japan government was not satisfied with the result of the negotiation because the Fifth Demand, which is the most substantial item of the “Twenty-One Demands”, was rejected by Yuan. A certain number of Japanese officials proposed that they should change Yuan Shikai for a new leader, who might be more suitable for their acquirement for benefits.

During Yuan’s preparation for restoring the monarchy, Japan supported Yuan’s rivals to instigate rebellion. In January 1916, Japanese government refused the visit of Chinese envoy Zhou Ziqi, in order to embarrass Yuan’s government. These facts indirectly proved that it was impossible for Yuan to exchange his acceptance for Japanese support on his monarchical experiment. Yuan received Japan’s revenge for his protest against the “Twenty-One Demands”.

Considering China’s economic and military weakness, Yuan had to make compromise with foreign powers’ demands and invasions in order to avoid more losses and keep his domination. China has no strength to resist foreign powers’ military invasion. Without strong economic and military power, it was difficult for Yuan, or any other ruler, and his government to make powerful protest. Therefore, the compromises, made by Yuan, with foreign powers should not be considered as traitorous acts.

Under Yuan Shikai’s domination, no matter as president or emperor, China had lost various rights, including economy, and sovereignty. However, during Yuan’s four-year rule, because of the stable political situation and World War I, Chinese economy greatly and rapidly developed. Yuan had enough power and influence to control China as a unity. It was impossible for one signal leader to improve the weak situation of China. Yuan deserves objective judge and evaluation, rather than simply considered as a betrayer.

References

- Grasso, June. (2004). *Modernization and Revolution in China* New York: M.E.Sharp.
- Lai, Xinxia. (2000). *A History of Beiyang Warlords*. Tianjin: Nankai University Press.
- Ma, Liangyu. (2005). Yuan Shikai and “The Twenty-One Demands”. *History Teaching*. 2.2, pp. 61-65.
- Su, Liming. (2001). “The Twenty-One Demands” and Yuan Shikai Claiming Emperor. *Journal of Quanzhou Normal College (Social Science)*. 19.5, pp. 70-75.
- Su, Quanyou. (2005). Yuan Shikai and a new argument of The Twenty-One Demand. *Chuanshan Journal*. 4.4, pp. 136-138.
- Wei, Yanqiu. (2003). Beiyang Warlords Government’s Maintaining Diplomacy. *Social Science in Nanjing*. 6.6, pp. 50-55.
- Zhang, Zhenkun. (1992). *The History of Japan’s 70-year Invasion into China*. Beijing: Chinese Social Science Press.
- Zhou , Yan. (1994). Japan and Hongxian Imperialization. *Seeking Truth*, 25.2, pp. 113-118.
- Zhu, Shuguang. (2004). Yuan Shikai’s Merits and Defects. *Exploration and Free Views*. 1.9, pp. 13-15.
- Zhuang, Hongzhu. (1982). The Relationship Between Yuan Shikai and Japan and Its Essence. *Journal of Xinjiang University*. 5.4, pp. 46-53.



A Brief Analysis on Elite Democracy in Authoritarianism Countries

Jia Hong

School of International and Public Affairs, Shanghai Jiao Tong University, Shanghai 200240, China

Tel: 86-21-54748882 E-mail: jolean_1984@hotmail.com

Abstract

This paper, commencing with the revision of classical concepts on democracy, puts forward that democracy is not only the aim but also a kind of means and method, based on which the paper further analyzes the shaping of democracy, and points out that elite democracy is an inevitable trend and that the role and function that elite democracy plays in the process of democratization is the exhibition of democratization strategy piloted by elites. In the last part of this paper, the author presents the relationship between elite democracy and authoritarianism and points out the development direction for elite democracy in authoritarianism countries.

Keywords: Elite, Democracy, Shaping, Elite democracy, Authoritarianism

1. The essentials of democracy

1.1 *The revision of classical democracy*

Classical democratic theory essentially means “people’s politics” or “the majority’s politics”, nevertheless, the facts apparently make clear that in reality a democracy mode that complies with classical democratic theory does not exist at all. Confronted with the contradiction between classical democratic theory and the reality of western democracy, Webber and Schumpeter chose to adopt experiences and demonstration. They are of the view that since most people could quite uniformly distinguish democratic countries from totalitarian countries, there must be great substantial differences between the two kinds of countries. Therefore, a democratic theory that starts from experience and can distinguish democratic system from autocratic system is needed, whereupon, the elite democratic theory, a revision of classical democracy, emerged as the condition required.

The main views of elite democratic theory are summed up as follows: (1) democracy is governed by elites or politicians; (2) the society is divided into minority with power and majority without power; (3) democratic policy means a competition process among many elites, of which party competition is a typical one; (4) in democratic society, citizens will termly select their decision-makers though voting; they may influence the decision-making process in view of group interests; (5) elite group is an open system, where everyone is equally entitled to enter into; (6) the influence of elites on the public is far higher than that the public on the elites.

1.2 *Democracy in elite democratic theory*

Theorists of different times had made discussions on elite democracy. Webber, on the basis of democratic mechanism, put forward an elite ruling mode “bureaucratic democratic system”. The gist of this kind of mode is that elite ruling is conducted with the regularly participation of the public and the political actions of bureaucratic government and elites are restricted by general election system and powerful parliaments selected by the public.

The elite democracy views of Schumpeter realize the combination of democratic theory with elite theory, eliminate the inherent values of democracy, and put the tool value of democracy at the first place among the values of democracy. He is of the opinion that “Democratic method is an arrangement of system aiming to attain the power to make political decisions. In this kind of arrangement, some one attains the power for decision-making through running for votes from the people.”

In *A Preface to Democratic Theory*, Dahl first endowed elite democracy with an independent concept, “pluralist regime”. He thinks, “A democratic society can be defined as a social system, which not only has democratic political system but also has many other sub-systems that directly or indirectly function as democratic political process.” In this connection, democracy can be defined as “the ruling of pluralist minority”.

1.3 *The necessity of elite ruling*

In the views of elite theorists, elites’ ruling and governing society is an inevitable and unchangeable rule and no society

including democratic society can avoid this rule. The inevitability of elites lies in that in all organizations there exist the powerful drive for the emergence of oligarch, whose interests are different from and exceed those of the common members of their organizations, the ruling of minority political elites on the public is realized through organizations, and the former is an organized group, while the people in majority are just unorganized public.

2. The shaping of elites and democratization

2.1 The functions of elites in the process of democratization

Now that the elite ruling is inevitable in democratic society, the problem is that why they can play the key role in democratic society.

First of all, the public is a kind of indifferent and non-rational political power.

Kornhauser believes that modern society is an atomic society, where people have always been lacking interests in politics. "The public do not lead, but follow. They just respond to the attitudes, suggestions and actions of the elites". This kind of indifference shows people's dissatisfaction of the system because the politics is maneuvered and mobilized by state elites and the public is easy to be mobilized by elites

Secondly, elites are a kind of ardent and rational political power.

Elites are a group of people who have divine intelligence and social and economic statuses, and are members with powerful force inside social groups. They live and work in intermediate level in cities, are the elite force that can advance the development of various social industries, have active spirit, are willing to accept new matters and theories, are concerned about hot social issues, devote themselves into social commonweal businesses, and positively promote the advancement and development of society.

Many scholars take political elites as the most importance factor in the process of democratization. The feature of democratization since 1970s is that the transformation of democracy comes from the upper level, which is dominated by elites. Huntington has explained in his book *The Third Wave of Democratization* that the most important factor in the time of the third wave of democratization is the believes and actins of elites.

2.2 Examples of elites' consolidating democracy

Democratic regime is just a threshold, while the most important issue is to consolidate democracy. Some scholars are of the view that from the perspective of elitism, the consolidation of a democratic regime, besides that the public widely participate in election and other political activities, requires that elites search common grounds and be consistent with each other and solidified, which will exert great influence on the stability of democratic politics. *Elites and Democratic Consolidation in Latin America and Southern Europe* conducts detailed researches on the relationship between elite change and democratic consolidation of 13 countries in Latin America and Southern Europe (please refer to the following table).

Seeing from history, elites in most of countries lacked common grounds and solidarity, which resulted in the instability of regimes, which means that the regime is a faked democracy or democracy not consolidated. If elites wanted to search for common grounds and be solidified, the tendency and structure of elites shall undergo a substantial change. The consolidation of democracy cannot be realized through one or two day's effect. Elites play important role in the consolidation of democracy. For example, in the achievements of Latin America, leaders had played decisive roles. Through the analysis of the aforementioned types, we can come to this conclusion: "elites are the switchmen of history"; the common grounds and solidarity of elites is a prerequisite for the consolidation of democratic regime.

3. The democratic strategies of elites

3.1 The demands of elites towards the public

In democratic society, the ruled class can always force the decision-makers to consider the interests of the majority when making decisions. The public also play important roles and sufficient attention shall be paid to them.

Firstly, elites need the supports of the public. Schumpeter sees that decision-making needs to gain supports from the voters all the more. In order to gain this kind of supports, the thoughts of elites must be in consistent with the interests and political tendency of the public. The assumption of elites needs to be consistent with the interests and tendency of the public, while this kind of relevancy restricts the actions of elites. The interests and tendency of the public becomes a parameter, in which elites can safely and effectively bring into play their functions.

Secondly, elites need the surveillance by the public. Even in democratic society, it is possible for elites to abuse their power. Therefore, the key point is to effectively control the elites and establish a "responsibility system" for elites towards the public. Even though in democratic regime elites still control the power and the public enjoy small quality of power, the small quality of power can control elites and enables elites to shoulder their responsibilities.

Thirdly, elites need the actions of the public. Some elitism theorists have pointed out that public actions are actually beneficial for the maintenance of democracy. Labor unions, farmer organizations, church groups, and various associations have played important roles in combating authoritarianism government and establishing democratic regime. Democratic

politics is a system where the rulers and the ruled interact and are mutually responsible for each other.

3.2 *The guidance of elites on the public*

First of all, the voice power is transferred to the public. The emergence of internet in 20th century makes “internet democracy” the best chance and bridge. The voice power extended from elite level to civilian level at a speed not controlled by people’s will. The newly emerged Blog is an apparent exhibition of the voice power of the civilians. The rapid extension of the voice power to civilian level enables the whole society to be more sensitive about unexpected accidents. The interest tendency feature reflected by voice power undergoes delicate change: once it is found that the interests of civilian level or weak groups are severely infringed and cannot be solved in a justified way, a strong public voice will be spontaneously formed to fight for the interests and condemn the responsible parties.

Secondly, citizen societies are gradually formed. Many western scholars believe that the existence of citizen societies is a prerequisite for the realization of political democracy. American politician Barber believes that in the USA, there are two kinds of democracy: one is state democracy, represented by the conflicts between the two parties, presidential elections, and the policies of federal organs; the other is local democracy, represented by neighborhood organizations, parental-teacher association, and community action groups, and etc, whose range is generally limited to a city, a town or a county in the countryside and where people are easy to from a small group to resolve divergences and find out methods to cope with common problems. In most state affairs, these common citizens are just lookers rather than actors. On the contrary, in local or community affairs, they become active thinkers and actors. “Politics” there is no longer “theirs” but “ours”.

3.3 *The transition between elites and the public*

In any society, elites are not changeless but rather flowing. Education shall be adopted to impel the public to transform into elites and to push the circular development of the society. Pareto stresses, “Through a continuous process, new elites come into being in the lower level of the society. They then ascend to higher levels and reach their prime there. Afterwards, they incline towards degeneration. Finally, they are either annihilated or vanish. The corresponding result of this elite circular process is the gradual change and improvement of social status.”

4. **Inspiration for China**

4.1 *The transition from totalitarianism to authoritarianism*

Totalitarianism means that the control of government on society is all-pervasive. Authoritarianism means that government has comparatively large authority, but is usually limited to political aspects, and does not intervene much in social and cultural aspects. The differences between these two systems are obvious. Authoritarianism is a political form lying between totalitarianism and democratism.

China, at this stage, is in transitional stage from totalitarianism to authoritarianism. For one hand, Communist Party still has absolute power in politics and the power of Communist Party on culture, education and propaganda is still of totalitarianism nature. However, for another hand, the social culture and people’s life in China are almost as free as those in the west are. We can make use of authoritarianism tools, keeping their essence and discarding their defects, to promote and accelerate the democratization process of China and use the authority power of government to promote economic development of China and maintain political order in reforms, which is not in contradiction with our effort towards democratization. Because authoritarianism is evolving too, what we emphasize is the transition towards democratic authority and the optimization of the application of authority under the frame of democratization.

4.2 *From authoritarianism to elite democracy*

Authoritarianism is a transitional status of developing countries in their process of modernization. It is a system of the nature “both sides can be shaped” and is a transitional system lying between totalitarianism autarchy and modern democracy. It may march toward, develop and change into modern democracy and may also fall back and degenerate to totalitarianism autarchy. Democratization is a necessary trend of the development of human society. The roads that different countries take to develop towards and realize this ultimate aim are somewhat different. From the perspective of the democratization process of East Asia, generally, it is a triple jump from traditional politics to authoritarianism and then to modern democracy. It is a gradual process where economy modernizes first and politics modernizes subsequently and on the basis of economic development, political democracy is promoted. Historical experience has proved that to hastily discard authority will result in modernization losing its way. Without authority, society will be like scattered sands and it is hard for society to act in phase and in conformity. However, in different development stages of different societies or of a society, the connotation and rationality basis of authority will also undergo change. Whether the authority power can be used as impetus to promote the development of modernization and the effect exhibited by authority are determined by whether we can or to what extent we can adopt appropriate authority forms. The necessary passage shall be from old authority to new authority and from totalitarian authority to democratic authority, which is the so-called elite democracy. Michael G. Roskin presents us with the relationship among authoritarianism, totalitarianism and elite democracy in *Political Science*. The transition cannot be accomplished in one action; it is a rather long reform, development and innovation process as well as a process where the public learn and accommodate themselves.

The urgent affair now is to systematically transform into modern democracy with Chinese characteristics under the premise of a stable government authority. The authority of central government shall be optimized and at the same time, collectivity authority and enlightened authority rather than individual authority shall be stressed. The most effective way is to enhance the leadership of CPC to prevent from backing to individual authority under totalitarianism. The validity and power source of a Party's leadership is like as Huntington has pointed out "the stability of a political system in the process of modernization is determined by the power of its party, while the power of the party is determined by the public's supports for its systemization, so the power reflects the scale of supports and the systemization extent. Those countries who have actually reached or are considered to have reached high political stability and are in modernization at least have one powerful party... .. also, the probability of the emergence of violence, turbulence and other forms of political turbulence is a lot higher in political system without powerful party.

Table 1. The relationship between elite change and democratic consolidation of 13 countries in Latin America and southern Europe

Country	Status of Elite Change	Types of Regime
Argentina	Does not	Democracy not consolidated
Brazil	Does no	Democracy not consolidated
Chile	May compromise(1989-90)	Democracy, may be consolidated
Colombia	Compromised (1957-8)	Consolidated democracy, but may lose it
Costa Rica	Compromising/tend to compromise (1948-70)	Consolidated democracy
Dominica	Gradually tend to consent /compromise(1966-78)	Consolidated democracy
Italy	Gradually tent to consent(1963-78)	Consolidated democracy
Mexico	Compromised (1929)	Stable and limited democracy or comprehensive authoritarianism regime
Peru	Dose not	Democracy not consolidated
Portugal	Gradually tent to consent (1983-9)	Consolidated democracy
Spain	Compromised (1977-9)	Consolidated democracy
Uruguay	Compromising/gradually tend to (1984-90)	Consolidated democracy
Venezuela	Compromised (1958)	Consolidated democracy

Table 2. The pedigree of government authority

Democratic Government			Non-democratic Government		
Absolute Democracy	Democracy	Limited Democracy	Authoritarianism	Totalitarianism	Absolute Totalitarianism
No party	Two parties or multi-parties	One party only	One party or no party	One party system	One party system

4.3 From elite democracy to people's democracy

Enlightened authority government can effectively harmonize stable social order and conflicts brought by the transformation of economy and society and is used to understanding, tolerating and respecting different opinions, a political culture that we must be seasoned with in the process of our marching towards democratization. We need an enlightened authority government to protect the immense achievement that we have gained in the reform and opening up through gradual change and advancement.

To judge from the development course of the democratization of China, in reality the mode that can effect functions is where the State dominates. Places where democratic election is carried out comparatively better are always under the local leaders'

supports, that is the powerful supports of administration elites. They can smartly use democratic procedures. This is the road for elite democratization. We can borrow useful thought resources from western elitism theories and use them to promote the democratization course of China. In the democratization course of China, elitism, as a kind of ethos, can provide us with a comparatively practical and feasible road.

References

- Dahl, Robert A. (1982). *Dilemmas of pluralist democracy: autonomy vs. control*. New Haven: Yale University Press.
- Etzioni-Halevy, Eva. (1997). *Classes and elites in democracy and democratization: a collection of readings*. New York: Garland
- Lasswell, Harold D., Lerner, Daniel & Rothwell, C. Easton. (1952). *The comparative study of elites; an introduction and bibliography*. Stanford: Stanford University Press.
- Palma, Giuseppe Di. (1990). *To craft democracies: an essay on democratic transitions*. Berkeley: University of California Press.
- Putnam, Robert D. & Cliffs, Englewood. (1976). *The comparative study of political elites*. N.J.: Prentice-Hall.



Learning English as a Foreign Language

Cultural Values and Strategies in the Chinese Context

Yunbao Yang

School of Educational Studies (Bundoora Campus), La Trobe University

Post code 3083, Melbourne, Australia

Tel: 61-419 396 821 E-mail: yangyunbaogeorge@hotmail.com

Abstract

Research on language learning strategies is not new. Numerous books have been written on the process of learning and the efficiency of learning English. Some English learning strategies are discussed in this paper to identify how they are defined and used and how they are determined by contexts and cultures.

Culture plays an important role in language learning and this leads to various learning strategies. Learning strategies used in one culture might be different from another, but, the central points are to achieve goals and purposes in learning.

Keywords: Learning strategy, Culture, Chinese, Context, Language learners.

Introduction

Language learning strategies often are discussed when learners have learning problems and this is an overwhelming phenomenon for both students and teachers in China where there is a continuous search for strategies to facilitate better learning. First of all, there is a need to understand what learning strategies are and what might be adapted to improve the academic performance of learners. Often, learning strategies are discussed in narrow ways and more often learners copy the learning strategies of others without tailoring them.

It is known that learning strategies are individualized and vary across cultures. Copying or borrowing the learning strategies of others in foreign language learning does not necessarily lead to positive outcomes nor guarantee learning success because there is no 'one-size-fits-all' strategy. More importantly, most strategies for language learning are derived from second language acquisition contexts and adaptation is needed for learners in different language learning contexts.

1. What are learning strategies?

Strategy-use has been a focus in foreign language learning both for learners and researchers in recent years. Many of the earlier researchers, such as Rubin (1975, 1981), Stern (1975), Naiman *et al.*, (1978) and Fillmore (1976, 1979) paid attention to the specific learning strategies that successful language learners had been reported to use. These researchers demonstrated that language learners do employ learning strategies in their language learning and that such strategies can be identified and classified.

Many other researchers (Stern 1983; Weinstein and Mayer 1986; Rubin 1987; Nunan 1988; O'Malley and Chamot 1990; Oxford 1990) have defined language learning strategies. For example, "learning behaviours" were described by Politzer and McGroarty (1985), "cognitive processes" by Rubin (1981) and "tactics" by Seliger (1983). A more recent description was given by Oxford (1990) who defined learning strategies as "specific actions taken by the learner to make learning easier, faster, more enjoyable, more self-directed, more effective, and more transferable to new situations" (p.8). It seems from the latter that success in learning occurs if learning is effective, enjoyable and easier.

Oxford (1989) previously provided a seemingly straightforward functional definition for language learning strategies as "behaviours or actions which learners use to make language learning more successful, self-directed, and enjoyable" (p.235) and in her 1990 column she simply replaced the phrase 'behaviours and actions used by learner's with the more general 'steps taken by the learner,' which could accommodate both behavioural and mental steps and learning strategies are keys to greater autonomy and more meaningful learning" (p.4). The purpose of research on learning strategies is to gain "a better understanding of learners, their strategies, their thoughts and feelings during the learning process, their success as well as their difficulties and failures, that we may gradually arrive at a better understanding of language learning and teaching" (Stern, 1975, p.317).

Researchers such as Rubin (1975) and Brown (1987) have considered that learning strategies determine the success or

failure of an undertaking. However, are language learning strategies recognized in one context suitable in another setting? Are all “learning strategies” applicable to all language learners and improve their language performance as well?

2. Learning strategies across cultures

Culture is a significant factor to be considered when language learning strategies are discussed. The Chinese believe that the best way of learning is through memorisation and repeated practice (Liu, 1984; Biggs, 1992). As a result of this belief, Chinese teachers set extraordinary amounts of homework and assignments, and use frequent tests and examinations with the objective of giving students adequate practice and learning in order to achieve academic success. As noted by Schmidt and Watanabe (2001, p.329) “teachers of Japanese and Chinese as foreign language often argue that because of the importance of learning large numbers of characters (*kanji*) for these languages, memorization strategies are crucial.”

Taking learning English as a foreign language in the Chinese context, where English is not used by any community for communication, learners at different levels have to seek their own ways to maximize their potential in English learning and, naturally, learners apply their learning strategies used in Chinese to English learning. Characteristics like reciting and reading aloud are used to reinforce the information. However, these learning strategies often are defined as rote learning strategies. In such a context, students will use any strategies to memorize lots of facts, or understand basic principles, strategies perceived to maximize their chances of academic success (Entwistle and Ramsden, 1983). The stereotype of Chinese students as “hard working” has drawn much attention. According to Sha (2000), students have little chance to communicate in English; no English environment is available after class; and English is rarely used in daily life etc. Therefore, students pursue rote learning and recitation under the pressure of scores and enrol into higher schools.

Some researchers (for example, Liu, 1984; Biggs, 1992) consider that there are not efficient learning strategies. However, it should not be overlooked that in a context like China, learners are geographically distant from native English speaking communities and English is taught as a foreign language. It is understood that such learning strategies have invited much criticism, especially in the area of learning English as a foreign language. In spite of this criticism the context affects learning strategy; many learning strategies acknowledged in the second language context can hardly find a standing place in the foreign language context.

For example, ‘communicative English,’ a popular language learning strategy using a communication approach, never succeeded simply because the second language learning setting and foreign language were in totally different settings. Furthermore, a class of over 50 students was not uncommon in the Chinese educational system which never occurs elsewhere in classrooms where English was taught as a second language and this apparently made the communication approach hard to popularize.

In the Chinese context, using a foreign language communication background was not provided for and it is not surprising that the communicative strategy failed. Language learning strategies are not simply methods or ways to achieve an outcome; cultural layers, elements and attitudes are imbedded. As Lee (1996, p.25) stated “culture and attitudes towards education play a role in language learning success.” In other words, learning strategies are affected by cultures and educational systems.

Oxford (1996) argued that language learning is fully situated within a given cultural context and that various cultural beliefs, perceptions, and values significantly affect the strategies students adopt. This is illustrated in a study conducted by Levine *et al.*, (1996) in Israel, where the learning strategies of recent immigrants from the former Soviet Union were compared with the strategies used by people who had lived in Israel for at least five years. The recent immigrants tended to show a preference for such traditional strategies as memorizing grammar rules, rote learning, repeatedly writing down words, or doing grammar exercises from a textbook, in contrast to the preference of the longer-term residents for more communicative approaches, including taking risks in the use of new structures and words. The characteristics of the new immigrants in this study appeared to share some similarities with Chinese rote learners. The ideas of learning strategies raised by Oxford (1990) were echoed by Levine *et al.* (1996); in short it was agreed that culture and tradition shape learning strategies.

More recently, Ehrman *et al.* (2003) came to the conclusion that:

a given learning strategy is neither good nor bad; it is necessary neutral until it is considered in context. A strategy is useful under these conditions: (a) the strategy relates well to the second language task at hand, (b) the strategy fits the particular student’s learning styles preferences to one degree or another, and (c) the student employs the strategy effectively and links it with other relevant strategies. (p.135)

This definition offers an additional explanation to answer why the ‘communicative approach’ discussed above failed in the Chinese context. It neither ‘related well’ nor is ‘a preference’ nor is ‘effective.’

When discussing language learning strategy, the question arises as to whether learners adopt the approach ‘the more the better’ or ‘the fewer the wiser.’ It has been assumed that good language learners use flexible learning strategies whereas poor learners use the same learning strategies. Yamamori *et al.* (2003) in commenting on the effectiveness of learning strategies noted:

low reported strategy use is not always a sign of ineffective learning. Also, reportedly high-frequency use of strategies does

not guarantee that the learning is successful. In a casual class observation, one might see some learners working eagerly and using many strategies, but ...do not employ those strategies effectively. Studies relying solely on frequency data may miss this point. Because frequency results alone do not explain everything about strategy use, it is necessary to include other indices of learners' behaviours that reflect their decision making. 'The more, the better' is not always the case in strategy use. (p.384)

Learners learn better if learning strategies work effectively for the individuals and multiple-use of learning strategies does not necessarily guarantee success.

Politzer and Groarty (1985) offered experimental data which was consistent with a relationship between learning behaviour and gain scores. They reported a correlation between language learning and ethnic background, indicating that learning strategies are influenced culturally. In this study students from different counties appeared to use different groups of learning strategies and it was argued that different learners bring with them different learning strategies.

Liang (1996) later provided a picture of ineffective strategy use in the learning of English in the Chinese context. It was noted that

students who don't know how to learn show the following traits: put Chinese phonetics to English words, rote memorizing words and expressions, go into depth of grammar, word-for-word translation, hardly shake off Chinese. Many students mistakenly think that English is a subject of knowledge and comprehension, they haven't laid their energy on reading, speaking, listening and writing exercises, therefore their skills could not be achieved and as they learn they find it more difficult and finally they fall behind. (p.8; translation by the current author)

Language learning strategies do not automatically turn into effective learning outcomes. Within learning strategies there are good learning strategies and poor learning strategies and counting the times of language strategy use does not help understand good and poor learners. The essence of learning strategy is that a learner who is comfortable and finds the learning process enjoyable and eventually succeeds with the learning progress.

It should not be overlooked that particular values may be cherished in certain contexts. For example, "hard work" is probably one of the prominent characteristics valued in the Chinese setting. This is a frequently discussed issue whenever learning by Chinese students is considered because the Chinese believe those who work hard will succeed sooner or later.

In this connection, Mencius (1970) considered that:

when Heaven is about to confer a great responsibility on a man, it will exercise his mind [determination] with suffering, subject his sinews and bones to hard work, expose his body to hunger, put him to poverty, place obstacles in the path of his deeds, so as to stimulate his mind, harden his nature, and improve wherever he is incompetent. (p.15)

Mencius (1970) pointed to the correlations between "hard work" and "success." In fact, hard work has been regarded not only as an attitude towards learning but also the basic element for success in the Chinese setting and it is deep-rooted value in its culture. This provides some insight as to why recitation and memorisation strategies are applied to learning in China. These learning strategies apparently are related to the education and testing systems which focus on reproducing what is taught rather than learned. Consequently, and naturally, learning strategies such as recitation and memorization are unavoidable even if not successful.

While discussing learning strategies, it is appropriate to bear in mind that learning strategies are generated from motivation. As noted by Oxford and Nyikos (1989, p. 53) "motivation often leads learners to use particular learning strategies that can facilitate greater skill in language learning." More recently, Yang (2004, p.43) noted that "motivation and learning strategy are often discussed in relation to language learning success because these two elements work as a body in learning." Effective, comfortable and enjoyable learning strategies are the outcomes of continuous trials of individual language learners. It is appropriate to consider that learning strategies are the extended actions or behaviours used to achieve ideal learning results. In fact, since learners are different, even in a given culture, they are completely different and it is unwise to apply learning strategy of one individual to another. Every language learner constitutes a micro-culture and a number of these micro cultures comprise a macro culture which many in sum contributes to the general culture, such as "hard work" in Chinese students.

Conclusion

One purpose of understanding learning strategy-use is to identify how English as a foreign language is learned more effectively. Through discussion and analysis, it seems that strategy-use in language learning is different across cultures, and basically a context-shift (often from second language learning to foreign language learning) requires learners to adapt their learning behaviours. It is acknowledged that not all strategies are effective ones; some are influenced by cultural factors which should be taken into account before labelling them. In other words, cultural factors must be understood before strategies in language learning can be comprehended. Learning strategies, and, in a specific Chinese context, some basis perspectives to learning strategies used by Chinese learners have been discussed in this paper.

References

Biggs, J. B. (1992). Why and how do Hong Kong students learn? Using the learning process questionnaires. *Education*

Paper 14. Hong Kong: Faculty of Education, The University of Hong Kong

Biggs, J., & Watkins, D. A. (1996). The Chinese learner in retrospect. In D. A. Watkins & J. B. Biggs (Eds.), *The Chinese learner: cultural psychological and contextual influences* (pp.269-285). Melbourne: CERC & ACER.

Brown, H. D. (1987). *Principles of language learning and teaching*. New Jersey: prentice Hall Regents.

Dai, J. R. (1998). Problems and considerations about teachers' training in secondary schools. *Foreign Language Teaching in Schools*, 5, 5-7.

Entwistle, N., & Ramsden, P. (1983). *Understanding student learning*. London: Croom Helm.

Ehrman, M. E., Leaver, B. L., & Oxford, R. L. (2003). A brief overview of individual differences in second language learning. *System*, 31, 313-330.

Fillmore, L. W. (1976). The second time around: cognitive and social strategies in second language acquisition. *Unpublished PhD thesis*, Stanford University.

Fillmore, L. W. (1979). Individual differences in second language acquisition. In Charles J. Fillmore *et al.* (Eds.), *Individual differences in language ability and language behaviour* (pp.203-228). New York: Academic Press.

Gardner, R. C. (1985). *Social psychology and language learning: The role of attitudes and motivation*. London, Ontario: Edward Arnold.

Gardner, R. C. (2001). Integrative motivation and second language acquisition. In Z. Dornyei & R. Schmidt (Eds.), *Motivation and second language acquisition* (pp. 1-20). Hawaii: University of Hawaii.

Hu, C. D. (1996). On the differences of Zhang Sizhong's teaching and communicative methodologies. *Teaching Foreign Language in Schools*, 8, 4-6.

Lee, W. O. (1996). The cultural context for the Chinese learner: conceptions of learning in the Confucian tradition. In D. A. Watkins & J. B. Biggs (Eds.), *The Chinese Learner: cultural, psychological and contextual influences* (pp.25-41). Hong Kong/Melbourne: Comparative Education Research Centre, The University of Hong Kong/Australian Council for Educational Research.

Levine, A., Reves, T., & Leaver, B. L. (1996). Relationship between language learning strategies and Israeli versus Russian cultural-educational factors. In R. L. Oxford (Ed.), *Language learning strategies around the world: cross-cultural perspective* (pp. 35-45). Honolulu: University of Hawaii Press.

Liang, Y. (1996). On problems of two extremes in English teaching in junior secondary schools. *Foreign Language in Schools*, 3, 7-9.

Liu, I. M. (1984). *A survey of memorization requirement in Taipei primamry and secondary schools*. Unpublished manuscript, National Taiwan University, Taipei.

Liu, I. M. (1986). Chinese cognition. In M. H. Bond (Ed.), *The psychology of the Chinese people*. Hong Kong: Oxford University Press.

Mencius. (1970). Mencius, tr. D. C. Lao. Harmondsworth: Penguin Books.

Naiman, N., Frohlich, M., Stern, H., & Todesco, A. (1978). *The Good Language Learner* Research in Education Series No 7. Toronto: the Ontario Institute for Studies in Education.

Nunan, D. F. (1988). *The learner-centred curriculum*. New York: Cambridge University Press.

O'Malley, J. M., & Chamot, A. U. (1990). *Learning Strategies in Second Language Acquisition*, Cambridge: Cambridge University Press.

Oxford, R. L. (1989). Use of language learning strategies: A synthesis of studies with implications for strategy training. *System*, 17, 235-247.

Oxford, R. L. (1990). *Language learning strategies: what every teacher should know*. New York: Newbury House Publishers.

Oxford, R. L. (1996). Preface: why is culture important for language learning strategies? In R. L. Oxford (Ed.), *Language learning strategies around the world: cross-cultural perspective* (pp. ix-xv). Honolulu: University of Hawaii Press.

Oxford, R. L., & Nyidos, M. (1989). Variables affecting choice of language learning strategies by university students. *Modern Language Journal*, 73, 291-300

Politzer, R. L., & McGroarty, M. (1985). An exploratory study of learning behaviours and their relationship to gains in linguistic and communicative competence. *TESOL Quarterly*, 19, 103-123.

Rubin, J. (1975). What the good language learner can teach us. *TESOL Quarterly*, 9, 41-51.

Rubin, J. (1981). Study of cognitive processes in second language learning. *Applied Linguistics*, 2, 118-131.

Rubin, J. (1987). Learner strategies: Theoretical assumptions, research history and typology. In A. L. Wenden., & J. Rubin

(Eds.), *Learner strategies in language learning* (pp. 15-30). Englewood Cliffs, NJ: Prentice_Hall.

Schmidt, R., & Watanabe, Y. (2001). Motivation, strategy use, and pedagogical preferences in foreign language learning. In Z. Dornyei & R. Schmidt (Eds.), *Motivation and second language acquisition* (pp.313-359). Honolulu: Second Language Teaching & Curriculum Centre/University of Hawaii.

Seliger, H. W. (1983). The language learner as linguist of metaphors and realities. *Applied Linguistics*, 4, 179-191.

Sha, J. H. (2000). Experimental report on overall reform at No. 1 Secondary School in Gaomi City of Shangdong. *English Teaching and Research Notes*, 1, 22-25.

Stern, H. H. (1975). What can we learn from the good language learner? *Canadian Modern Language Journal*, 31, 304-318.

Stern, H. H. (1983). *Fundamental concepts of language teaching*. Oxford: Oxford University Press.

Weinstein, C., & Mayer, R. (1986). The teaching of learning strategies. In M. C. Wittrock (Ed.), *Handbook of Research on Teaching* (3rd Edition) (pp. 315-327). New York: Macmillan.

Yamamori, K., Isoda, T., Hiromori, T., & Oxford, R. L. (2003). Using cluster analysis to uncover L2 learner differences in strategy use, will to learn, and achievement over time. *IRAL*, 41, 381-409.

Yang, Y. B. (2004). *Characteristics of good English learners – urban key senior secondary school students learning English in Yunnan – China*. Unpublished MA thesis. Melbourne: La Trobe University.



On the Objective System of Modern Peasant Household Cultivation Strategy

Zhucun Zhao

College of Humanities and Development, China Agricultural University, Beijing 100094, China
Tel: 86-10-6273 7965 E-mail: dangjian@cau.edu.cn

Abstract

This article analyses briefly the policy objective system of modern peasant household cultivation strategy in China, which the main objectives of the strategy are: adjusting the structure of peasant households, improving the peasant household ability, developing the rural human resource, etc. The capabilities of peasant household are as follow: the grain productivity, the market competition ability, the income-increasing ability, the investment ability, and the civilization construction ability. This article puts forward the objective system of modern peasant household cultivation strategy including 3 level-1 indexes, 8 level-2 indexes and 15 level-3 indexes.

Keywords: Modern peasant household, Structure of peasant households, Capacity of peasant household, Human resources development

Along with China's rural reform and development, the economic power of peasant households has been improved continuously. Lots of modern peasant households turn to town market to develop agricultural production, achieving the transformation and differentiation from traditional small peasant households. Modern peasant households, including specialty peasant households, commercial peasant households, and giant peasant households, are the active subjects of family contracted business and agricultural market that meet the requirements for developing modern agriculture. According to Hayami's (1998) opinion, there is no contradiction between the peasant household production in developing countries and the process of economic modernization. If only there is proper policy support, peasant households can also become one of the subjects in developing modern commercial and industrial economy. We should absorb the cultivation of modern peasant households into the development strategy of agriculture and countryside, considering China's present situation. By implementing the modern peasant household cultivation strategy, we can optimize the structure of peasant households, improve their capabilities, and achieve the exploration on rural human resources. Next, we analyze the strategic objectives of cultivating modern peasant households.

1. The objectives of adjusting the structure of peasant households under the market economy condition

According to Gladwin and Zabawa's (1986) opinion, the adjustment of peasant households' structure deserves more attention in discussing the agricultural policy. The structure of China peasant households has problems as follow. Specialized peasant households occupy a lower proportion. And small-scale and part-time peasant household group tends to be enlarged. The structure of peasant households can not meet the development of modern agriculture. In the process of training modern peasant households, we should adjust the structure of peasant households energetically, enlarging the proportion of specialized peasant households gradually, and controlling the proportion of small-scale and part-time peasant households. The specialized peasant households, as the dominant strength of peasant household group, should meet the development of economy market. Therefore, we can evaluate the structure of peasant households and adjust the effectiveness according to these proportions.

2. The objectives of modern peasant households' capability under the guidance of national strategy

To improve the capability of peasant households is the key to drive the development of agriculture and countryside. In recent years, China's strategies in fields of ensuring food safety, improving peasant income, and cultivating new peasants put forward objectives of improving peasant households' capability for constituting and implementing strategy of cultivating modern peasant households. The capability of peasant households includes individual ability and group ability. The former is the based of the later. And the later reflects the former and the structure of peasant households. In specific, the capability includes five aspects as follow.

(1) Improve peasant households' grain production ability stably. According to the "Eleventh Five-Year" program, the integrated production ability can reach 500,000,000 ton or so. Because China agriculture chiefly adopts the family-con-

tracted operation, the grain production ability of peasant households becomes the profound base for the national grain integrated production. As adjusting the structure of peasant households, local government should guarantee that a number of peasants are engaged in grain production and operation, and they can gain stable profits from grain production. At the same time, improve the production ability of peasants, training a large number of farming peasants who can influence and make more peasants produce grain.

(2) Improve modern peasants' market competence. To develop modern agriculture, it is a must to face fierce competition at home and abroad. Most peasant households are small-scale in China. Therefore, in order to improve the market competence, it is more important to improve the proportion of peasant households participating agriculture's industrial operation, specialty cooperative economic organization, and popularization of agricultural technology, making them exert active effects on modern agriculture. The objectives in this aspect can be evaluated by relevant ratios, quantities, and proportions.

(3) Improve modern peasants' ability of gaining profits. To increase peasants' income and shorten the income gap between citizens and peasants is a must for the coordinative and sustainable development of city and countryside. In order to increase the income of peasants, governments at different levels should provide policy support for peasants, improving their ability of gaining profits. As modern peasant households, family members should choose multiple jobs and family business should be engaged in multiple production, which are good for enlarging the income resources of peasants. The peasants' ability of gaining profits can be evaluated by the income per capita, and the proportion of family income to the total income.

(4) Improve modern peasants' ability of construction and investment. The construction of new rural countryside, no matter what it is to achieve production development or clean rural environment, has to depend on peasant households' investment and construction. Peasants' investment ability is affected by family deposit, rural credit condition, and agricultural investment projects. We should construct and perfect the rural financial service system, and the backup database of rural investment projects. Besides, we should provide with favorable policy for peasant households investing agriculture and rural small- and micro-projects. As a matter of fact, the investment ability of peasant households is not equal. The government should cultivate the peasants who have a strong consciousness of investment, which can encourage more people invest in more.

(5) Cultivate modern peasant households' ability of cultivating civilization. As the important subjects in rural countryside construction, peasant households should join in not only rural economy construction, but also rural social construction, cultural construction, and political construction, meeting the requirements of rural civilization and management democracy. We should take peasants' ability of cultivating civilization, especially their ability of constructing rural spiritual civilization and political civilization, as an important strategic objective of cultivating modern peasant households. Here, the participation of peasants in cultural and sports activities, spiritual civilization construction, and grass roots' democracy, can reflect peasants' ability of civilization construction.

3. The objectives of exploring rural human resource in the regional coordinative development

To cultivate a number of modern peasant households based on present peasants is a complex and tough project in exploring rural human resources in a sense, because its core is to cultivate specialized human capital as soon as possible. We should solve problems in four aspects. Firstly, it is the problem of lower quality of rural people. In special, there are lots of people who can not understand literal words or merely recognize few words in countryside. It is urgent to change the present situation. Secondly, it is the unreasonable structure of rural people. For example, certain county may have too much old people. Or certain country may have more female than male. And rural labors' employment structure is single. Thirdly, the mid- and western regions do not possess sufficient human resources. Yong labors usually choose to work in big cities, what makes it more difficult to explore human resources in countryside. Fourthly, it is the poor education base. Few attentions are invested in education and human resources' exploration.

Because of the imbalance of regional development, the exploration of rural human resource should consider not only the regional cultivation of modern peasant households, but also the mutual influences between regions. We should insist in coordinative development. With this precondition, we can study and establish the objectives of rural human resource exploration. Explore, construct, and perfect the coordinative and cooperative mechanism for the exploration of rural human resources in different regions. Motivate all strengths in different social fields to support the exploration of rural human resources in undeveloped regions. Change the disadvantage position of undeveloped countryside in the flow of talents and the transfer of labors by directive policies and measures.

These objectives of cultivating modern peasant households mentioned above can form an index system (in Table 1), including three level-1 indexes, namely the structure of peasant households, the capability of peasant households, and the exploration of rural human resources, and eight level-2 indexes, and fifteen level-3 indexes, which can realize a complete objectives (indexes) system as much as possible. Concerning the objectives (indexes) system of cultivating modern peasant households, we should perform more practical tests, adjust and perfect its indexes in order to make it be used widely.

References

Hayami, Y. (1998). *The Peasant in Economic Modernization*. In: International Agricultural Development (Third Edition), edited by Carl K. Eicher & John M. Staatz. Baltimore and London: The Johns Hopkins University Press, p300-315.

Gladwin, Christina H. & Robert Zabawa (1986). *After Structural Change: Are Part-time or Full-time Farmers Better Off*. In: *Agricultural Change*, edited by Joseph J. Molnar. Colorado: Westview Press, p39-59.

Table 1. The index system for the strategic objectives of cultivating modern peasant households in countryside.

Level-1 index	Level-2 index	Level-3 index	Unit
Peasant households' structure	Degree of multiple production	Proportion of peasant household who are engaged in multiple production to common peasant households	%
	Degree of specialized production	Proportion of specialized peasant households to common peasant households	%
Peasant households' capability	Ability of grain production	Per capita output of agriculture	Kg. per capita
	Ability of agricultural competence	Proportion of peasant households who participate industrialized agricultural production	%
		Number of peasants' specialized economic cooperative organization	Number
		The proportion of agricultural labors who take training courses	%
	Ability of increasing income	Average pure income of rural residents	Yuan
		Proportion of family income to total income	%
	Ability of investment	Total annual rural credit in countryside	10,000 Yuan
		Number of peasant households whose investment is more than 10,000 Yuan	Number
	Ability of cultivating civilization	Number of cultural and sports organizations in countryside per 10,000 residents	Number
		Average ratio of voting in county leader election	%
Human resources	Labor quality	Proportion of agricultural labors to rural labors	%
		Proportion of agricultural labors who have accepted mid-school education or higher education	%
		Average age of agricultural labors	Age



Supervisory Framework of China

Electric Power Universal Service

Guoliang Luo

College of Economics & Business Administration, North China Electric Power University

Beijing 102206, China

Tel: 86-10-80794755 E-mail: LGL1965@126.com

Zhiliang Liu

Shanxi Provincial Yan'an Power Supply Bureau, Rural Electric Power Department

Yan'an 716000, China

The research is financed by National Natural Science Foundation of China (No. 70671042) and School Doctor Fund of North China Electric Power University.

Abstract

The industry of electric power possesses obvious character of semi-public goods, which may induce market failure. In order to ensure basic living uses needed by residents especially for those residents living in rural poor, remote and border areas, the industry of electric power can not completely depend on market mechanism to resolve, and as the necessary in modern society, the electric power possesses the nature of universal service, and the government should actualize the aim of electric power universal service and implement the responsibilities as a supervisor. It is the necessary premise to confirm the aim and tasks of supervision for the implementation of governmental supervisory responsibilities, and this article mainly analyzes the basic supervisory framework of electric power universal service.

Keywords: Electric power universal service, Supervisory aim, Supervisory framework, Governmental supervisory responsibility

The industry of electric power possesses obvious characters of network, natural monopolization and semi-public goods, and all these factors may induce market failure. In order to ensure basic living uses needed by residents especially for those residents living in rural poor, remote and border areas, the industry of electric power can not completely depend on market mechanism to resolve, and as the necessary in modern society, the electric power possesses the nature of universal service, and the government should actualize the aim of electric power universal service and implement the responsibilities as a policy constitutor and a supervisor.

1. Electric power universal service and its supervisory aim

Most countries in the world definite the total aim of electric power universal service as providing reliable electric power with reasonable price and fulfilling the electric requirements of civilians who can not use electric power or can not afford electric power. Referring to relative the theory and practice of universal service, combining with Chinese actual situations, we define the electric power universal service as offering and fulfilling civil basic living use requirements of the whole society with price which can be universally accepted. As viewed from experiences of other international and domestic industries, with continual developments and improvements of relative technologies and operations, correspondingly the concrete contents and aim of universal service also are continually evolved. At present, the economic development levels and electric power development levels in various regions of China have biggish differences and the requirements of different groups are very different, so the aim of electric power universal service in China should be gradually actualized by region, phase and layer. How does the rural electric power social universal service of China establish its aim? First, the universal service should adapt to the national condition and power. Second, the universal service should adapt to the development of electric power. Third, the universal service should fulfill the actual demands and likelihood of various areas without electric power. The constituted aim should consider actuality as well as development and regional nature. So we should constitute reasonable and actual phase aim according to the development level of different regions. The aim should embody the principles of equitableness, universalism and care. Concretely speaking, first, the qualitative aim should be established, for example, how many households without electric power can use power in certain phase, how the quality requirement of power use service

(such as aims of “three publicities” and “four to household”) can be solved, and how the equitableness of electric price (same network and same price in city and village) can be completed. Second, the quantitative aims (lifeline electric consumption and electric price level) should be established. Third, according to the international recognized special objects of universal service, the normal objects of electric power social universal service in China should include the following groups such as handicapped, unemployed personnel, retirees over certain ages, undeveloped areas of minority, family with low income, household enjoying the five guarantees, revolutionary martyr’s family, compulsory education institution in undeveloped areas and nonprofit medical organizations, and the favor service or benefit of electric charge even decrease to some extent should be adopted according to different situations and different objects.

The supervisory aim of electric power universal service is to gradually actualize electric power universal service in China, put the aim of electric power universal service into effect and ensure the equitableness of the supply of electric power universal service. The implemental process of electric power universal service is a mutual process of social public, government and various direct providers, which includes four parts such as the expression of social demands and willing, governmental decision-making and organizational arrangement, the front line service to social members offered by direct providers, and the accountability system of public service. As viewed from the domestic and international experiences, the public service process operating well should possess the following characters: publicity, clarity, social participation, high efficiency, convenience, timing, acquirability, justice, impartiality, equality, manners, benefiting weak and poor groups and accountability, which requests the government not only ensures the accomplishment of supervisory aim but also ensure the equitableness and clarity of the process in the supervisory process of electric power universal service.

2. Supervisory tasks of electric power universal service

Through policies and supervisions constituted by the government, the aim of electric power universal service can be put into effect, the equalization of electric power universal service can be realized, and the residents’ supply of basic living use can be ensured. Concretely speaking, the supervisory tasks of electric power universal service can be put into effect mainly surrounding three aspects including quantity, quality, financing and capital use of electric power universal service.

For quantity, according to research results, the lowest aim of electric power universal service is to ensure the lowest standard that every household has 10 kilowatt-hour of monthly average electric power consumption in the whole China. Furthermore, considering the actuality and developmental foreground of China, this group detailedly enacts the objects and concrete standards of electric power universal service. And the objects of electric power universal service include three groups such as town low income, rural areas and jumping-off, and the basic standards are respectively enacted under the basic life condition and well-off life condition according to actual institutions.

For quality, the power supply reliability and security of all residents should be ensured, the quality of power supply service should be enhanced, the yearly MTTF of all rural residents can be increased possibly, and the MTTR of power supply service can be reduced possibly. The electric power universal service should pursue cheap in price. The demand and supply relationship between power supply network and consumers is usually in the institution of absolute monopolization, which is decided by the character of grid scale economy, so the rigidity between power use demand of consumers and price is very strong. In order to protect consumers’ benefits, the grid company should try to make the sales price of electric power possible cheap and the supervisory department of electric power should supervise the costs of the grid companies and restrict their excess profits.

For the financing and use of capital, we advise that the funds of electric power social universal service should be collected, China National Grid and China Southern Power Grid implement the social universal service of electric power, the capital resources and investment payment of funds are managed by four Chinese national banks or policy banks, the Chinese Financial Ministry manages the approving, providing and authorization of capital use, the Electric Power Supervisory Committee is responsible for the comprehensive supervision which includes the auditing and supervision of fund use plan, final yearly financial accounts and project financial accounts for electric power social universal service of China National Grid and China Southern Power Grid, fully guaranteeing special funds for special use and transparent use, and finally making the aim of electric power social universal service put into effect.

3. Governmental responsibilities in the supervision of electric power universal service

The universal service of electric power includes three principal parts on different layer. The first one includes the central government and national supervisory management department of electric power, and the second one includes power supply enterprise and relative generate electricity enterprise of renewable energy, and third one includes the objects of electric power universal service. The basic frame of whole electric power universal service system arrangement should be a sort of triangular relationship, where the first party includes suppliers and demanders of electric power universal service, i. e. the providers and consumers of electric power universal service, and the second party includes the governments which offer supervision and management for the electric power universal service.

In the supply of electric power universal service, the government should play the role of supervisor well, which relatives to whether the aim of electric power universal service can be actualized and is one core problems whether China electric power universal service succeed. In order to ensure the offer of electric power universal service, the government must carry out

following responsibilities in the supervision.

3.1 Establishing measurable standards of electric power universal service

The concrete measurable standards include three layers. The first is the covering degree and range of electric power service which mainly means the covering areas of electric grid network and the country areas that the power supply enterprises can benefit, and this index has biggish limitation because in some areas of China West the living use of rural residents can not be actualized through electric network, and it only can be realized by utilizing local advantages of geographical environment and natural resource such as developing small-sized water and electricity and sun energy. The second is the connecting degree of rural communities. To a developing country such as China, the economy is not strong enough, the country areas are large, the geographical conditions are complete, so it is impractical to make electric grid network cover every place. The proper index is the generalized electric power service, and its measurable index is the regional proportions that the electric power can achieve, such as the power connecting rate of town, village and natural village, and the aim of “Village to Village” provided before in the electric power universal service of China. The third is the household power use rate of rural resident, and this index means the proportion of households which obtain the electric power service. It includes two meanings, the first one is to realize living power through electric network, and the second one is to obtain living power supply by renewable energy and the every household power connected is established on the base of outspread electric network but in the villages without power of rural areas in China West, because of bad geographical environment and quite expensive power line costs, its social costs are very huge and the social effects are not perfect. Therefore, the household power connecting rate doesn’t adapt to Chinese actuality and situation. If we use this index to measure the level of electric power universal service in China, the result will induce misguidance, and even biggish social costs may be difficult to realize the aim provided by the government finally. Household power use rate can scientifically, objectively and completely reflects the level of rural electric power social universal service, and has strong practical operation in the future phase. The confirmation of service standards for rural electric power social universal service should be constituted according to the differences of various areas, and dynamically adjusted with the development of country economy and the enhancements of living level of rural residents.

3.2 Confirming implementary principal parts of electric power universal service

The international universal methods to confirm the entity of universal service include three sorts. The first one is that the market with sufficient competitions assumed by all power supply enterprises together. The second one is that the entity is assumed by an appointed manager or operator which achieves certain market power level in the market mode dominated by operator. The third one is that the entity is confirmed through public bidding to make both demander and supplier achieve balance. Combining the actuality of China, the present method which should be adopted is assumed by all power supply enterprise together and the concrete projects should adopt public bidding to confirm.

3.3 Confirming the status of principal part for the government in the supply of electric power universal service

Experts universally thought that the principal status of the government in universal service is mainly embodied in three aspects, i.e. the government plays the direct supplier, coadjutant and supervisor of universal service. Concretely speaking, the government can exert following basic functions in the universal service supply. The first is to establish universal service policy. The government should constitute public service policy from the view of consumer but not supplier. The second is to supervise the production and supply of universal service. The third is payment. The government ensures and actualizes the equalization of basic universal service through “payment”. The fourth is to directly produce and offer universal service. For social universal service of rural electric power, the former items are indispensable.

3.4 Setting up the fund of universal service

The power supply enterprises after “Government and Enterprise Separation” and “Factory and Web Separation” are the power supply operators forced to push into competitive market. Business is business, so these enterprises cannot but take the maximization of benefit as their aim, and they can not offer universal service for undeveloped areas and disadvantaged groups in spite of enterprise benefits in this mechanism. So the special funds of electric power social universal service must be set up to compensate the power supply operators which offer favor services for undeveloped areas and disadvantaged groups. The universal service funds must be assumed by all electric power enterprises together including electric generation enterprises, electric transmission enterprises and power supply enterprises. On the one hand, the universal service funds are the bases to realize fair and effective competitions for electric power enterprises. The power supply service developed in undeveloped areas and disadvantaged groups possesses the characters of more investments and less outputs, and any enterprise in competitive market may not implement these investments and can not actualize social universal service of electric power. Therefore, all electric power enterprises should try to offer universal services for undeveloped areas and disadvantaged groups, and the universal service funds should be set up and compensate the power supply operators which offer universal service for undeveloped areas and disadvantaged groups to embody the equitableness of competition. On the other hand, the establishment of the universal service funds is the necessary requirements to carry through the spirit of Sixteenth CPC Congress and build a well-off society. The power supply for undeveloped areas and disadvantaged groups is the basic conditions to build a well-off society, so the enterprises which offer power supply

services for developed areas and disadvantaged groups should be compensated to ensure the power use demand of disadvantaged groups.

3.5 Establishing the management institution of universal service

In order to fully ensure the high efficiency and safety of operation of electric power social universal service funds, the basic premise is to set up equitable, stable and authoritative universal service management institution. According to foreign experiences, we can adopt various forms to establish management institution of universal service, and the institution can not only be charged and implemented by governmental professional management department, but also be consign to nonprofit professional companies or independent management institutions. Because of Chinese complex situations, we can consider the method combining various modes. And the total principals should ensure that the supervisory works should be operated by means of standardization and vitrification under public supervision.

3.6 Transforming governmental functions and conceptions and establishing relative perfect laws and rules

The universal service of electric power is a concrete measure for the government to reduce the gap between the rich and the poor and realize the aim of equitable development, which possesses vivid character of public service. The main responsibilities and core functions of modern government are to offer universal services such as electric power according to public demands, which also is the principle that the government must follow to actualize better administration. Fully considering the complex characters of rural society in China, the actual transformation of governmental function must strengthen the governmental function of social public service.

In order to effectively guarantee the aim of electric power universal service, the government must realize sustainable development by means of laws and principles of justice and efficiency. The practice of electric power universal service in China began lately, at present there has no a set of complete law policy, which directly influences the development of electric power universal service work. Therefore, in the present phase the relative laws and regulations should be urgently constituted.

References

- Laffont, J.J., and Zhang, Xinzhu. (2004). Universal Service Policies in Developing Countries. *China Economic Quarterly*. No.3.
- Luo, Guoliang. (2007). Actual Situation, Difficulties and Strategies on Power Universal Service in China Rural Areas. *Journal of North China Electric Power University (Social Science)*. No.3.
- Luo, Guoliang. (2007). Discussion on Electric Power Universal Service in China Rural Areas. *The Situation and National Power of China*. No.5.
- World Bank. (2005). *World Development Report in 2004*. Beijing: China Financial and Economic Publishing House.
- World Bank. (2007). *World Development Report in 2006*. Beijing: Tsinghua University Press.
- Zhang, Xinzhu and Laffont, J.J. (2000). *Network Industry: Regulation and Comprehensive Theory*. Beijing: Social Sciences Academic Press.



Kautilya's Arthashastra and Perspectives

On Organizational Management

Balakrishnan Muniapan

Curtin University of Technology, Malaysia

CDT 250 98009 Miri, Sarawak, MALAYSIA

Tel: 60-85-443846 E-mail: bala.m@curtin.edu.my

Abstract

This paper explores the *Arthashastra* of Kautilya, an ancient Indian literature (4th Century B.C.); and its perspectives on organizational management today. Chinmayananda (2003) asserted that from time to time there is a need to look and re-look at the ancient literatures and provide intelligent interpretation and re-interpretation to apply effectively in the context of modern management. The methodology used for this purpose is called hermeneutics; which is a study, understanding and interpretation of ancient text. It is one of the qualitative research methodology used in social science. The foundations of management in organization are revealed from the *Arthashastra*, which can provide guidance to present managers and leaders of organizations. In his *Arthashastra*, Kautilya takes an inside-out approach to management, which is self management first before management of every other thing. He advised the future organizational managers and leaders to firstly conquer the enemies within such as desires, anger, greed, arrogance, infatuation, envy, pride or ego and foolhardiness, as it is often said that one who conquers the self, conquers all. The prospects of analysis of Kautilya's *Arthashastra* in other areas of organizational management such as strategic management, human resource management and financial management can be considered for future research.

Keywords: Kautilya's *Arthashastra*, Ancient India, Management of organizations, Hermeneutics

Introduction

The interest in the field of history, philosophy and also culture especially in the context of Asian management is growing as the number of articles on philosophy and related areas in management journal are also increasing (Kale and Shrivastava, 2003). However most of the current research in these areas has been general in nature and not in-depth as there is still a great tendency to research more on the western management philosophy and its application in the Asian context. Theories and concepts of modern management from the west have also dominated management literatures over the last two centuries. This dominance is largely due to the colonization and the widespread use of English language. This dominance is also evidenced through several management curriculum in universities, textbooks, training and consultancy programs and also articles in management journals. However, a careful analysis of many of the western management theories and concepts reveals that it has been in practice in Asian countries especially in India and also in China for centuries. These practices however were not in the context of organizational management but in the context of state or political governance. From the perspectives of the author, management is culture specific. Sharma (2001) argues that for a management system, to be effective, it has to be rooted in the cultural soil of the country, where it is practiced. Many communities and countries in the world are now trying to discover and explore their own system of management. In the Malaysian context, the current Prime Minister, Datuk Seri Abdullah Ahmad Badawi is also promoting an approach called *Islam Hadhari* or civilization Islam, in which management is also included.

The exploration of the Asian context of management for managers began with wider understanding of Japanese management three decades ago (Maruyama, 1994). As for the Chinese management, the discussion and the studies are also growing in recent years especially based on the literatures on Confucianism and Sun Tzu Art of War. Today, the Sun Tzu's Art of War and the teaching of Confucius and is used widely in the management and several studies have been conducted to integrate Confucianism in human resource management and the war strategies of Sun Tzu in the context of strategic management. We should also note that besides China, a large part of tradition of countries such as Japan, Korea, Taiwan, Vietnam and Singapore derive from Confucian heritage. Similarly the Indian management also has a strong philosophical tradition which continues to sustain the interpersonal world in Indian organizations (Chatterjee, 2007).

The Indian civilization, with recorded history of more than 5000 years is one of the oldest civilizations in the world and the

contribution of India and Indians to this world is enormous in various fields of knowledge. Several ancient Indian classics such as the *Valmiki Ramayana*, the *Mahabharata* (includes the *Bhagavad-Gita*), the *Puranas*, etc offers several management lessons which can be useful even in the modern context. Many of these literatures are more than 5000 years ago and were written in Sanskrit. In this paper the *Arthashastra* by Kautilya (also known as Chanakya or Vishnugupta), also originally written in Sanskrit is explored in the context of organizational management.

1. Kautilya's Arthashastra

The *Arthashastra* (4th Century B.C) is treatise on political economy which was written by Kautilya in the ancient India. Kautilya was also known as Canakya and Visnugupta and he was the prime minister and adviser for Emperor Chandragupta Maurya, who was the contemporary of Alexander the Great. The *Arthashastra* written by Kautilya is often compared to Machiavelli's *The Prince* (15th century A.D), as it shares many common philosophical and practical views. The *Arthashastra* contains 150 chapters, which are classified by topic in 15 books, which covers three parts namely; national security issues, administration of justice and economics development policies. Kautilya wrote this *Arthashastra* for his king Chandragupta Maurya and stated in its introduction that it has been written as a guide for "those who govern".

Kautilya was the minister and adviser to Chandragupta Maurya, and was instrumental in cutting short the reign of Nanda emperors in Magadha (Note 1). There will be no mention of Chandragupta Maurya administration of ancient India without Kautilya. Chandragupta Maurya was made the king and Kautilya became his minister and counselor after Kautilya ended the reign of Nanda emperors in Magadha. Chandragupta and Kautilya succeeded in bringing together almost all the states of the Indian subcontinent. As a result Chandragupta Maurya was considered to be the unifier of India during the 4th Century B.C and Mauryan Empire was continued by his son Bindusara (whom Kautilya also advised) and by his grandson the famous Asoka. With a population of more than fifty million people, the Mauryan Empire was larger than the Mughal Empire two thousand years latter and even larger than the British Empire in India (Rangarajan, 1992). The Mauryan Empire (Note 2) also included Afghanistan, all the way to the border of Persia (Iran), extending to Bengal (Note 3) Kautilya was also previously the Professor of Politics and Economics at Taxila (Note 4) University. Kautilya documented his lifelong work in *Arthashastra*. For ages, rulers across the world have referred to the *Arthashastra* for building a nation on sound economics, based on spiritual values. Emperor Ashoka is supposed to have built and expanded his kingdom on the principles described in this book. Shivaji, the ruler of Maharashtra, is also said to have studied this book in order to plan and defeat the Mughals. The roots of *Arthashatra* can be traced from the *Rig Veda*. The *Arthashastra* deals primarily with economics and politics.

Arthashastra of Kautilya is often compared to Machiavelli's *The Prince* (15th century A.D), with which it shares many common philosophical and practical views. The *Arthashastra* contains 150 chapters, which are classified by topic in 15 books, which covers three parts namely; national security issues, administration of justice and economics development policies. Kautilya wrote this *Arthashastra* for his king Chandragupta Maurya and stated in its introduction that it has been written as a guide for "those who govern". Kautilya has been generally criticized by many people as a very cunning person and as stated above he is compared to Machiavelli, the author of *The Prince*, which contains methods that could seem *adharmic* or unrighteous. However this comparison may not be justified, as *Kautilya* gives a lot of stress on self-control and proper methods of winning over the enemy. Pillai (Unknown) elaborates in 12 *sutras* of Kautilya with regards to self control, which includes the importance of control over the senses by giving up *kama*, *krodha*, *lobha*, *mana*, *mada* and *harsha* i.e., lust, anger, pride, arrogance and foolhardiness. He (Kautilya) also gives various examples of kings who perished, having over indulged in the senses. Kautilya quoted King Jamdagnya and Amarisa who enjoyed the earth for a long time having controlled their senses. Therefore the first teaching of *Kautilya* is, *to conquer the internal enemies before you conquer the external enemies*.

According to Kautilya, by casting out the group of six enemies he (Note 5)(the king) should acquire control over the senses, cultivate his intellect by association with elders, keep a watchful eye by means of spies, bring about security and well-being by (energetic) activity, maintain the observance of their special duties (by the subjects) by carrying out (his own) duties, acquire discipline by (receiving) instruction in the sciences, attain popularity by association with what is of material advantage and maintain (proper) behavior by (doing) what is beneficial. In the context of modern organization, the chief executive officer (CEO) takes the position of the king mentioned in the Kautilya's *Arthashastra* (Muniapan & Shaikh, 2007).

2. The broad purpose of this paper

Research works in analyzing ancient works such as the Kautilya's *Arthashastra* in the context of modern management practices is indeed limited. Indians, Malaysians and Asians management in particular, are still focusing in applying western models of management practices due to the wealth of western management literatures and concepts available. Besides, many of the new generation of Asian managers have received their education in management from western countries (especially in the UK and USA) (Muniapan, 2006).

According to Arindam Chaudhuri, one of the preacher of Theory "I" Management or Indian management, although India has some of the best management schools in the world, most Indian organizations have not been able to do well internationally. Among the reasons cited is the failure of Indian management to develop the indigenous management style, which revolves around Indian cultural roots and upbringing. He (Arindam Chaudhuri) further asserted that an Indian grows up in a system,

where family ties and sense of belongingness gets top priority and with this type of background, he or she may not be able to adjust or fit into the job environment practicing American philosophies of individualistic, direct, low power distance and contractual style of management (Chaudhuri, 2003).

In an earlier study by Hofstede in 1983 on “National Cultures in Four Dimension” (cited in Deresky, 2006, p 93-96), India is high in power distance as employees acknowledge and respect the authority of the manager based on his or her legitimate power and they seldom bypass the chain of command. Besides high power distance, India has a low uncertainty avoidance, which means managers have a propensity for low risk decisions and employees exhibit little aggressiveness. India also has low masculinity and low individualism, which means group, family and society, is more important than individuals. As a result a management culture, which is based on highly individualism, masculinity, uncertainty avoidance and low power distance, might not be appropriate in the context of Indian management culture. This means that there is a need for Indians (Asians) to look management models from their own cultural roots, and Kautilya’s *Arthashastra* is one of the ancient literatures which can serve this purpose.

Kautilya’s *Arthashastra* has a lot of lessons to offer to organizational management, yet there are many managers from outside India and even Indians who are not aware of the lessons of Kautilya’s *Arthashastra* in organizational management. As a result, one of the purposes of this paper is to create awareness to the management readers of the existence of Kautilya’s *Arthashastra* and its management lessons besides to explore five Kautilya’s *sutras* (aphorisms) of Kautilya and its relevance on the foundations of management in organizations. It is also important to look at this ancient management text, as Chinmayananda (2003) asserted that from time to time there is a need to look and re-look at the ancient literatures (such as the Kautilya’s *Arthashastra*) and provide intelligent interpretation and re-interpretation to apply effectively in the context of modern management.

3. Methodology

This paper is based on a qualitative research methodology called hermeneutics. Hermeneutics is related to the name of the Greek god Hermes in his role as the interpreter of the messages of the gods. In the current context, hermeneutics can be described as the interpretation and understanding of ancient literatures and religious texts. It is also used in contemporary philosophy to denote the study of theories and methods of the interpretation of all texts and systems of meaning. The concept of “text” is here extended beyond written documents to any number of objects subject to interpretation, such as experiences. A hermeneutic is defined as a specific system or method for interpretation, or a specific theory of interpretation. The scope of hermeneutics also includes the investigation and interpretation not only of ancient texts, but of human behaviour generally, including language and patterns of speech, social institutions, and ritual behaviours. Hermeneutics is widely applied in many field of social science such as philosophy, religion and theology, law, sociology and also international relations (Note 6).

Kautilya wrote his *Arthashastra* in Sanskrit language. Sanskrit is one of the oldest languages in world and it has also influenced many other languages in Europe and also in Asia. *Arthashastra* was written for the pupose of managing a kingdom or a country. Only five of Kautilya’s *sutras* or aphorisms of management of kingdom are intepreterd in the context of management of organizations in this paper. The *sutra* or aphorism system of teaching with any body of language is unique system developed and used for many thousands of years. Among the famous sutras include Patanjali’s *Yogasutras* and Vatsyayana’s *Kamasutra*. The *sutra* needs to be commented upon, and interpreted for correct understanding and use. For example in explaining the *Arthashastra* in the context of management, the term *rajya* (state) is interpreted to the organization, the *raja* or king is the leader or the chief executive officer (CEO), *amatya* or *mantri* (ministers) are the managers of various departments such as finance, marketing, human resources and operations, *kosh* is refers to finances, *danda* the administrative or the management system, *durg*, the security system and *bal* the work force.

4. Management and Kautilya’s Arthashastra

Management is an interdisciplinary field with contributions from various fields such as psychology, social psychology, sociology, anthropology, political science, economics and finance (Muniapan, 2005:b). Contemporary management also includes issues related to cross-cultural management and international management. Increasingly the understanding of management is coming to depend on understanding, analyzing and predicting organizational behavior, which is the basis for human resource management. One of the keys to successful management is the ability to understand and apply management principles and techniques efficiently and effectively. Managers must develop an in-depth knowledge of past and present models, theories and processes to manage effectively and intelligently. Contemporary management practice is pervasive in every aspect of human life within all types of organizations.

The Kautilya’s *Arthashastra* deals with different aspects management which includes strategic management, financial management, accounting, human resource management, corporate governance, social responsibility, etc. The first five (5) Kautilya’s *sutras* (aphorisms) itself provides relevance on the foundations of management in organizations as follows:-

- (1) *Sukhasya mulam dharmah* – the basis of happiness is righteousness or ethics
- (2) *Dharmasya mulam arthah* – the basis of righteousness or ethics is resources

- (3) *Arthasya mulam rajyam* – the basis of resources is kingdom (organization or enterprise)
- (4) *Rajyamulam indriyajayah* – organization or enterprise is rooted in conquering the senses
- (5) *Indriyajasya mulam vinayah* – conquering organs is rooted in training and discipline

The above five *sutras* (aphorisms) although written in a different context, a careful analysis and interpretation reveals basic lessons in foundations of management. In these *sutras*, Kautilya analyses the entire management issues in following ways and lets look at it from the contemporary organizational management:

Why do we have to do business? To generate wealth (*artha*) and to earn profits. For what purpose wealth and profits are generated? To share the wealth and profits earned among the shareholders. Why? Wealth and profits makes the shareholders, employees, customers, suppliers, distributors and also the government happy. However Kautilya stated that happiness is obtained not by wealth and profit only but by doing things rightly and doing right things (*sukhasya mulam dharma*). *Dharma* without wealth according to Kautilya is toothless (*dharmasya mulam artha*), and wealth without *dharma* is useless because a poor person cannot support the entire society.

Indian culture has always emphasized that *sukhasya mulam dharma* and *dharmasya mulam artha* taken together – namely wealth does not lead to directly happiness. Happiness for self and others results through ethical behavior: wealth or resources make ethical behavior possible. This also means that one must strive to generate wealth – resources, money – share it equitably to create happiness for oneself and others. Such generation of wealth must also be through ethical means, which alone would lead to overall happiness (Garde, 2003).

Kautilya further stated to generate wealth you require an enterprise or an organization or an asset (*arthasya mulam rajyam*). He then stated the support for organization is the organs (*rajyasya mulam indriyajayah*), the functions, processes, activities, etc. The victory over organs of the body, which is the literal meaning of the word *indriyajayah*, is a well-known concept in the Indian culture and this refers to the control over the five organ of sense (eyes, ears, tongue, nose, and skin), an on five organs of action (hands, feet, mouth, genitals, and anus). Conquering the body organs are manifested through control over the six enemies of the mind – desires (*kama*), anger (*krodha*), greed (*lobha*), arrogance (*mada*), infatuation (*moha*), envy (*matsara*). Only the governor or CEO who has conquered the organs of his body would be able to put the goals of the organization first, especially when in conflict with self-interest (Muniapan and Shaikh, 2007).

Kautilya also maintained that a leader (king) should have no self-interest, happiness and joy for himself, his satisfaction lies in the welfare (happiness) of his people, i.e. he has to submerge his personality into the larger personality of his people. Kautilya states in the happiness of his subject lies the happiness of the king; and in their welfare lies his welfare. He shall not consider as good only that which pleases him but treat as beneficial to him, whatever pleases his subjects (*Prajasukhe sukham rajnah, Prajanam cha hite hitam; Natmapriyam hitam rajnah, Prajanam tu priyam hitam*) or the welfare of the many and the happiness of the many (*Bahujana sukhaya bahujana hitayacha*). In fact, this concept of the happiness of the many need integrated into the area of corporate management as the basic principle.

This wisdom is also reflected two thousand years ago by Thiruvalluvar in Tamil Nadu who spelt out in 1,330 verses of *Thirukkural* (Note 7) the three *purusharthas* of existence, *dharma*, *artha* and *kama*. In the chapter on *artha*, like Kautilya's *Arthashastra*, he also dealt with the characteristics of a well-run administration or shall we say the ethics of good administration. For instance, when talking about the responsibility of a king, Thiruvalluvar says: "the king who administers justice and protects his people will be considered of divine quality" (*Murai saithu kapatrum mannavan makkalkku iraiyentru vaikkapadum*) (Vittal, 2004).

The same advice can also be found in *Shanti Parva* of the *Mahabharata*, wherein the public interest (welfare) is to be accorded precedence over his (leader's) interest. A leader (king) should, without doubt, look upon the subjects as his children. In determining their disputes, however, he should not show compassion. In performance of his duties he is enjoined to be impartial. In the ancient India, the leader (king) is often compared to the rain clouds, which bestow benefit, through rain (actions), to all and sundry, equally Kodandaramayya (2004).

Thus the Kautilyan principle of management takes an inside-out approach to management, which is self management first before management of every other thing. The manager needs to be trained to discipline the self by cultivating humility, and following the ethical path (*dharma*) and this is also consistent with the philosophy of Confucius in the Chinese context.

Conclusion

Kautilya's *Arthashastra* is one of the ancient Indian literature which had provided some insights to management, although the context it was written was for kings to govern the state. There are many management concepts from Kautilya's *Arthashastra*, which are still applicable in today's organizational management. A deeper study of the book will open many new areas of management concepts, which is yet to be known and practiced in the modern management. The author hopes that more studies in the areas of organizational management such as strategic management, financial management and human resource management from Kautilya's *Arthashastra* can be undertaken for future research.

References

Chatterjee, S. (2007). Challenging the Dominance of Western Managerial Models: Reflections from the Wisdom and Tradi-

tions of Asia. *International Conference on Integrating Spirituality and Organizational Leadership*. University of Delhi, India. February 8-10.

Chaudhuri, A. (2003). Theory "I" Management Leadership Success Multiplier Model. Available at <http://www.arindamchaudhuri.com/theory.htm>

Deresky, H. (2006). *International Management: Managing Across Borders and Cultures* (5th eds), *Pearson Education*. New Jersey

Garde, A.R. (2003). *Canakya's Aphorisms on Management*. Ahmedabad Management Association. Ahmedabad.

Hofstede, G.. (1983). *National Culture in Four Dimensions*. *International Studies of Management and Organization*. 13(2), 46-74.

Kale, H.S. and Shrivastava, S. (2003). The Enneagram System for Enhancing Workplace Spirituality, *Journal of Management Development*. Vol 22 No. 4, pp. 308-328. [Online] Available: www.emeraldinsight.com/0262-1711.htm

Kodandaramayya, J.P. (2004). The Message of Mahabharata: The Nation's Magnum Opus. *Bharatiya Vidya Bhuvan*, Mumbai

Maruyama, M. (1994). *Mindscapes in Management: Use of Individual Differences in Multi-Cultural Management*. Aldershot, UK

Muniapan, B. (2005). *HRM Education: The Role of Malaysian Universities and Institution of Higher Learning* in Alex Yong, K.B, *Strategic HR: Invent and Innovate, Genuine Circuit*, Kuala Lumpur

Muniapan, B. (2006). "Can the Bhagavad-Gita be used as a Manual for Management Development of Indian Managers Worldwide?". 5th Asia Academy of Management Conference. *Asian Management: Convergence and Divergence*. Tokyo, Japan, December 19-21.

Muniapan, B., Shaikh, J. (2007). *Lessons in Corporate Governance from Kautilya's Arthashastra in Ancient India*, *World Review of Entrepreneurship, Management and Sustainable Development (WREMSD)*. Special Issue on: "Accounting Standards Convergence, Corporate Governance and Sustainability Practices in East Asia", Volume 3, Number 1. p. 50-51

Pillai, R., (Unknown). *Management Fundamentals from Kautilya's Arthashastra*. [Online] Available: <http://www.chinfo.org/%5Cdownloads%5CScholars%5CEssay9.doc>

Rangarajan, L.N. (1992). *Kautilya: The Arthashastra*. *Penguin Books*. New Delhi

Sharma, G.D, n. (2001). *Management and the Indian Ethos*. Rupa and Company, New Delhi

Vittal, N. (2004). *Ethics in Public Administration: Classical Insights and Current Practices*. [Online] Available: <http://www.boloji.com/opinion/0124.htm>

Notes

Note 1. Kautilya journeyed from Taxila to Patalipura (currently Patna, Bihar), the capital of Nanda Empire. Kautilya took a vow to destroy Nanda Empire as a result of an insult by Dhana Nanda.

Note 2. Pakistan and Bangladesh were also included. Pakistan was born in 1947, while Bangladesh (previously East Pakistan) was born in 1971.

Note 3. Professor Roger Boesche's opinion in Kautilya's Arthashastra on War and Diplomacy in Ancient India (<http://www.defencejournal.com/2003/mar/kautilya.htm>)

Note 4. Takshashilla, latter known as Taxila is currently situated in Rawalpindi, Pakistan is one of the oldest universities in the world.

Note 5. Please note that "he", "his" and "him" used throughout also means "she", "hers" and "her" in the context of this paper

Note 6. Details available at <http://en.wikipedia.org/wiki/Hermeneutics>

Note 7. *Thirukkural* written by Thiruvalluvar is one of the most notable literary and ethical treatises in the Indian (Tamil) languages. There is a general consensus among the historians and literary authorities that *Thirukkural* was written around 2000 years ago



The Psychology of Western Independent Tourists and Its Impacts on Chinese Tourism Management

Li Song

School of Tourism Management, Yangzhou University, Jiangsu 225009, China

Tel: 86-514-8711 9779 E-mail: kerrysully9@hotmail.com

Abstract

This thesis is concerned with the psychology of western independent tourists and its impacts on Chinese tourism management. First, it discusses the different psychological modes under the different historical and cultural backgrounds between China and the West, including mode of thinking, mode of motivated behavior, mode of religion and ethics, and mode of aesthetic values; then, it makes a specific analysis of the tourism psychology of western independent tourists; finally, it expounds the impacts of western independent tourists' psychology on several aspects of Chinese tourism management, such as the respective management style of tourism departments, the interdepartmental communication and cooperation, the quality of guide service and the tourism education.

Keywords: Western independent tourism, Psychological mode, Tourism management

Introduction

Independent tourism has become the mainstream on the present tourist market. Of all the main tourist reception countries, some have up to 70%-80% market share for independent tourism while others have as high as 90%. Nowadays, operating ability and reception capacity have also become important signs which measure the tourist maturity in a country or a region. With the influx of western FITs (Full Independent Tourists) into our domestic market and the constant expansion of cultural and psychological exchange among countries, the psychology of western FITs exerts prominent and tremendous influence on tourist industry in China. The authoritative department estimates that, in the coming 50 years, China will attach greater importance to independent tourism, especially western independent tourism. Thus it is necessary to make a detailed analysis of the psychology of western independent tourists according to their historical and cultural background and put forward the corresponding management strategies for the development of our tourism economy.

1. Literature Review

1.1 Discussion of the Key Term in This Study

Internationally, FIT (Foreign Independent Tourist or Foreign Individual Tourist) means an independent tourist in a foreign land. It illustrates a tour made by individuals according to especially drafted plans, or a tour undertaken by a travel agency in accordance with the tour plan carried on together with the wholesale dealer.

In China, FIT can refer to Full Independent Tour and Full Independent Tourist. It has two layers of meaning: one is a backpacking tourism and the other is pre-paid tourism without a guide's whole-journey company. For the latter, tourists can select tour schedules and routes by themselves, and then travel agencies will make some arrangements for their plane tickets, hotels and so on. Nowadays, the second layer of meaning is often adopted to mean FIT whose characteristics are autonomy, flexibility and diversity.

1.2 Historical and Cultural Background of Different Travel Psychology between Chinese FITs and Western FITs

Many years ago, tourists setting foot on China were mostly those with exotic blond hair. With the economic reform and opening up, countless Chinese began to know and be familiar with traveling. With all kinds of purposes, many a Xu Xike (a well-known traveler in ancient China) nowadays is rushing on the way of "strolling around the scenery", and the East were meeting with the West unprecedentedly from then on. However, both sides often find that the gulf is not limited to the manner we behave in business or on other important occasions only. For personages of tourism circle, who are always attempting to eliminate the gulf between the two sides, would find more profound meaning of the differences while exploring them more deeply. In recent years, the western cultural factors permeate through the Chinese tourist market continually. Since "culture is the cornerstone of the tourism", cultural integration should be the aim of development and innovation of tourism. China, at a fast pace, is opening up a wider tourist market on the theme of "world culture". As shown in FIGURE 1,

we see the connection among culture, psychology and tourism, which sufficiently display the psychological differences between Chinese FITs and western FITs owing to the different historical and cultural background on the other side.

1.2.1 Different Historical and Cultural Background between Chinese and Westerners

Under the impact of natural environment and other constraints, generations of Chinese people who were said to be pinched out with ocher soil by a legendary female——Nv Wa, had realized the giant differences between themselves and westerners who were thought to be derived from the sea water and brave enough to open up overseas. Thus, two civilizations were formed——“agro-farming civilization” in China and “marine civilization” in the West.

1.2.1.1 “Agro-farming Civilization” in China

In China, the social ideas in conformity with the agro-farming economy enable the Chinese nationality to form the travel notion of “settle with favor and shift with fear”. It was the Confucian School of the pre-Qin period that proposed travel theory first in Chinese ancient times. The Confucians thought that travel behavior as one activity for life, might accord with such etiquette norms as loyalty and filial piety, chastity and justice, ethics-cultivation based on scenery and enlightening by education. For example, Chinese leaps to the ocean shown by Zhen He who traveled to the West in the 15th century, took half a century earlier than the western tour of “finding the New World”. At that time, the scale, capability and sea-worthiness ability in the Chinese fleet were leading in the world. Blue. Dale, a French historian, even made a provoking hypothesis:” if the yacht of China continued advancing to the Cape of Good Hope at that time, what will be the outcome?” In other words, world connection of cultural circle might come to be realized by China to its full potential. China didn’t continue the bond advancement in the ocean, but implemented a ban policy. In addition to political reasons, as a continental agricultural country, China has its own changeless character——seeking security and calmness, wishing to stay home, etc. Just as what Paul. Kennedy said:” besides funds and other hindering factors, the conservative idea held by Confucians was an important reason why China fell back then and the social shape of “home-country isomorphism” also led to the introvert character of the ancient Chinese people who were earnest and down-to-earth, never wondering traveling overseas.

1.2.1.2 “Marine Civilization” in the West

In the West, the unique “marine civilization” makes people more active, enthusiastic and adventurous. They seldom have such introverted thought as Chinese do for their different civilization. So we can often find abandoned village sites of farmers among a lot of European countries, regardless of their sizes that are relatively mobile. Social psychology of homesickness and parting-sadness in Chinese traditional travel culture is strange to people of the western coastal nationalities who never mind taking risk of traveling and put great emphasis on nature-control and prospects in future. Compared with introverted Chinese people, the extroverted westerners generally prefer to travel about. That could be the reason why the foreigners coming to China for cultural exchanges always far outnumber those Chinese going abroad with various purposes.

1.2.2 Different Psychological Modes of Travel under Chinese and Western Cultural Patterns

Through the comparison of cultural patterns, four psychological differences between China and the West are identified: mode of thinking, mode of motivated behavior, mode of religion and ethics, and mode of aesthetic values.

1.2.2.1 Mode of Thinking

Chinese and western modes of thinking are different. First, the former is holistic while the latter is analytic: in the eyes of Chinese, hot dog and bread make a sandwich while the sandwich is made up of hot dog and bread in the eyes of westerners. Second, the former is common-ground-seeking while the latter is difference-seeking: integration, as the political structure in Chinese feudal society, also requires the fusion of society and personal belief, which brings about the idea for great unity of traditional cultures; westerners are curious about natural profound mystery, creating the scientific spirit for exploring the unknown. Third, the former is inductive while the latter is deductive: Chinese traditional way of thinking stresses one’s direct experience. They are used to concluding practice, experience and inner-comprehension based on their preference, making indistinct concepts or categories of motto style; westerners always regard deduction as an advanced way of thinking which can derive the unknown from the known.

1.2.2.2 Mode of Motivated Behavior

According to the analysis of tourist psychology, people’s travel behavior is quite different from each other. For different behaviors always stem from different tourist motives, we should sort out the motives before research into the behaviors. Tourist motives are different between Chinese and westerners: For Chinese, their desire for unity and stability (such as balance, harmony, non-conflict, etc) is quite prominent while the demand for diversity and variability is very weak. That’s why Chinese people lack motives for adventure tourism; for westerners, they have a strong sense of exploration, and even adventure to satisfy individual curiosity, and show athletic ability, conquering themselves and even the world. With introverted character for tourism, Chinese people look at life with a clear vision——prefer calm landscape touching the string of homesickness to those fascinating but elusive goals; make inland travels rather than navigation travels; pay more attention to aesthetic experience of heart and training of morals while going on a tour than the objective investigation of the external things. For example, the ancient Chinese regarded moon as a symbol of reunion, and a man traveling far away from home placed homesickness on the moon often. Bright moon has become the cultural prototype and primitive image of

homesickness, wish of reunion and dispersal of parting sorrow. In general, these characteristics above have deeper but constrained influence on national tourist psychology.

1.2.2.3 Mode of Religion and Ethics

In the realm of human cultural activities, religion always plays an important role. It closely relates with science and other social consciousness such as philosophy, psychology. In the West, Christianity promises to provide for its converts with the Land of Ultimate Bliss in an afterlife while Buddhism in China deems that lusts are the source of all sufferings, which well explain why westerners prefer to seek the unknown in the world with an undulating mind while Chinese stick to the known calmly. In ethics, China mainly stresses the importance of the country, nationality, religion and family. They have strong home-values, advocating “not go far away while parents home” and “the falling leaves settle on the roots”. In Chinese mind and behavior, clan has a central position whose notion lies in pursuing the perfect sense of virtues and prudence. On the contrary, westerners regard individual as the center, not restricted to one pattern, and make one’s home wherever one is. They emphasize children should separate from parents and live an independent life through honorable self-struggle and prefer to speak out personal opinions as well. Obviously, social life and individual personality all have pluralistic characteristics.

1.2.2.4 Mode of Aesthetic Values

In Chinese traditional artistic style, symbolization, as a basic feature, replaces the true feeling with vivid imagination. This kind of style is good at expressing condensed emotion with abstract lines and rhythm which reflected its high abstractness and generality. But for westerners, who are inclined to simulate originals, they would focus on realistic writing or painting and require articles of strict space and time until true sense of them is obviously noticed. Therefore, we can sum up the difference of the aesthetic values between two sides: China emphasizes the direct comprehension of the profound mood of art work and the unity of beauty and goodwill whereas the West stresses the systematic analysis on an object and the unity of beauty and reality. Take the difference of Chinese-western gardens as an example: The supreme state of Chinese garden art is “harmony between man and nature”. So it is particular about natural elements of an art article without any trace of the artificial. Since the ancient times, Chinese have always regarded the garden as a poem or a painting rather than a simple civil engineering. The garden skillfully melts poetry and paintings into the whole, which not only adds the natural beauty of the garden, but also the intrinsic beauty——more like a gentle woman’s personality. To think pine and cypress life-prolonging, lotus clean, bamboo modest, rock faithful—all these are linked with human emotions. Thus, the shadow of bamboo and flower, the sound of wind and rain, the light of sun and moon, the fragrance of tea and flower—can evoke abundant association with human emotion, which forms the unique style of Chinese classical garden art. To a larger extent, the western garden is a manifestation of the human conquest of nature as well as their transformation of it. In their gardens, you’ll find a manual cut with the dissemination of another natural beauty——an idealized beauty whose appearance is so straightforward and evident that there is no need to try to fathom for its immediate relish. It is easy to find that westerners pay more attention to the full play of personality and its perfect combination with one’s own idea. Instead of adhering rigidly to small matters overly, they make the garden publicized with generosity. Sometimes, their garden gives a most incongruous feeling with the surroundings. When someone is filled with such feeling, he may experience the contradiction and conflict that indeed make people inspired. As for our oriental landscape which explores the harmony between human and scene or among scenes themselves, it is too hard to display “personality”. Many bold innovations are all difficult to be realized just because of the fear for undermining the harmony. With harmony, our garden turns out to be a little small-minded while it also brings you to a mind-state of peace and serenity, so the Chinese garden is a good place to cultivate oneself through meditation, like the Land of Peach Blossoms.

2. Analysis of the Western FITs’ Psychology

2.1 Levels of the Western Tourists’ Needs

According to the “hierarchy of needs theory” which Abraham. Harold. Maslow, a famous psychologist of USA put forward, individual needs can be divided from low to high into 5 parts: physiological needs, safety needs, belongingness & love needs, esteem needs and self-actualization needs. We should meet the needs of a higher level in the context of the realization of lower-lever needs. The relations among the five levels are described in Figure 2.

In the West, with the stability of social welfare and security and the high-speed improvement of social civilization level, westerners’ need-levels are generally improving and impelling the rapid development of the independent tourism. Overall, there are two types of western FITs traveling in China: One type is the group in the upper circles with certain social status and higher income. Instead of joining the travel group unwillingly, they are glad to live in the luxury hotel and ask for guides independently. By contrast, the other type is mostly made of young students with low income. They are visiting the world with backpacks, reflecting the frugal principle everywhere. They don’t need the service of travel agency either——line up for tickets instead of employing luxurious sedans in the tourism city, squeeze into the crowded bus, take the ordinary hard-seat train, live in the budget hotel, eat the snack of roadside or even simply buy a bicycle to travel at the time of their arrival. For most of them, what they need is not luxury or comfort, but thrift and convenience. No matter which type of tourists as they are, on the whole, modern western tourists who spend money and time living an unusual life mainly seek compensation and liberation from daily strains by doing restricted things in daily life. Just as Freud’s famous saying: “Perhaps whether we have already noticed or not yet: what makes us feel ashamed of is no more than the incapability to display ourselves; what

makes us feel proud and happy is no more than to think, say, and do things that we prefer.” Modern western tourists don’t want to dash out of a besieged city and jump into the encirclement of group-travels. In western nationalities, most people are brave and rich in adventurous spirit. They often seek destination and the way of traveling with evident personal preference. With the unfettered mind, they’ve tried the best to find an opportunity to express, highlight, enrich, and improve themselves.

2.2 Sustainability of Western Tourists’ Economic Burden

Thomas Cook, a pioneer, put his great impact on tourism. Along with the Industrial Revolution, more and more westerners began to be able to afford the travel expenses. Westerners’ overall income and level of consumption go beyond the average level in the world greatly nowadays, far exceeding those of developing and undeveloped countries. People’s thereupon purchasing power is steadily enhanced. As in the past, travel agencies providing quality-services with low price are tourists’ first-selection. But with the improvement of the living level and the lightening of economic burden, their concern for price factor is less while concern for tours inclining to one’s personality more. Individualized choices, flexible itinerary and convenient shopping have satisfied the psychological needs of western FITs to a greater extent.

2.3 Dependence on Modern Science and Technology for Western Tourists

“Science” and “technology” are the key words in today’s modern society. Constant improvement of modern communications and transportation, and the perfection of management and service have strengthened tourists’ sense of convenience and dependence on the modern means. In the West, advanced travel facilities as well as qualified service offer strong material-guarantee for FITs—for example, the transportation departments like railway or sea, implement network-manipulation to sell tickets; the convenience of communications also enable people to make full use of net resources for information-inquiry; handle problems concerning eating, accommodation, traffic, post, shopping and entertainment during the tour. Besides, improved means of transportation also offer the safety of travels.

In USA, besides plane and coach as common traffic tools, there are some special lines for city tourism. If you’re ready to travel by plane and check information about flights, prices, etc, the airline will make very detailed answers to them through the net in advance. Friday is a busy day for tourism and the airline often seek the opinion of some passengers whether they would transfer the predetermined flight to another. If someone agrees to do in this way, the airline will reward him with a free round-ticket. With it, he can take a trip to any city of the whole America at any time but once. Therefore, this kind of preferential service has promoted the development of the independent tourism to a certain extent, reminding people of the internet’s advantages and their dependence on modern science and technology as well.

2.4 Maturity of the Western Tourists’ Psychological Mechanism

With the accumulation of experience and maturity of psychological mechanism, tourists are more and more self-confident to carry the ability of remote travel alone. They no longer consider the travel dangerous, but regard it as an integral part of daily life for the physical and psychological conditioning, strength-rehabilitation, and experience-growth as well. On the premise of stable society and strong economic power, the development of western tourism advances by leaps and bounds. It’s particularly for USA whose tourism nowadays is leading in the world. Thus, when tourists choose their destination or the way of traveling, they will stress more to one’s selectivity and independence, which well show the tourist’ gradual awareness of the importance of self-reliance. In addition, as the information industry develops quickly, there is greater accessibility to all kinds of travel knowledge. Then people’s dependence on the travel agency or the travel intermediary is weakened step by step with accumulation of knowledge and enriching of travel experience. Out of the strengthened consciousness of independence and participation day by day, more and more people would like to go in company, choose the destination and travel pattern, visit scenic spots as well as join in other travel activities by themselves. In western brilliant tourism history of centuries, it’s just westerners’ peculiar character of independence and self-reliance that nourish groups of mature FITs in general.

2.5 Diversity of Western Tourists’ Consumption Personality

Investigating Chinese consumption idea under the influence of traditional introverted culture, Chinese people live within their income with a strong consciousness of deposit. It’s quite different from the western families who take career or consumption as the center. Western tourists with extroverted character have more initiative, enthusiasm and are fearless of hardships. With the tides of tourism development in the West during the short century, ideas of western travel-consumers has guided other travel-consumers in the rest of the world. Western tourists don’t merely regard the travel as one experience of relish or admiration; what’s more, they tend to choose the best way of the independent tour to reflect their life-quality, personality traits and preference to take part in. In this way, some projects such as “ecotourism”, “folklore tourism”, “adventure tourism” pop up quietly and are accepted by travel-consumers favorably. But the appeal of traditional group-travel with a single pattern drops to some extent, for the old standards make the travel-mode hard to satisfy their individual demand. Although travel agencies have lots of advantages in the pattern of price-quotation and group-organizing, their disadvantages are unavoidable objectively—rigid way of price-quotation, limited routines and items, restricted freedom of activity; With the aim of economic profits, some travel agencies even arrange the travel-items so centralized that tourists only have the chance to glance at the scenery and hurry on with less pleasure. Thus, more and more visitors lose their

interest in the traditional way of price-quotation for sure.

3. Impacts of the Western FITs' Psychology on Chinese Tourism Management

Economic development makes the independent tour—a product come out in a higher, newer phase of tourism development, become the inexorable trend. In the wake of the development of market economy and maturity of WTO mechanism after Chinese Reform and Opening-up, a large number of western tourists are flooding into the domestic market. It has an enormous impact on the management of our tourist industry. “Concrete analysis for concrete problems” based only on the fully-understanding of the psychological characteristics of western FITs can better formulate plans for FIT reception and tourism management which are good for the development of our tourism economy. Although the independent tourism highlights its individuality and arbitrariness, in fact, many FITs still draw support from the travel agencies or other intermediaries. For example, the travel agency can still provide the necessary services for tourists though its role of function has been changed—from group-organizing, reception to information-provision as an intermediary, such as booking rooms for visitors, recommending scenic spots, offering information, etc. So, the input of western FITs makes the travel agencies and service intermediaries have to adopt the corresponding management tactics, resources, information and large-scale production advantage of more effective use, assisting the FITs with cheap price, high-quality service as well as a better travel experience.

3.1 Impact on the Respective Management Style of Tourism Departments

The western independent tourism is developing rapidly. The former management style aimed mainly at group-travels seems unsuitable to the new trend any more and a series of changes are just around the corner. Under the prerequisite of meeting western visitors' psychological needs, the travel agency or tourist service intermediary of our country can change its own management style—carry on individual tourism business chain; establish specialized individual tourism reception department; realize the standardization of individual tourism; follow the trail of FIT market, making FIT business truly up to a certain height as main work. Meanwhile, tourism departments continue improving the reception facilities of the independent tour, strength the function of travel information as well—such as enhancing the service combination of travel agencies and hotels, set up and perfect the social information-service network. The development of Shanghai Spring and Autumn International, as a top trademark among all the travel agencies in China, first advocates the slogan as “one person can travel the world; FITs can travel the world as well”, and its change and perfection of the management style provide western FITs with much comfort and convenience.

3.2 Impact on the Interdepartmental Communication and Cooperation

After China's entry into WTO, the travels between China and the West are very frequent. The income of national economy in China has been promoted by the introduction of foreign capitals. Over the past decade, the widespread of the independent tourism has made Chinese FIT market focused by the whole world. In order to attract more western visitors to come in China with perfect reception services, tourism departments should communicate with each other with a common aim of improving service quality and management level. A good product should be a combination of energy from all travel sectors, so the interdepartmental cooperation among travel agencies, hotels and traffic sectors is destined to be one of the tactics to develop FIT tourism rapidly—the booking network can be applied: Through network, you can find out the booking information of traffic sectors or hotels for your pre-decided tour. At the same time, the network can otherwise receive the inquiry or booking orders from tourists, store resource information and plan travel routes in place of manual work according to FITs' various needs.

3.3 Impact on the Product Marketing Strategy

Western FITs are often mature tourists. For them, the demand of travel is to express their life-preference, individual character and cast off the chains of daily life. On the basis of convenience and safety they've got, tourists want to seize the travel chance to enrich and improve themselves with a mature mind. First of all, in order to attract more western FITs and open up a wider FIT market, the tourism organization may start travels of different topics. For example, the Snow Festival of Harbin, regarding ice lantern exhibition as the centre, introduces lots of programs like snow art, snow entertainment, snow culture, snow sports, and snow competition which make tourists fully realize the charm of the snow travel without the limitation of gathering time. Secondly, it is essential to supply printed publicity materials of tourism in a detailed way, which can satisfy FITs' demand for individualism. All these materials—including traveling route manuals, catalogue sets, guide books, price tables, various single-page publicity articles, publicity brochures as well as envelopes, calendars, postcards of other uses. They mainly introduce the basic knowledge concerning culture, geography, natural resources, customs, scenery, traffic, accommodation, shopping and price listing, in order to make people increase their understanding, dispel misgivings and add fun to their travels. Besides, there are also excellent pictures and texts in the cheap travel printed matters with a great function for long-keeping and instant information-support, which plays an important role in the travel promotion. Moreover, the full utilization of newspapers, television, radio and other mass media, together with the active participation in the advertising work for tourism fairs, tourism exhibitions, have increased their influence over the frequency and intensity of information wanted by FITs. In publicity process, for dispelling some inconvenience caused by language obstacles, bear in mind the use of both languages—Chinese and English.

3.4 Impact on the Quality of Guide Service

3.4.1 Focal Services according to Western Tourists' Mode of Thinking

Flexibility and individuality of the independent tourism don't get rid of the necessity of guide service. If meeting visitors' requirement in some scenic spots, we can still offer corresponding guide service. For different travel psychology is unavoidable under different cultural and educational background between western and Chinese FITs, the guide service should be in progress flexibly according to different people, different time and different places. To be an excellent guide, one should understand that westerners' mode of thinking is quite different from that of people in China. The Chinese mode of thinking is often from abstract to concrete, great to small, far to near, while westerners' mode is on the contrary. The different way of addressing a mail can be took as an example: the western order of addressing is from name, work-unit, street-number, street-name to district, city, state, which forms the synthetic relation from individual to the whole; Chinese addressing order is the opposite, which highlights the analytic relation from the whole to individual. As a result, tour guides should figure out more examples or data when together with western tourists. It could be better for tourists to make conclusion themselves, making sure there are no vague theory or arbitrary conclusion delivered by guides to produce misunderstanding.

3.4.2 Guide Services according to Western Tourists' Cultural Habit and Personality Style

As every country and nation has its own traditional culture and custom, guides' explanation should relate to things familiar to travelers in order to satisfy their demands. If western visitors are relatively unfamiliar with Chinese culture, experienced guides would often relate love tragedy of Liang Shanbo and Zhu Yingtai, or White Wife and Xu Xian, with that of Romeo and Juliet in the West, giving visitors a good sense of cordiality and accessibility. In addition, different personality tendencies and individual psychological characteristics, with background of cultures and customs, are reflected by different characters, interests and hobbies. For example, faced with westerners who are extroverted, open, free and rich in sense of humor, guides can make their language more humorous for catering to visitors' habit. Certainly, everything must go around the principle of "degree" and detailed courtesy of guide service should be stressed, not losing the traditional demeanor of our country.

3.4.3 Respect for Western Tourists' Aesthetic Habits

As a guide, one should show respect for visitors' aesthetic habits because their aesthetic consciousness and activities are in company with the society, times, nationality and personal selectivity. What the guide think truly beautiful is not necessarily suitable for the visitors' aesthetic view, and it's the same with the contrary. eg. "MaZha" is a folding stool made of canvas and iron-wood frame in Northern China. While the guide hasn't realized at all the charm of MaZha, westerners have held it as a beauty that is just the embodiment of "Chinese ancient culture and national wisdom". Though western culture and science are flourishing, it is still the first time to see such an exquisite invention with its convenience for carrying. So, guides should adjust to changed conditions and do a good job for the guide service in a flexible way. They can help foreign tourists to understand Chinese aesthetic view because a foreigner with his native aesthetic view has much difficulty in understanding the Chinese aesthetic standards for landscape, let alone the admiration of the scenery itself. Meanwhile, guides can not impose their own aesthetic concepts on others for certain, and have responsibility of cultivating foreigners' understanding capacity for Chinese aesthetic psychology on the premise that visitors can't admire the view just for lack of understanding.

3.5 Impact on the Tourism Education

Tourism education is an activity to popularize knowledge through a variety of school educations. It has been considered in the context of the worldwide prevalence of tourism. In the western developed countries, it was from the 1950s to 1960s that began the popular group-travelers. Aolianna. Puen ever said that the rising of modern tourism is together with the flying of jet planes. Then there was a popular view: tourism development and economic development are closely linked; as a rising industry, tourism has a very optimistic future. China, a developing country, unexceptionally develops its tourism with great efforts promoted by the profit motivation of developing economy and creating foreign exchanges. By the 20th century, the tourism of our country entered the world tourism powers' ranks, so the tourism education is also following the developing trend of tourism at full speed with more interaction with other countries. In order to keep pace with the world tourism market, our tourism education is moving towards the standardization gradually and brings up a large group of comprehensive talents who are adapting to the trend. Our tourism departments at all levels, enterprises, tourism universities and colleges, to some degree, have formed partnership with the institutions of tourism education in developed parts of the world, which accelerates our steps for tourism education and shortens the gap between China and the developed world. Nowadays, our tourism education has entered the new stage of rapid development.

In the course of development over the past two decades, Chinese tourism has made remarkable achievements—from "traditional reception room" to "the new point of national economic growth"; From sightseeing tourism to multi-functional tourism composed of sightseeing, vacation, business, exhibition, research; from traditional group-travels to modern independent tours, etc. According to the prediction of WTO (World Tourism Organization), China will have become the world's largest reception country of tourism and the fourth departure country of tourism by 2020. Sustained rapid growth of tourism in China, relying on the improvement of overall level of education in tourism, also vigorously promotes the rapid development of tourism education. In recent years, the high immigration number of western independent tourists and the continu-

ous inflow of foreign exchange are strong promoters for the development of tourism economy. However, due to the disparities of geographical environment, lifestyle, mode of production, behavior, way of association, historical background, political system, economic system, custom, religious belief, language, philosophical concept, ethical concept, aesthetic concept, space concept, psychological characteristic and way of expression, the modes of thinking and behaving are quite different between Chinese FITs and western FITs—Chinese prefer humanism, ethics while westerners prefer nature and science; Chinese stress comprehension, consciousness and intention while westerners stress rationality, logic and authentic proof; Chinese are quiet, introverted, and conservative while westerners are active, extroverted and open; Chinese admire similarity, stability and harmony while westerners admire dissimilarity, change and competence, etc. The elimination of cultural barriers requires education which gives a hand to the development of the independent tourism in our market. With it, excellent reception way and management mode could come true, which reflects a new era of tourism in China. Nowadays, the number of national higher tourism institutions, universities and colleges is so large that a system of tourism education made of training, vocational, professional, undergraduate, master's and doctoral levels has been formed completely. The foreign-language courses in the system such as Tour English, Foreign Tourism Management, etc, are quite innovative and contemporary, which exactly meet the features of modern tourism and the personnel needs of the tourism market. As time goes by, education and tourism support each other with confident steps stretching to future.

4. Conclusion

In a word, the development of tourism economy, global implementation of the WTO policy and the maturity of tourists' psychological mechanism have made the inflow of western FITs an irresistible trend during the development course of Chinese tourism. The tourist industry should apply scientific skills to the improvement of management mechanism. Faced with western FITs—a special but popular group, the tourist industry should make the best use of basic psychological principles to study the psychological characteristics of western FITs, explore the psychological tactics during reception, and perfect the corresponding management ways in general. The butterfly effect of the western independent tour has made our country involved. Only conscientious research and constant summary can speed up the exploitation of domestic FIT market and the innovation of effective management mode, which right adapt to the developing trend of global tourism market and domestic tourism economy.

References

- Bai, Lin. (2000). The Marketing Strategy on Domestic FIT Market. *Commercial Research*, 1, 77.
- Chen, Licong. (2001). The Urban Tourism in the U.S. *Tourism Tribune*, 1, 41-43.
- Kan, Yanlei & Wenjian Cheung. (2003). Multi-culture's Impact on Shanghai's Urban Tourism Development. *Tourism Tribune*, 2, 17-21.
- Lin, Chun. (1988). Talk about Psychological Quality of Guides and Its Impact on Tourists' Behavior. *Social Scientists*, 1, 478.
- Maslow, Abraham H. (1970). *Motivation and Personality*. New York: Harper&Row.
- Matthews, Robert. (2006). Communication Differences between The East and The West. [Online] Available: http://www.chnhrm.com/Article_show2.asp?Article ID=6282.
- Nisbett, Richard E. (2005). *The Geography of Thought: How Asians and Westerners Think Differently and Why*. London: Nicholas Brealey.
- Piao, Song'ai. (2000). The Sustainable Development of Education Tourism and Tourism Education. *Tourism Tribune*, 7, 25.
- Tu, Dan, Wei, Xiaoming & Ji Lv. Different. (2003). Developing Process and Aesthetic Conceptions of Gardens between China and The West. [Online] Available: <http://www.h14z.com/site/TeacGroup/zhengzhi/printpage.asp?Article ID=50>.
- Xiang, Qian. (2003). The Psychological Reasons of Individual Tour and The Countermeasure. *Hunan NO.1 Nomal College*, 4, 106.
- Xie, Guian & Hua, Guoliang. (1999). *Science of Tourism Culture*. Beijing: Higher Education Press.
- Xiong, Suchun & Dan, Huijuan. (2005). China-West Cultural Differences and Cultural Integration in Teaching. *Jiangxi Administrative College Journal*, 1, 78.
- Zhang, Deyi. (1981). *Review on Odd Voyages*. Changsha: Hunan People's Publishing House.
- Zhang, Linyun. (1992). Several Issues on The Tourist Market of FIT. *Tourism Tribune*, 6, 36-38.

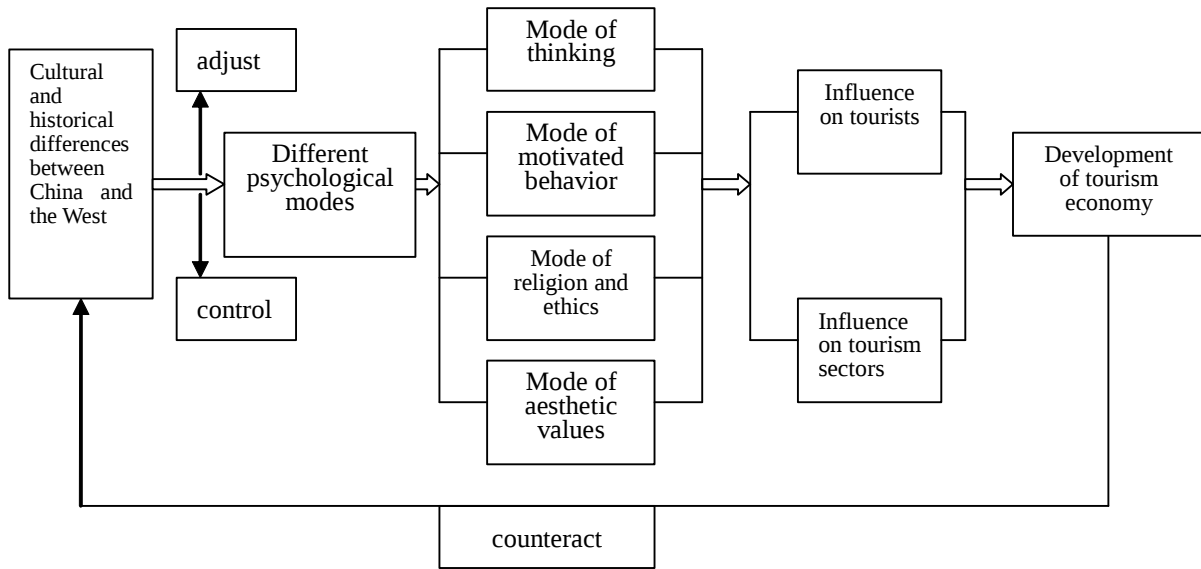


Figure 1.

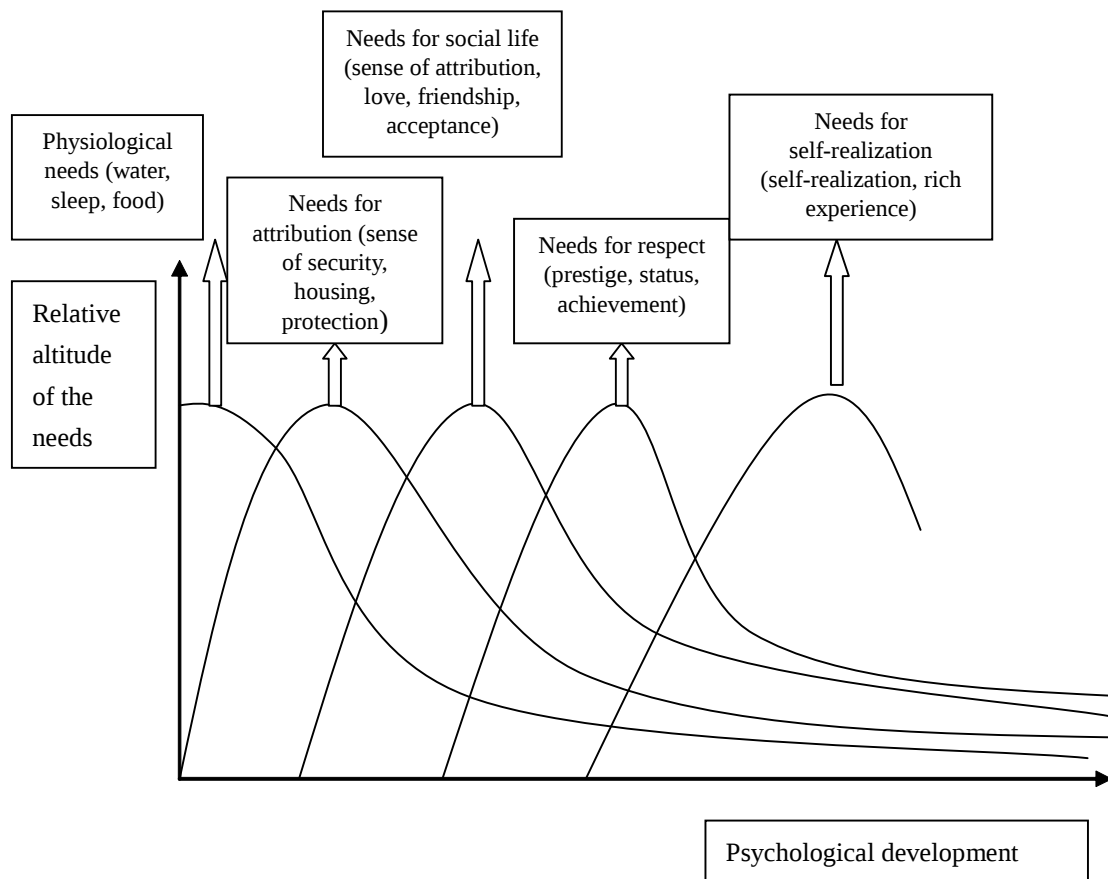


Figure 2.



Developing Students' Oral Communicative Competence through Interactive Learning

Baohua Guo

School of Foreign Language, Northeast Dianli University, Jilin 132012, China

Tel: 86-432-4806657 E-mail: Gbh5738@163.com

Abstract

For a long time, under the pressure of enter-university-examination, the middle school students only take English as one of the major subjects for entering the university, thus overlook the real goal for learning a foreign language. As a result, their communicative competence, especially the oral communicative ability are inferior, which is obviously deviated away from the ultimate goal of learning a foreign language.

In this paper, I have analyzed the present situation in the middle school English learning, and reviewed some theories, especially the Social Interactionist Theory, and their effectiveness to English teaching and learning. The emphasis of the paper is on the application of the interactionist theory and how it affects and improves the students' oral ability in English learning, thus trying to find a new way to improve the students' oral communicative competence.

Keywords: Social Interactionist Theory, Oral communicative ability, English teaching, English learning

Introduction

As we all know, ever since, or even before the opening door policy and the reform of China, Chinese students have studied English language for a considerable long time, and great achievements for teaching and learning English have been seen everywhere in schools, but for some reason or other, the oral/or speaking communication ability of the Chinese students is always an inferiority to their other abilities and skills. The situation is more serious in the middle school than it is in other places, which was worried by many experts, teachers and other educators for a long time, because we all know that the most important thing for learning a language is for communication, especially for oral communication. We can't imagine what the life would be like for us without oral communication every day. In fact, the oral communication ability should be on the top most importance when

learning a foreign language. The inferiority of the oral communication ability will certainly hinder all the other abilities in consequence. So this situation for English teaching and learning in the middle school has aroused the attention of all the teachers and authorities in charge since last century. It is time for us to do something to change the situation.

Why the situation is more serious in the middle school than it is in other places? Because, as we all know, that both the teachers and the students are focused on the purpose of entering the university. So they are busy in doing their endless paper assignments and taking a lot of every day examinations for that purpose. Thus, throughout the three-year-study in the school, they are under great pressure and they have no time, no strategies, or even no motivation and interest to practice their oral English, even if they do, they may not find an enjoyable environment.

As an English teacher for many years, I have been familiar with the situation for a long time. I have noticed that many experts have already put some newly invented theories into their teaching practice, and many new teaching methods have been applied in the English teaching and learning classes in order to improve the situation. But I also sensed out that, although many tries have been made to develop the students' communicative competence, none of them lay emphasis on the development of the oral communicative competence arbitrarily. That's why I choose this topic to do my research — for everyone knows that when learning a language, speaking/ oral communication is always stands at the first step. My concentration is just on "how to improve and develop the students' oral/speaking communicative competence through interactive learning." I'll try to find the answers to the following questions through my work:

- (1) Why the students' oral communicative competence is weak?
- (2) Why should we develop the students' oral communicative competence?
- (3) How to develop the students' oral communicative competence?

1. Some important theories in developing students' communicative competence

Some theories are very important in developing students' communicative competence. They are as follows:

1.1 The Social Interactionist Theory

The theory has only emerged for a short time, and the application of social interactionist views to language teaching has been discussed surprisingly little.

For social interactionists, children are born into a social world, and learning occurs through interaction with other people. From the time we are born we interact with others in our day-to-day lives, and through these interactions we make our own sense of the world.

For Chinese students, this interaction is especially important when they want to improve their communication ability, especially their oral / speaking communication ability. They need to take interaction with the peers and the teacher in the classroom learning and hence to gain the oral/ speaking skill reciprocally afterwards.

1.2 The Information Processing Theory

This approach is mainly concerned with the way in which people take in information, process it and act upon it.

When we focus on developing the students' oral communicative competence, it is important for the students to take in information, process it and act upon it, but that's not enough, other factors are acquired, such as the motivation, the interests and the emotions.

1.3 Constructivism

Constructivism place emphasis upon the ways in which individuals seek to bring a sense of personal meaning to their worlds. There are four key elements in the model, the learner(s), the teacher, the task and the context interact with and affect each other.

In my paper, I shall adopt an essentially constructivist stance, which we see as operating within an interactionist perspective. In other words, learners make their own sense of their world, but they do so within a social context, and through social interactions.

I shall also apply constructivism, to explain the ways in which learners make their own personal sense of learning tasks, their environment, the teacher and the actual process of learning.

1.4 Social Interactionist Theory guides the teachers and the students to develop their oral communicative competence

Social interactionism emphasized the importance of language in interaction with people, and through these interactions people make their own sense of the world. For Chinese students, this interaction is especially important when they want to improve their communicative ability, especially their oral/speaking communicative ability. They need to take interaction with the peers and the teacher in and outside the classroom learning, especially at the initiate stage, and hence to gain the oral/speaking reciprocally afterwards.

To conclude, there are some theories which are very important in developing students' communicative competence, and many were put into practice with fruitful results. For example, <New College English>— written by Ying Hui-lan, published by Foreign Language Teaching and Research Press, is a book focused on the “student-centered mode”, which is also a very good mode for middle school English teaching and learning. But they are not arbitrary for developing the students' oral communicative competence, so I choose this topic to do my research, hence to find a better way to develop the students' oral communicative competence.

2. Methodology

The subjects, the instruments, the procedures and the results in the research are as follows:.

2.1 The subjects

Subjects for the study are 80 first-year high school students, among whom 54 are males and 26 are females. They are divided into two groups with equal numbers and sexes.

2.2 The instruments

Qualitative study is applied to the study on purpose.

This study employs an observation and a case study designs to find out that how the interactionist theory works in developing the students' oral communicative competence in language learning.

In order to find what affects the students' oral communicative ability, some cases studies and observations were made and the results were recorded for a whole semester.

2.3 The procedures

In order to know if the interactionist theory is effective in improving the students' oral communicative ability, I applied the theory into practice for a whole term to see what results I can get.

Close observations and cases studies have been made for a whole term to see how much do the interactionist theory effects in the process of improving the students' oral communicative competence. They are mostly done in the classroom

learning process, with the teacher either as a participant observer or non-participant observer.

Throughout the studies and researches, some possible steps and methods are applied to fulfill certain tasks and thus to get some certain answers to the research questions. Certain results and proofs do be obtained through the studies and thus showed that by applying interactionist theory to the learning process, the students' oral communicative competence can be improved a lot.

2.4 The Results

For a whole semester, I tried in every class to put the interactionist theory into practice in the English teaching and learning. Whatever I teach in the class — the words, the grammar, the structures and the texts— I tried to let the students to be interacted either with their peers or with the teacher. And constantly taking the various activities which will be mentioned in the following contents. Throughout the study, I found the following factors may take effect: the teachers' roles, their strategies and their responsibilities; the students' roles, their motivations and interests, their strategies and their attitudes towards learning; and the learning environment.

Through the observation, I sensed that most of the students have improved their oral communicative ability compared with their beginnings and with the peers in other classes. Even the most introvert students who like to keep silence in class and to be good listeners at the beginning are involved in the various interactive activities in the class at the end of the term.

The results insured me that the interactionist theory does work in improving and developing the students' oral communicative competence.

3. Causes, analysis and discussion

Let's focus on the research questions "Why the students' oral communicative competence is weak?" And "Why should we develop the students' oral communicative competence?", and try to get answers to them after the analysis.

3.1 Teachers' problems in training the students' oral communicative competence

3.1.1 Teachers' lack of strategies

We all know that the ultimate goal of learning English is to use it effectively in real situations, and the oral communication is at the top most importance for all the learners. But for many years in China, the most urgent desire for the middle school students is to go to the university, so both the teachers and students are busy in mastering more knowledge and usage of English instead of using it in practice and real situation. The traditional teacher-centered, examination-oriented, grammar-based, vocabulary-based classroom teaching and learning can be seen everywhere in China. Teachers are very skillful in explaining grammar rules, sentence structures and words in details, while the students are very passive in taking down notes and memorizing what their teachers ask them to recite. Few opportunities have been given to the students for meaningful practice. As a result, students are clear with the usage of grammar rules and words isolately, but (are) weak in using them in real communication, which is deviated far away from the goal of learning English.

So far, most Chinese students learn English from their teachers in the classroom. That's to say, the teachers (and the classroom) play a very important role in the process of English teaching-and-learning. So in order to change the present situation of learning English in the middle school, the teachers must apply some effective teaching strategies into their classroom in order to encourage the students to talk.

If the language teachers can apply at least one or two strategies in the class, the teaching and learning process in classroom will be improved a lot.

3.1.2 Teacher-centered classroom

For a long time, in the foreign language teaching and learning class, teacher-centered activities dominated most of the class time. The teachers do most of the work for their students: the students follow whatever the teachers read; copy whatever the teachers write; recite whatever they are required to. The teachers occupied most of the class time, just focus on what they should teach according to the school curriculum without paying attention to the needs of the students. This put the students in a very passive condition and they were not given any chance to perform orally what they have learnt from their teachers and the textbook in the class. As a result, the students can only remember whatever the teacher said in the class, but cannot use them properly in real conditions.

3.1.3 Focus on the enter-university-examination

The absence of clear or appropriate goals in education is bad for both teachers and learners. That is, the clear definition of appropriate goals is vital to successful English language teaching and learning. The goal of different courses may vary, but in order to improve/ develop the students' oral communication ability, the teachers should focus their goals on enabling the students to communicate in real English for most of the time in the classroom. They should find time for really communicative activities, not just only the practice of language forms. Unfortunately, under the pressure and the challenge of enter-university-examination, most language teachers have to focus on the examination. They have no motivation, no interests, no time to do that. Thus they overlook, or even give up their tryings of developing the students' oral communicative competence.

3.1.4 Big students number in one classroom

Besides the teachers' focus on the enter-university-examination, big students number in one classroom is another obstacle to hinder the students from practice oral English well. The goal of most English language classes would be to enable the students to develop a general command of "real English" for use outside the classroom. If the students can communicate effectively in oral English in class, they will manage in almost any English language situation they meet outside the classroom. To reach this goal the students need a lot of time and chances to practice in the class, and if with a group of 15-20 motivated learners, you can easily work towards that goal, but in many language classes, the large number of students (often over 50, or even reach to 70) in one class makes this goal to be very difficult or impossible to reach, and it's none of the teachers' business to change the situation.

3.1.5 Time limitation

Another problem in acquiring and developing the students' oral communication ability is the time limitation. According to the middle school English course syllabus, the students only have 4-5 hours English classes, with heavy tasks such as language points, sentence structures, grammar rules to learn in class, and even heavier tasks such as homework, test papers, compositions to finish after class. They find that the time is really insufficient both in and outside the class. They have no time to practice their oral English.

3.2 Students' problems

In the process of teaching and learning, the problems cannot arouse from one side. The students also have some problems need to be solved. Here I list two:

3.2.1 Students lack of motivation

Foreign language learning has its own characteristics and many factors can affect the learning process. Among them, the motivation is the decisive factor that cannot be neglected in foreign language learning.

According to Crooks and Schmidt (Crooks and Schmid, 1997), motivation is divided into two parts: intrinsic motivation and extrinsic motivation. Intrinsic motivation refers to one's interest, curiosity, attitude, desire for learning, while extrinsic motivation just concerns factors from the external influences, such as, the learning environment, teachers and parents, praise, rewards and punishments, etc.

Why I say the students are lack of motivation is that I found that the purpose for many, or say, most of the students, studying English in school is simply because it is one of the major courses for enter-university-examination in the school curriculum which they have to learn well. If they fail the course, they'll fail the dream of becoming a university student. So most of the students are lack of intrinsic motivation to practice their oral English. They depend on too much on the extrinsic motivation to learn the language. They depend too much on the teacher. They focus too much attention on the examinations, or on getting praise, on avoiding failures or losing face. Many students just follow the teachers' directions without a clear goal in their own mind. That is, they don't know what's the use of learning a language really for besides entering the university, let alone to improve their oral English. So, in such situation, it's not surprising that their oral communication ability is weak. Even if there are the students who have a clear goal of learning a foreign language___ they have strong desires to learn the language, they make intensity of effort to achieve the goal and their attitudes towards learning the language are right, they always come to be the minority.

3.2.2 Students' lack of strategies

A learning strategy is like tactic used by a player. It is a series of skills used with a particular learning purpose in mind. Thus, learning strategies involve an ability to monitor the learning situation and respond accordingly.

Why should we be interested in learning strategies? Because when talk about learning a foreign language, what appears to be important is the learner's ability to respond to the particular learning situation and to manage their learning in an appropriate way rather than their high IQ. Study of successful and unsuccessful learners shows that people who succeed in learning have developed a range of strategies from which they are able to select those that are most appropriate for a particular problem, to adapt them flexibly for the needs of the specific situation, and to monitor their level of success.

Rubin defines learner strategies as including: "a set of operations, steps, plans, routines used by the learner to facilitate the obtaining, storage, retrieval and use of information, that is, what learners do to learn and do to regulate their learning. (Rubin, 1987, p.19)

She also suggests that there are three major types of strategies used by learners which can contribute directly or indirectly to language learning. The first group she calls learning strategies. These contribute directly to the development of the language system which the learner constructs.

Secondly, communication strategies are those used by a learner to promote communication with others. They are strategies used by speakers when they come across a difficulty in their communication because of lack of adequate knowledge of the language. These processes are particularly important to language learners as, by finding ways to continue the communication rather than abandon it, the speaker in directly obtains more exposure to the language and increased

opportunity to practice it.

The third is social strategies. These refer to the activities that learners use in an attempt to increase their exposure to the language. Strategies in this category include initiating conversations in the foreign language, watch films and reading books.

Rebecca Oxford (Rebecca Oxford, 1990, p.151) sees the aim of language learning strategies as being oriented towards the development of communicative competence, and that they must, therefore, involve interaction among learners. Learning strategies, she argues, must both help learners to participate in communication and to build up their language system.

Obviously, to improve the students' oral communication ability, at least we should teach the students to use certain strategies in the classroom learning.

4. Recommendations for improving and developing the students' oral communicative competence

From the previous work I have done we can see that why the students' oral communication ability is weak is mostly because their ultimate goals of learning a language is far away from what one should gain from learning a language. And some other factors influenced as well. But by applying the interactionist theory into the English teaching and learning classes, the students' oral communication ability can be developed and improved for certain, but certain steps should be taken through the process. Now let's focus on the question "How to develop the students' oral communicative competence?"

4.1 Teachers' Roles in the Interactive Learning

Through my observation, I found out that to develop and improve the students' oral communication ability, both teachers and students need to play various roles. The range of roles that teachers perform may be as follows:

- (1) As controller/instructor: which means the teacher should have the ability and the skill to control the whole process of teaching in any time of the class, if you want to, you can present new information, control accuracy practice from the front, and make sure that as many learners as possible participate in the class and that most errors are corrected.
- (2) As assessor/counselor: which means the teacher can inform the learners about their progress, trying to combine encouragement with honest evaluation and useful feedback.
- (3) As organizer: which means the teacher can organize and facilitate lockstep fluency and skills activities from the front, encouraging voluntary participation and ignoring most errors. You can also monitor individual, pair, or group activities, moving around among the learners and helping and encouraging them.
- (4) As prompter: which means the teacher should encourage the students while they are working together.
- (5) As resource: which means the teacher can be a helper if students need help with words and structures, etc. during their pair work or group work.

To sum up, the roles of teachers in the communicative classroom should be: first is to act as a facilitator of the communicative process, the second is to act as a participant, and the third is to act as an observer and learner. (Breen and Candlin, 1980)

4.2 Teachers' Responsibilities in the Interactive Learning

As has been said by Tricia Hedge (Tricia Hedge, 2000, p.33) "that planning, managing interactions, monitoring learning, giving instructions, and giving feedbacks" are the teacher's main responsibilities, teachers should be certain for the following things and bear them in mind every time you walk into the classroom.

- (1) Having a well-prepared teaching plan as what to be done in the class.
- (2) Trying to create a relaxed setting in your classes so that most students are not frightened of speaking in front of the rest of the class. And do as many speaking activities as possible in pairs and groups.
- (3) Giving out your specific instructions for the classroom activities to the students to make them clear about what to do in the class.
- (4) Monitoring the students' learning activities during the class time and giving feedbacks where necessary to help the students both be aware of their improvements and their mistakes, which need to be practiced afterwards as soon as possible.

All these are important for every language teacher. If you really want to make your students to be active in oral English expression, you should bear them in mind for all the time.

It is, of course, your responsibility to make sure that you behave in the right way at the right time. It is also your responsibility to encourage the learners to behave appropriately, according to the activity and interaction they are involved in. If you are successful in carrying out the roles and responsibilities, the teaching-learning process will progress well and both the learners and you will feel confident working together.

4.3 Learners' attitudes in the Interactive Learning

After all, we want to improve the students' oral communicative competence through the interactive learning. So the

learners' attitudes are also obviously important in the process of learning.

In the student-centered classroom, through the interactive learning, you should try your best to encourage the students at least:

- (1) Having a clear goal of learning a language, attend to information you give them, imitate your models and try to do exactly as you indicate.
- (2) Volunteering original ideas and ask relevant questions.
- (3) Working with other learners, solving problems co-operatively.
- (4) Working independently in class or at home, taking full responsibility for their own performance and learning.

As in the communicative class/process, the learners are specially required to have an active, negotiative role; should contribute as well as to receive.

4.4 Tasks for developing students' oral communicative competence

Since the purpose of applying the interactionist theory into the classroom teaching and learning is to develop the students' oral English, and the ultimate goal of learning a language is to communicate, we need to take some steps to reach that goal and purpose through the teaching process. For the teachers, the first thing is to have a clear idea of setting the right tasks for the classroom teachings.

What is a task? There are two definitions by Long and Richards (Long and Richards, 1985, p.89), Platt and Weber (Platt and Weber, 1986, p.289), but for the communicative classes, especially oral class, I'd like to take the definitions by Nunan.

He considers the task as: "a piece of classroom work which involves learners in comprehending, manipulating, producing or interacting in the target language while their attention is principally focused on meaning rather than form." (Nunan, 1989, p.10)

And he has also suggested that: tasks are analyzed or categorized according to their goals, input data, activities, settings and roles. (Nunan, 1989, p.11)

That is, tasks are analyzed in terms of: goals, input data, activities, settings and roles.

4.5 Teachers' strategies and methods

So far, we have known that learning to talk in the foreign language is often considered to be one of the most difficult aspects of language learning for the teachers to help the student with. Our intention for the purpose is often, that the student should be able to "express himself" in the target language to cope with basic interactive skills and to express his "needs" (Brown and Yule 1983, p.27) during the courses.

So it really requires the teacher's strategies and methods to help the students to improve their oral communication ability. In order to reach that goal, you need some careful-chosen-methods in the class. For example,

(1) Speak English most of the time in every class, including beginners' classes, and establish English as the main classroom language, because constant, consistent use of routine classroom expressions in English soon gets the students accustomed to them. If you take all the natural opportunities to use English for communication in the classroom, you remind your students of the main goal of the course.

(2) Find time for really interactive communicative activities, not just practice of language forms. Some activities I took in my studies are :

(3) Warm-ups: The one regular opportunity for interactive activity in class is the "warm-up" at the beginning of each lesson, but not only review the language items in the previous lesson. Instead, you can start lessons with real communication in English. Engage the students in a simple communicative activity, using the language they already know. For example: Get the students to talk in pairs, starting: " what did you do yesterday?" or " what was the most interesting thing you did yesterday?" and anything else the students are interested in talking. By doing this, you get the students in an interactive activity, and every one are trying to talk, and gradually their oral skills are improved. And the suggested time for doing this is 10-15minutes for each time.

(4) Opening questions: During my research, I found that there are some occasions that the students do want to speak, but they don't know how to start. In these cases, the teacher should design some interactive opening questions to get the students involved in the talking, for example: if your topic is " how to make everybody happy", the designed questions can be: Whom do you want to make happy most in the world? Why do you want to make him/her happy? How do you make him/her happy? Is it hard to make him/her happy? What can you get by making him/her happy? And so on.... During the whole process, the students are very active in thinking and talking, and the teacher and the students are ever interactive in the activity. I keep on doing this activity for a whole term and at the end of the term, even the most introvert students have improved their oral expressing abilities.

(5) Group discussion: Group discussion can provide important opportunities for developing students' oral English. It will

involve the students in talking about a range of topics which engage their interests, opinions, and experiences. It can also encourage students to use the language needed to sustain conversation over a period of time by drawing in other speakers. At such moments, all you have to do is to be a good organizer to control the situation and as well as a diagnoser as to identify the mistakes the students will make.

(6) Dialogues: They are the most effective activity used in the classroom for improving students' oral ability. You can ask the students to make dialogues on certain topics, accompanied by certain situations. They will be active to show their dialogues in class if they are asked to. They are always the easy and simple way to train the students' oral ability.

(7) Role-play: "Role-play" can be used in a number of different activities, and the students can be required to take on many different roles according to the situation. Such as: the doctor and the patient; the salesman and the customer; the teacher and the students; the parents and the children, and so on. And they can role-play the specific functions in the activity: to persuade, disagree, complain, invite, and so on. If with the teacher as a 'co-communicator', the students really enjoy the opportunity to act and assume other personae. Of course this is a very good way to develop the students' oral communicative competence, because the activity is totally interactive all the time.

4.6 Importance of the learning context

Speaking activities are probably the most demanding for students and teachers in terms of the affective factors involved. It is therefore a major responsibility for the teacher to create a relaxed atmosphere in your classes so that most learners are not frightened of speaking in front of the rest of the class. And do as many speaking activities as possible in pairs and groups.

To improve and foster the students to speak in English, more factors should be taken into account by the teachers, such as class size, time available, how the students are seated, the teacher's knowledge, attitude towards teaching, his/her preparation, the methods, and so on. All can be an important factor influencing the classroom teaching. A good teacher should bear all these in mind when walking into the classroom, and try to make the learning context a satisfaction one.

As for the arrangement of the desks and chairs in the classroom, if possible, I suggest to put them U-shaped, because: 1) it can make the students talking face-to-face, which is good for communication; 2) it is easy for the teacher to move around while the students are talking, which is an effective way for interactive activities.

If you really want to make your teaching successful through the interactive learning, you can't neglect the teaching context mentioned here.

5. Conclusion

From all the work I have done so far, it obviously comes to the conclusion that the ultimate goal of learning a language is for effective communication, especially for oral communication. By applying interactionist theory into the classroom teaching, we can reach that goal and the students' oral expressing ability can be improved a lot.

To conclude, my answers to the research questions are as follows:

First, why the students' oral communicative competence is weak? Because both that students and the teacher focused on the enter-university-examination, neglecting the main purpose / goal of learning a language for. Besides that, some other factors such as: the teacher's lack of strategies; teacher-centered classroom; the big students number; the time limitation; the students lack of motivation and strategies, etc. are also noted as problems in my paper.

Second, why should we develop the students' oral communicative competence? Because the goal of learning a language is to communicate effectively in real situation, not only remember some set of rules or words isolately. With the deepening of reform in China, the rapid progress China has made toward the four modernizations and the entering of the WTO, more and more people are needed with good command of English for real communication, especially the oral communication ability. So it is high time to take actions to develop the students' oral communication ability in the middle school English teaching and learning classes, because the middle school students will be the masters of our country in the future.

Third. How to develop the students' oral communicative competence? Many people have put many theories and methods into the classroom teaching in order to develop the students' oral English and some of them are very successful. But few of them arbitrarily for developing their oral communication ability. I found interactionist theory is very effective and through interactive learning, students' oral communication ability can be developed quickly. So I write this paper, to share my success with all of you

To sum up, Interactive learning can improve the students' communication competence, but it cannot be the unique way, some other theories and methods may also work. There's still a long way to go to develop every student's oral communicative competence.

References

- Allwright, R.L. (1977). 'Language learning through communication practice' *ELT Documents* (British Council) 76/3, pp.2-14. Reprinted in Brumfit and Johnson, 1979.
- Brown, G. and Yule, G. (1983). *Teaching the Spoken Language*. Cambridge: Cambridge University Press

- Brumfit,C.(1984).*Communicative Methodology in Language Teaching*. Cambridge: Cambridge University Press
- Brumfit,C.J. and K. Johnson (eds.).(1979). *The communicative Approach to Language Teaching*. Oxford University Press.
- Bygate,M.(1987). *Speaking*. Oxford : Oxford University Press
- Byrne,D.(1976).*Teaching oral English*.London:Longman.
- Ellis, R. (1997).*Second Language Acquisition*. Oxford: Oxford University Press.
- Hedge,T.(2000). *Teaching and Learning in the Language Classroom*. Oxford: Oxford University Press
- Joiner,E.G. and P.B.Westphal(eds.).(1978). *Developing Communication Skills*. Rowley,Mass.: Newbury House.
- Krashen,S.(1981).*Second Language Acquisition and Second Language Learning*. Oxford: Oxford University Press.
- Littlewood,W..(1981).*Communicative Language Teaching*. Cambridge: Cambridge University Press
- Lynch,T.(1996). *Communication in the Language Classroom*. Oxford: Oxford University Press
- Malah-Thomas,A.(1987).*Classroom Interaction*. Oxford :Oxford University Press
- Nolasco,R. and L.Arthur.(1987).*Conversation*. Oxford: Oxford University Press
- Nunan,D.(1989). *Designing Tasks for the Communicative Classroom*. Cambridge: Cambridge University Press
- Oxford,R.(1990).*Language Learning Strategies: What Every Teacher Should Know*. Boston,Mass:Newbury House.
- Seligson,P.(1997).*Helping Students to Speak*. London: Richmond.
- Underwood,M.(1987).*Effective Class Management*. Harlow:Longman.
- Williams, M. and Burden,R.L.(1997). *Psychology for Language Teachers*. Cambridge: Cambridge University Press



Developing Organizations through Developing

Individuals: Malaysian Case Study

Mohamad Hisyam Selamat

Faculty of Accountancy, Universiti Utara Malaysia

06010 Sintok, Kedah, Malaysia

Tel: 604-9283956 E-mail: hisyam1349@uum.edu.my

Muhammad Syahir Abd. Wahab

Faculty of Accountancy, Universiti Utara Malaysia

06010 Sintok, Kedah, Malaysia

Tel: 604-9283712 E-mail: syahir@uum.edu.my

Mohd. Amir Mat Samsudin

Faculty of Accountancy, Universiti Utara Malaysia

06010 Sintok, Kedah, Malaysia

Tel: 604-9283798 E-mail: amir@uum.edu.my

Abstract

Research has highlighted that organizational development (OD) is a complex issue as it requires the input of employees at all the levels of an organization. However, to obtain this is a challenge for organizations as the basic training and education offered by the organizations and experiences of the individuals on their own and other factors such as fear and ignorance prevent such actions. For this purpose, other elements are also required. This research aims to identify and explain the usage of the elements that can encourage employees to contribute inputs necessary for OD. To achieve this aim, this research developed a conceptual framework based on the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse. To illustrate the application of the framework in a real life setting a case study approach that involved a large manufacturing organization in Malaysia was employed. From this research it was concluded that the future focus for the OD should be towards the development of staff members and creating a suitable organizational culture and infrastructure such that knowledge sharing is promoted.

Keywords: Organizational development, Tacit knowledge, Externalization, Sharing, Conceptual framework, Case study

1. Introduction

Currently organizations are facing turbulent environments and need to develop all the resources that they have (Stewart, 1997). Available resources include, land, technology, money, plants, land and employees. Presently one of the most important resources for an organization is the employees (Saint-Onge, 1996). However, it has also been found that the human aspects of knowledge creation are critical for sustaining organizations. An organization's knowledge is considered to be derived from its employees (Von Krogh, Ichijo, & Nonaka, 2000). In this case, organizational knowledge is the staff members' capability (tacit knowledge) that they have developed to draw distinctions in the process of carrying out their work, in particular concrete contexts, by enacting sets of generalizations (propositional statements) whose application depends on historically evolved collective understandings and experiences (Tsoukas & Vladimirou, 2001). Managing this aspect of knowledge means that a company must strive to sustain a spirit of community at work, to encourage employees to improvise and undertake initiatives of their own, as well as actively maintain a sense of corporate mission (Tsoukas & Vladimirou, 2001). Therefore, inquiries based upon the divergence of meanings and perspectives are then facilitated (Courtney, Croasdel, & Paradise, 1998).

Previous research within the OD area has identified one of the factors that causes the failure of OD as being attributable to the earlier frameworks of OD. These frameworks have not addressed the issue of the process of tacit knowledge, which is deeply rooted in an individual's actions, experiences, ideals, values or emotions (Malhotra, 2004). Utilizing such reasoning, this research attempts to propose a conceptual framework that identifies and discusses the aforementioned issues and

eases the process of developing organizations. To achieve this aim, this research assumes that there are two main aspects to be considered; namely, the ability to externalize and share knowledge and skills, and self-documentation. These two aspects are emphasized as they can encourage employees to contribute inputs towards OD (Karhu, 2002).

To better understand the purpose of this research, a research question has been developed: "How do we include individuals in the organization developmental process? Why use the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in order to include individuals in the organization developmental process?"

The elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse have been stated in the aforementioned research question. This research proposed the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse as they have been considered important for the development of employee confidence and a willingness to contribute inputs for OD (Butcher, Harvey, & Atkinson, 1997; Choudrie & Selamat, 2005). Practically, the use of the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in OD is a novel idea. These elements are combined in a manner such that a novel framework is formed, which is then applied in a real life setting using a case study approach.

When research is undertaken there are also benefits associated with it. For industry this research is beneficial as it will provide it with a guideline that explains how to embed staff members' knowledge and skills within the OD processes. For academia, the conceptual framework provides a theoretical and practical understanding of the integration of staff members into the OD process.

To familiarize the reader to this paper, a description of its structure is provided. The paper begins by offering an examination of the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in the OD and management literature. The management and OD literature are then surveyed for specific guidance in relation to tacit knowledge externalization and sharing and a framework synthesizing the prior research is developed and presented. Following this, the research approach is outlined, which then leads to a description of the case study. The theoretical concepts and the conceptual framework are then studied in the context of an organizational setting. The paper then finishes with conclusions and suggestions for further research.

2. Literature Review

To understand how the externalization and sharing of tacit knowledge and the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse can be used to support individual-based OD, it is useful to have a fundamental understanding of the underpinning concepts. This is provided in the following subsections.

2.1 *Organizational development has to start with the individual*

In practice, the primacy of individual impact has been increasingly recognized in the organizational life. For instance, human resource systems have been developed to reward individual performance and initiative and to tailor employment contracts to individual circumstances (Butcher et al., 1997). In addition, individual managers are being asked to take responsibility for their own career management whilst the organization provides them with opportunities to improve their employability (Butcher et al., 1997). The advent of new and more accessible technology, the delayering of organizations and the painful process of empowerment has led to the expansion of discretion and responsibility (Butcher et al., 1997). However, this growing significance of individual contribution to organizations has had little impact on OD (Butcher et al., 1997). This research argues that this issue is primarily due to lack of willingness and a sense of responsibility amongst staff members to externalize, share and document their tacit knowledge.

Tacit knowledge is an individual's intuition, beliefs, assumptions and values, formed as a result of experience (Saint-Onge, 1996). Augier and Vendelo (1999) argued that due to its transparent and subjective nature tacit knowledge is not easily externalized. Difficulties appear when expressing or documenting knowledge that appears obvious and natural to one (Haldin-Herrgard, 2000). Further, the difficulties in externalizing and sharing of tacit knowledge are also linked to language, time, value and distance (Haldin-Herrgard, 2000). Alternatively, there are factors that prevent individuals from sharing their tacit knowledge or seeking clarification from colleagues and peers, including the lack of confidence, anxiety, unwillingness, confusion, and being carried away by strong feelings (Harvey & Butcher, 1998).

Generally, the above discussion identifies the main factors requiring consideration when attempting to continuously develop an organization. Therefore, in order to obtain inputs from employees an understanding of how to encourage individuals to externalize, share and document their tacit knowledge is imperative. To achieve this, this research proposes the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in OD, which is discussed further in the next section.

2.2 *Developing individuals for developing organizations*

Understanding the ability to externalize, share and document tacit knowledge enables an organization to undertake continu-

ous development and consequently disseminate new insights for learning (Malhotra, 2004). This section presents an overview of the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse that will be used as a means for developing employees' abilities to externalize, share and document tacit knowledge.

To develop an organization, it has been suggested that competencies should be generic rather than organization specific (Butcher et al., 1997). Additionally, competencies cannot be usefully specified in terms of neatly identifiable, observable or measurable behaviors (Butcher et al., 1997). Therefore, competencies should involve increasing self-knowledge and improving abilities which underpin and determine how and when knowledge and skills will be used (Butcher et al., 1997).

This research proposes the following elements that are required to develop the above competencies: (a) understanding organizational roles; (b) internal strengths; (c) formal and informal discussion and (d) rational discourse. These elements were selected as they are more focused upon developing the employees' communication skills, assertiveness and dealing with conflict, persuading others and managing organizational politics, which are relevant to achieve the objective of this research. To acquaint the reader to the elements, the definitions, descriptions and justifications of each element are provided in the following paragraphs.

This research asserts that employees' need to understand three fundamental aspects when working in organizations: (a) personal responsibility; (b) task priority and (c) personal targets (Choudrie & Selamat, 2005). This understanding is essential as it promotes the judicious use of accumulated experience and is beneficial when developing business. Therefore, this understanding should be emphasized when developing effective OD frameworks.

Further, we propose that eight internal strengths should be instilled within employees' in order to develop abilities to effectively use knowledge and skills and thus establish an environment conducive for a continuous OD. These eight internal strengths were chosen as they enable the use of knowledge and skills in an effective manner.

The first internal strength that is proposed in this research is personal confidence. Personal confidence is a self-belief in undertaking and accomplishing organizational tasks (Harvey & Butcher, 1998). As one of the elements that prevent staff members from externalizing and sharing their tacit knowledge is lack of confidence (Harvey & Butcher, 1998), this element should be emphasized when understanding an OD framework. The second internal strength proposed in this research is observing accepted organizational approaches. By observing accepted organizational approaches, staff members can undertake tasks based upon "the right approach for the right situation" (Srikantaiah & Koenig, 2000). As this internal strength promotes sharing information with, and obtaining clarification from, other parties, it needs to be emphasized in developing business (Karhu, 2002). Therefore, this understanding should be emphasized when developing effective OD frameworks.

The third internal strength was identified as undertaking tasks with commitment and self-discipline. The most important thing that every staff member has to bear in mind in the workplace is that "we must do the job." Without these values, employees tend to undertake a job hastily and carelessly. This in turn will badly affect the quality of organizational operations. In short, this internal strength is the backbone of enabling knowledge and skills utilization amongst staff members. Therefore, this internal strength has the potential to enable a learning process thriving within the organizations and in turn should be emphasized when developing effective OD frameworks.

The fourth internal strength was recognized to be self-awareness. Self-awareness is defined as "an ability to determine the tasks that need to be accomplished at the current time and accomplish the determined tasks according to an accepted organizational approach" (Butcher et al., 1997). In other words, it is related to the phrase "do the right things at the right time." These processes involve actively sharing and externalizing knowledge and obtaining a clarification process from others. Therefore, self-awareness is a relevant consideration when establishing an effective OD framework.

The fifth identified internal strength is self-remembrance. For the purposes of this research self-remembrance is defined as "the value that requires staff members to mind their actions when undertaking a task so that it can be accomplished effectively and to remember that through their effective actions the company can achieve a good profit and consequently give them a good salary and bonus" (Choudrie & Selamat, 2005). The combination of these two values can motivate a person and others to work hard and smart. From this description, it can be seen that self-remembrance enables staff members to actively utilize their knowledge and skills in the process of decision making. Therefore, this internal strength is applicable in the process of developing business and in turn OD framework.

Compassion was viewed to be the sixth internal strength. In this research, compassion is defined as having "a feeling that the whole organization is like a family" (Choudrie & Selamat, 2005). Each staff member should appreciate the other members' efforts since all of them have the same aim and objective in terms of job security. Being equipped with this value, staff members can then trust each other and consequently neutralize the feeling that prevents them from sharing information with other members. This situation is critical in developing business entity and therefore needs to be considered in this research.

To ensure that every employee has a feeling that he/she works for the sake of the company and for fulfilling his/her responsibility to the company, sincerity is considered pertinent. This is the seventh internal strength of this research. Sincerity can motivate employees to work collectively and harmoniously in the workplace. This scenario is critical in

creating a learning environment in the organization and therefore should be emphasized in this research.

Finally, employees must have the willingness to change whenever the need arises. This is due to rapid changes in the organizational life and business environment. This process is like a continuous improvement in an organization so that its competitiveness does not deteriorate. As willingness to change is related closely to OD, this value needs to be considered in this research.

Another element that is proposed by this research when developing the staff members is the ability to conduct formal and informal discussions within the organization. This is because staff members face various tasks in daily activities – routine, non-routine, official and unofficial (Malhotra, 2004). Formal approaches are procedures such as meetings, progress reports and performance evaluation reports. Within organizations there are also instances of ‘chats around the water fountains’ or ‘in the corridors’, which are also known as informal discussions. Other forms of informal approaches include, dialogue, face-to-face interaction, corridor meeting, lunch table chats and coffee/tea table chats. Through good communication, learning and teaching activities can be undertaken actively amongst staff members. Therefore, this value should be emphasized in order to create an effective OD framework.

When considering the establishment of a platform in an individual’s mindset, particularly when developing an organization, the presence of another element is required; this is rational discourse. A rational discourse can legitimize the selection of a design ideal because it ensures that the arguments of all interested parties are heard, that the choice results in an informed consensus about the design ideal, and the formal value choice is made only by the force of the better argument (Klein & Hirschheim, 1996). These values are critical for developing the above competencies. In addition, they are able to promote active tacit knowledge externalization and sharing amongst staff members, especially in meetings and dialogue. Therefore, rational discourse should be considered for establishing a platform in an individual’s mindset for developing an organization.

From the previous discussions, it is declared that individuals are developed based upon the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse. This is something that prior research such as that by Butcher et al. (1997) has not undertaken. Additionally, the concept of individual development in this research is utilized for developing an effective OD framework. Therefore, for the first element of this research’s conceptual framework an understanding of organizational roles, internal strengths, formal and informal discussion and rational discourse is required.

2.3 Enabling tacit knowledge externalization

Based on the aforementioned discussion, it can be learnt that the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse can assist in building a confident and responsible individual (Choudrie & Selamat, 2005). These values, in turn, create three important competencies as follows: (a) influencing skills; (b) sharing attitudes; and (c) inquisitive tendencies (Choudrie & Selamat, 2005). In other words, influencing skills, sharing attitudes and inquisitive tendencies are the second element of this research conceptual framework.

It was also found in the earlier sections that there are problems when developing organization, which is the need to develop an individual’s ability when externalizing and sharing tacit knowledge. In such an instance, understanding organizational roles, internal strengths, formal and informal discussion, rational discourse, influencing skills, sharing attitudes and inquisitive tendencies are the humanistic elements that should be considered when considering means of overcoming the difficulties in externalizing and sharing tacit knowledge. This is because by practicing the above influencing skills, sharing attitudes and inquisitive tendencies, individuals can generate creative ideas (I), actions (A), reactions (R) and reflections (R) (Choudrie & Selamat, 2005). The terms ideas, actions, reactions and reflections represent forms of activities within an organization. These activities then allow the externalizing and sharing of tacit knowledge that can provide synergistic inputs for a continuous development of organizations. Therefore, the I-A-R-R continuum is the third element of this research conceptual framework.

However, for this the tacit knowledge must be initially documented. This can be achieved by the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse (Choudrie & Selamat, 2005). The development of these elements results in the willingness to question implicit assumptions, explore new possibilities and directing energies toward higher standards and in turn enables the staff members to be well prepared, using good documented progress reports or working papers. In the longer term this then ensures that there is a tangible means of the verification and validation of tacit knowledge. Therefore, tacit knowledge documentation is the fourth element of this research conceptual framework.

Reflecting on the above discussion, it can be determined that individual development is the starting point of an OD framework. Additionally, it can be learnt from the previous discussion that understanding organizational roles, internal strengths, formal and informal discussion and rational discourse should become the starting point for the individual development.

2.4 Developing organizations

As earlier explained tacit knowledge must be documented. This knowledge is then transformed into explicit knowledge (e.

g. through business reports, written descriptions or instructions). All these self-documentation is then given to the systems officers. At this stage, the system officers study the documented inputs provided by staff members and codify them. By the time the inputs are transformed into codified domains within the systems, they become information that assist staff members in fulfilling their responsibility. This is the fifth element of this research conceptual framework.

2.5 A conceptual framework

To understand the relationship between the earlier mentioned five elements a diagrammatic representation has been developed, which is illustrated below (Figure 1). As shown in the diagram, individual development is initially fostered by the elements of understanding organizational roles, internal strengths, formality and informality, and rational discourse. In this case, the first element of the framework is represented by Stage A in the diagram. The element of understanding organizational roles increases the motivation to work diligently and thoroughly in the organization amongst the employees (Butcher et al., 1997). This, in turn, increases the employees' concern with the relevancy of the provided information in order to accomplish organizational tasks. Therefore, the element of understanding organizational roles should be included in the organization developmental framework.

The internal strengths earlier proposed by this research, personal confidence, observing accepted organizational approaches, undertaking tasks with commitment and self-discipline, self-awareness, self-remembrance, compassion, sincerity and willingness to change were selected as employees equipped with these elements determine how and when knowledge will be practiced within the organization, which is critical to the developmental process (Choudrie & Selamat, 2005). These characteristics, in turn, increase the applicability of the proposed eight internal strengths in developing organizations.

Another element that is proposed by this research when developing individuals is the ability to conduct formal and informal discussions within the organization. When equipped with the ability to conduct formal and informal discussions, it is argued that staff members can read situations, understand and resolve problems, and consider a range of options in a collective manner (Malhotra, 2004). These values can highlight the need to continuously re-examine and modify the operations of the organizations. Therefore, the element of formal and informal discussions is beneficial to be included in the organization developmental framework.

The final individual developmental element that is proposed by this research is rational discourse. Rational discourse was selected as whenever an OD is applied, it serves some human interests; therefore, the developmental approaches are made to serve some interests at the expense of others and involve moral value judgments (Klein & Hirschheim, 1996). This means that practical advice concerning the development of an organization must not be limited only to the technical aspects, but also address moral issues, such as what is good or bad, or what is right or wrong in any particular application. Therefore, there is a need to establish a platform to approach such value judgments in a rational way.

As the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse enable the use of knowledge and skills in an effective manner (Choudrie & Selamat, 2005), they are pertinent for the development of influencing skills (Stage B), sharing attitudes (Stage C) and inquisitive tendencies (Stage D). These three stages represent the second element of the aforementioned theoretical framework. Being equipped with these competencies, staff members can face the difficulties in the externalization and sharing of tacit knowledge and in obtaining information from colleagues. Consequently this can provide externalized tacit knowledge for OD.

When undertaking influencing, sharing and inquiring activities, an individual implicitly expresses tacit knowledge. This expression is either in physical form (actions and reactions) or verbal form (ideas and reflection) (Choudrie & Selamat, 2005) (Stage E). This Ideas-Actions-Reactions-Reflections continuum provides externalized tacit knowledge for OD (Choudrie & Selamat, 2005). Stage E of the diagram represents the third element of the framework (as noted above).

However, the externalized ideas, actions, reactions and reflections must initially be documented. This process is undertaken at Stage F and it represents the fourth element of the above theoretical framework. At this stage, the externalized tacit knowledge is documented and transformed into explicit knowledge (e.g. through business reports, written descriptions or instructions). Knowledge documentation can be achieved by the value of self-documentation, which is also developed by the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse (Choudrie & Selamat, 2005). This is due to the willingness to question implicit assumptions, explore new possibilities and direct energies toward higher standards enables the staff members to be well prepared, using good documented progress reports or working papers. All these self-documented facts in turn provide inputs for a continuous development of an organization.

The documented inputs provided by staff members can be transformed into codified domains within the systems (system database) or compiled in files (Stage G). In turn these databases or files can be utilized to refine decision and develop strategies for future development. This is because the documented inputs enable the organizations to identify an operational progress, to access to new operational approaches, and to improve actions through better inputs and ideas. Through this process, an individual's understanding of the organization's activities (tacit knowledge) is also enriched. This new understanding in turn becomes a platform for continuous OD processes. In the diagram, this process is represented by Stage H. Stages G and H represent the fifth element of the aforementioned theoretical framework.

In this section the framework for OD represents a framework for developing an organization and was also used to guide the research process. The framework illustrates the elements that should be considered in order to create a continuous development of an organization. By developing and explaining this framework this research answers the question: "How do we include individuals in the organization developmental process? Why use the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in order to include individuals in the organization developmental process? What is also learnt from this research is that the cooperation between individuals, the systems officer and the organization is also an important attribute to include in the process of developing organization.

3. Research Approach

Although the aim of this research was clear, the novelty of the topic under study for the OD discipline meant that many of the questions were unknown and would evolve over the duration of this project. This presented many challenges for the research process as the questions had to be ground to the 'real world'. Further, as this research involved studying the behaviours of employees a deep understanding of the humanistic elements (Myers & Avison, 2002) was required. For this a qualitative approach that involved data focused upon words (Miles & Huberman, 1994) rather than numbers was undertaken (Myers & Avison, 2002). An in-depth case study process was used and involved employing a large Malaysian organization that was committed to the project; that is, full access and participation was offered to the researcher.

The research activities consisted of preparing a training module, conducting the training programme and collecting data within a duration of approximately a year. The module contained the descriptions of the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse and was related to the concepts of OD amongst the respondents during the training program.

The participants used in this research consisted of 31 engineers and 8 system officers. The engineers were selected as they were the critical group in ensuring the smooth operation of the plant; therefore their contribution to the organization is of paramount importance. Alternatively, the system officers were selected because they were the critical group for information processing; therefore it was relevant to study the impact of the framework in information processing and consequently OD. The participants consisted of the Centralized Maintenance Management System (CMMS).

Two months after the training session, face-to-face interviews were conducted. A two-month period was allocated to enable the progress review process and the participants to understand and utilize the elements that were discussed in the program. A face-to-face interview approach was utilized as it provided flexibility in the questioning process, control of the interview situation and provided the opportunity to obtain additional information, such as the background information or natural reactions of the participants (Nachmias and Frankfort-Nachmias, 1996). The interviews were tape-recorded and transcribed on the same day. This approach was utilized to ensure that all the information and any further details that were imperative for this research were recorded and not missed out (Nachmias and Frankfort-Nachmias, 1996). The data were analyzed by using a manual analysis process due to the small number of participants.

4. Describing the Case Study

As stated earlier the research had identified several elements that are necessary for OD. However, they still lacked effectiveness, thus necessitating the need to incorporate the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse. This section of the paper describes the application of the framework in a real life setting. A leading Malaysian steel manufacturer, Perwaja Steel Sdn Bhd (Perwaja) agreed to and was used for this research. The organization has two plants, namely, Kemaman plant and Gurun plant with the headquarters being based in Kuala Lumpur. As a manufacturing company, one of the main activities of interest was establishing an effective and efficient maintenance operation. The maintenance operations in Kemaman plant are undertaken in six different departments: (a) instrumentation; (b) mechanical services; (c) water; (d) electrical; (e) crane; and (f) maintenance planning. Gurun plant, on the other hand, has two maintenance departments: (a) maintenance solutions; and (b) utilities. Due to the increasing utilization of the machinery, any delays in repairing any machinery breakdown affects the production and consequently, steel delivery.

To assist with the management of the maintenance activity, Perwaja developed CMMS. Instead of recording and processing maintenance data, CMMS was also utilized to perform maintenance planning. Therefore, in every maintenance department, there was a system officer responsible for CMMS and accountable to the IS department.

An interview with the management personnel of the organization revealed that there was a gap between the production, maintenance and materials departments. The production department blamed the maintenance department for any delays in production due to machine breakdown or ineffective maintenance operations. Contrastingly, the maintenance department's members attributed delays to the ineffective materials management that subsequently caused the unavailability of spare parts. The materials department, as predicted, blamed the vendor and last-minute details of orders being provided for its incapability to provide the spare parts. Such instances have resulted in creating havoc in the plant's operations. From the analysis, it was found that the main factors that contributed to this phenomena are the lack of communicating effectively amongst the employees and the sense of responsibility during the decision making process.

After identifying the causes of the problems, a discussion was held with the human resources director to determine a

solution to the above issues. This was also undertaken bearing in mind the research question and aim of this research. During the meeting, the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse were shared and described. The employees were also emphasized the importance of those elements within the organization and tacit knowledge sharing and externalization. The impact of that process for organizational development was also highlighted. After the meeting, the director agreed to participate in a research training program. For this purpose, 39 immediate stakeholders of the CMMS were selected. The following section explains more of the training program's details.

4.1 Perwaja's training program

The training program was undertaken after understanding the background of the research site. Before the training program could be undertaken, preparation was conducted for the following: (a) program materials such as, the modules, presentation slides and program outline; (b) undertaking the program and (c) undertaking the progress review.

To prepare the module, the researcher undertook an intensive library research at Universiti Utara Malaysia and referred to some material from the Cranfield University General Management Program, and Butcher et al's (1997) developing businesses through developing individuals' research reports. These sources were referred to because they provided basic descriptions and definitions of developing individuals, which were essential in determining the elements that were relevant in developing organizations. The module was based on the acquisition of understanding organizational roles, internal strengths, ability to handle formal and informal discussion and the ability to conduct rational discourse. Based on the completed module, the presentation slides and program outline were then prepared.

The training program was underpinned by seven competency sets: (a) understanding organizational roles; (b) internal strengths; (c) formal and informal discussion; (d) rational discourse; (e) influencing skills; (f) sharing attitudes; and (g) inquisitive tendencies. The first four sets were groupings of specific competencies that were pertinent for developing the ability to determine how and when knowledge will be practiced within the organization. The remaining three sets were groupings of specific competencies that were pertinent for the externalization and sharing of tacit knowledge. In short, the program was based on the acquisition of knowledge about an individual's competencies to deal with conflict within an organization. The number of training days for each plant was limited to six days due to the policy of the company on industrial training.

The program incorporated a variety of features and activities to enhance the learning experience and maximize the personal benefits. These included: (a) interactive lectures; (b) syndicate group work; (c) work on live business and IS issues, (d) profiling questionnaires; (e) case studies; (f) one-to-one tutorials or coaching; (g) individual work and (h) a one-day follow up.

On the final day of the program, the participants constructed a comprehensive one-month action plan, such as the targeted number of machinery breakdowns and the targeted length of repairing services. This formed the basis of the progress review. Generally, for the progress review, the researcher met the research participants individually in order to further develop the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse by discussing their achievements on the targeted actions. The implication of the training program was that it developed individuals' motivation and willingness to externalize and share their tacit knowledge effectively. It is suggested that being equipped with these elements enables staff members to provide ideas or views (inputs) for a continuous re-examination and modification of CMMS (Choudrie & Selamat, 2005). Being continuously updated, it is argued that the CMMS can promote OD because staff members can gain new insights in performing tasks (Choudrie & Selamat, 2005). This is due to the current information or contents that the system has. This relationship, in turn, could answer the research questions of this research that are as follows: "How do we include individuals in the organization developmental process? Why use the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in order to include individuals in the organization developmental process?"

Two months after the training program, the data collection assessing the value of the conceptual framework in practice commenced. The next section describes the findings.

4.2 Discussion of the data

From the aforementioned discussions, the researcher wanted to investigate whether the elements of understanding organisational roles, internal strengths, formal and informal discussion and rational discourse can develop influencing skills, sharing attitudes and inquisitive tendencies in the research participants' mindsets. In addition, the researcher wanted to investigate the impact of influencing skills, sharing attitudes and inquisitive tendencies on tacit knowledge externalisation and OD. The answers for these research questions are offered in the following subsections. The discussion of the following subsections will follow the functioning of the framework illustrated in Figure 1.

4.3 Influencing skills, sharing attitudes and inquisitive tendencies

From the received responses there was an indication that there will be an occurrence of change across all the seven competency sets of the individual development process. With regards to the influencing skills, the interviewed participants

indicated improvements. For example:

"After the course, I was able to improve my influencing skills. I lead one team in my department and I want it to be the best. To achieve this goal, every unit member should also appreciate it. Before this, teamwork in my unit was not so good. After the program, I started playing an important role in instilling this understanding amongst my staff. All the problems were settled in the meeting. Thank God, it was a most fruitful strategy. Everybody has started to work together now."

Mr. Azize

"The main thing I learnt from the course was the importance of having a good relationship between staff members. Before this, I was sceptical about doing a job together and communicating with others. Maybe they have political reasons for doing such things. However, I managed to gradually overcome this feeling."

Mr. Hazis

From the above statements it can be learnt that Mr. Azize and Mr. Hazis experienced a significant development of communication skills and a willingness to persuade others. These values helped them to effectively utilize knowledge and skills in order to influence others in the organization. In other words, they experienced a significant development of influencing skills (Butcher et al., 1997). This development illustrated that the training program had successfully developed the research participants' influencing skills.

As well as this, the research participants significantly commented on the development of sharing attitudes. For example:

"On returning from the program, I felt that all the staff members were like one big family. It is my responsibility to help others, share the information that I possess and establish a good relationship with others."

Mr. Mohamed Ridzuan

"The programme not only developed myself but also my unit members. After the programme, I had the strength to explain the right way in undertaking the designated jobs to all my staff. Before this, they just followed their gut feeling in undertaking tasks, which normally ended with a low level of quality. At the moment, the situation is improving day by day."

Mr. Ishak

From the above statements, Mr. Mohamed Ridzuan and Mr. Ishak highlighted the ability to inform others about the need for changes or improvement. This ability helped them to explain everything that needs to be undertaken during the operations to others. All these abilities, in turn, develop their sharing attitudes (Choudrie & Selamat, 2005). This development illustrated that the training program had successfully developed the research participants' sharing attitudes.

With regards to the inquisitive tendencies, the research participants indicated improvements as a result of the program. For example:

"From an active communication program that I promoted in my unit after the program, my staff were not hesitant to meet me for any technical or non-technical assistance. I tried my best to assist them and, if I thought that it was not under my expertise, I referred them to the right person, but still under my supervision. So... yeah... through asking activities, the work could be undertaken smoothly. Furthermore, we should learn from many experts, not only ones specific to the nature of the problem."

Mr. Zaini

"The course has changed my behavior from timid to friendly. Before this I was not very sociable. After delegating the tasks to my subordinates, I would concentrate on my own work. But after the course I always meet my subordinates to ask about work progress, problems and internal feeling due to heavy work burdens. In addition, I became confident in facing my colleagues in the meeting and expressed my views if necessary."

Mr. Abdul Rahim

The aforementioned empirical results demonstrate a significant development of the Mr. Zaini and Mr. Abdul Rahims' ability to ask others more effectively. This ability helped them to undertake tasks according to the accepted procedures. In other words, they experienced a profound development of inquisitive tendencies (Butcher et al., 1997). Therefore, it can be learnt that the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse are capable of developing inquisitive tendencies in this research.

To recapitulate, the aforementioned empirical results demonstrate a significant development of influencing skills, sharing attitudes and inquisitive tendencies. This verified that the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse are capable of developing influencing skills, sharing attitudes and inquisitive tendencies. These findings illustrate that stages A, B, C and D of the research conceptual framework (as illustrated in Figure 1) have been achieved. In other words, the elements of understanding organizational roles, internal strengths, formal and informal discussion and rational discourse had successfully developed influencing skills, sharing attitudes and inquisitive tendencies in the research participants' mindsets.

At this point, the impact of the elements of understanding organizational roles, internal strengths, formal and informal

discussion and rational discourse on the development of influencing skills, sharing attitudes and inquisitive tendencies have been discussed. However, the externalization of tacit knowledge has not yet been investigated. For this the next subsection will describe the externalization of tacit knowledge through the medium of ideas, actions, reactions and reflections.

4.4 Externalized tacit knowledge: ideas, actions, reactions and reflections

One of the greatest issues of concern in this research was improving the research participants' ability to externalize their ideas. The following example offers an overview of the improvements described by the research participants:

"After the program, expressing ideas has become a norm in my daily activities. However, I will also encourage others to do the same. If the ideas come from only one source, it is risky, because every idea has its weakness. So, before making a decision, I will listen to and understand other people's ideas so that a comparison could be made. This strategy is much safer than relying on one source of ideas."

Mr. Nordin

"By influencing, sharing and asking, I was able to get feedback from my colleagues for the sake of work improvements. Although I know exactly how to do it, by practising such things indirectly I was able to create synergy in my unit because everyone contributes to ideas in order to achieve unit's goals."

Mr. Tg Mahathir

Mr. Nordin and YM Tg Mahathir highlighted the ability to externalize ideas. In this case, they mention the importance of sharing their ideas with others in the workplace. Therefore, it can be learnt that the training program had successfully developed the research participants' ability to externalize ideas.

With regards to the actions and reactions, the following is the example that illustrated the participants' ability to externalize and express them:

"By observing what I learnt from the program, I was able to rationalize my working style and consequently improve its effectiveness and efficiency. Having an idea of the work of 10 people is much better when improving our actions and reactions."

Mr. Yaakop

"When I know that my worker is behaving in a particular way, I will approach him according to that personal value. By practicing this, I am able to tackle problems in the site smoothly. In addition, I know how to delegate work appropriately, based on my staff's abilities and constraints. This program was really helpful in creating this culture and I started to spread it gradually in my unit."

Mr. Zainizam

The above empirical results revealed that Mr. Yaakop and Mr. Zainizam described changes in an ability to perform ideal actions and to change their perceptions or working techniques in order to cope with changes in the environment (reaction process). From the responses, it can be learnt that they were able to delegate, empower their staff, contribute to cross-functional decisions and improve important working relationships. This value, in turn, enabled an active re-examination and revaluation process of the needed information. In turn, this development illustrated that the training program had successfully developed the research participants' ability to generate actions and reactions in the workplace.

As a result of the training program, the participants described changes in their ability to reflect upon problems and, in turn, determine a suitable solution. These changes were the result of the participants' responsibility and awareness to improve their organization. They reported being able to sift and prioritize information, evaluate problems from multiple points of view and determine "the right thing at the right time." For example, one of the participants stated that he never consulted his subordinates. If there was any issue, it remained in his mind and therefore all he did was convey instructions to subordinates so that customers' order could be delivered on time. However, after the program he began to interact with his staff and discussed the problems in the plant using face-to-face meetings. As a result, many personal conflicts in the plant were resolved and the teamwork was improved. In other words, the research participants are better equipped to navigate the dynamic organizational environments and influence effectively within them. The examples are as follows:

"By asking somebody, I knew how to solve problems effectively and knew the correct contact person. I faced so many types of problems before including human-related problems. All of these needed acute responses, and communication was the safest approach to be utilized. This was what the program had significantly helped me with."

Mr. Abdul Halim

"Influencing, sharing and inquiring activities are like an early warning system. Through all these activities, I was able to detect working problems earlier and thereafter seek preventions or accordingly corrected the plan. As a result, my unit recently received appreciation from the bosses."

Mr. Mohd Rahmat

From the above statements it can be learnt that Mr. Abdul Halim and Mr. Mohd Rahmat experienced a significant develop-

ment of the ability to reflect upon problems and, in turn, determine a suitable solution. This ability helped them to effectively utilize knowledge and skills in order to reflect problems in the organization. This development illustrated that the training program had successfully developed the research participants' ability to effectively reflect upon problems.

The above results illustrating the ideas, actions, reactions and reflections formulation represent the ability of the participants to effectively externalize and sharing of their tacit knowledge. This was further supported by three findings. The first was that the participants were motivated to share their work progress with others. In this case they were not restricted to asking only the CMMS officers for any specific technical assistance. Second, the participants were actively involved in documenting their ideas, actions, reactions and reflections. These documented inputs were then shared with the system officers for the purpose of updating the CMMS. This iterative link between the users and systems enabled synergistic inputs to be provided for continuous CMMS development. Third, the CMMS officers described undertaking sole responsibility and an awareness for updating and utilizing the contents of CMMS. Updating and utilizing the CMMS's contents, in many cases, involved having active communication and face-to-face meetings with the users. All these changes enabled CMMS to obtain new inputs and, as a result, to be able to provide current progress of the maintenance jobs to the users (stages E and F of Figure 1).

Implicit in the above findings was that the elements of understanding organizational roles, internal strengths, formal and informal discussions, rational discourse, influencing skills, sharing attitudes and inquisitive tendencies did provide a platform to the participants for externalizing their tacit knowledge in a creative and spontaneous manner. This was evident from the ideas, actions, reactions and reflections that they documented and shared with other staff members. Therefore, it is declared that stages E and F of this research conceptual framework (as illustrated in Figure 1) have been substantiated.

When relating the above tacit knowledge externalization issue to OD, all the participants agreed that there could be a basis for improving daily activities. In this case, there was a significant relationship between the documentation of the externalized tacit knowledge with the continuous development of an organization. The statement made by the one of the engineers was the best example of this issue:

"The course gave me guidance on how to build a good relationship with others in my department. Before this, when I got a complaint I always considered the others' views from the negative side, such as "they are trying to blame me or damage my reputation". But after the course, I had a positive outlook of them and was also willing to collectively solve the problem."

The aforementioned results supported stages G and H and tacit knowledge development of this research's conceptual framework (as illustrated in Figure 1), which is that the externalized and shared tacit knowledge led to OD through daily task improvement.

From the above discussion it is clear that the development of the elements of understanding organizational roles, internal strengths, formal and informal discussions, rational discourse, influencing skills, sharing attitudes and inquisitive tendencies can assist in developing an organization. This is because they create a willingness amongst the staff members to provide knowledge-based inputs to the organization. These inputs, in turn, enable a continuous development of an organization, given the changing reality. Continuously challenging the current "company norm," such scenarios are expected to prevent the core capabilities of yesterday from becoming the core rigidities of tomorrow" (Malhotra, 1997). By obtaining access to that current "company norm" and internalizing them, the staff members can improve their actions through better knowledge. Consequently, tasks can be undertaken effectively – organizational development. Therefore, at this point it is declared that the conceptual framework used in this research can be applied to continuously develop an organization.

5. Conclusions

There are many humanistic elements that prevent individuals from externalizing, expressing and sharing their tacit knowledge such as, lack of confidence, anxiety, unwillingness, confusion, and being carried away by strong feelings. This problem is critical in the process of developing an organization as the involvement and the participation from the staff members are of paramount importance. This research attempted to shed a light on this matter by focusing on the elements that can encourage individuals to participate in the process of developing organization. To undertake this, two research questions are proposed that are as follows: "How do we include individuals in the organization developmental process? Why use the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse in order to include individuals in the organization developmental process? In other words, this research has attempted to recognize and capitalize on the critical role that individual development plays in OD.

To achieve the aim of studying the elements that can encourage staff members to contribute inputs for OD, this research developed a conceptual framework based on the concepts of tacit knowledge externalization and sharing. Tacit knowledge externalization and sharing, in turn, are enabled by using the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse. To enable validation of the above research issues, an in-depth, longitudinal case study was presented.

From the undertaken research it was found that the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse enabled the development of influencing skills, sharing attitudes and

inquisitive tendencies. These abilities, in turn, improved the participants' responsibility and awareness to externalize and share their tacit knowledge effectively. By documenting the externalized and shared tacit knowledge, the research participants can provide inputs to the management for improving daily operations (Choudrie & Selamat, 2005). Continuously improving the current "company norm," such approach is expected to prevent the core capabilities of yesterday from becoming the core rigidities of tomorrow. In short, an active involvement of staff members in contributing views or ideas enables organizational strategies, policies and approaches subject to continual re-examination and modification given a changing environment. These findings illustrate that the research questions of this research has been successfully answered. Therefore, the main focus of this research for OD should be towards individual development that develops a willingness to contribute ideas that further develop an organization continuously.

The elements of understanding organizational roles, internal strengths, formal and informal discussions, rational discourse, influencing skills, sharing attitudes and inquisitive tendencies can also be used to assist organizations to harness their staff members' expertise in the system. This is due to the fact that tacit knowledge remains the property of a human being (Tsoukas, 2002). Such knowledge is lost when staff members leave the organization. It is suggested that being equipped with these elements enables staff members to provide ideas or views (inputs) for a continuous re-examination and modification of IS. Through this process, the organizations can establish an effective knowledge management system and can solve the problem of "reinventing the wheel."

A limitation of this research is that it was undertaken in Malaysia; therefore it is restricted to a certain context – Malaysia. This includes the elements of culture, faith, perception, values and norms, which are different in that country. Therefore, a future direction that this research can undertake is to examine the application of the framework in a different context and determine how much would be relevant in that instance. Another limitation of this research is that this research could only be undertaken in OD due to the time restrictions. This limitation can be overcome in the future by extending the contexts to other areas such as systems development and organizations planning and control strategies. By doing so, there would be a benefit by obtaining an understanding of the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse. This is achieved by encouraging people to contribute inputs for developmental processes. All these areas have the potential to be introduced with the elements of understanding organizational roles, internal strengths, formal and informal discussions and rational discourse since they are bound to a human being's awareness and willingness for successful implementation.

References

- Augier, M., & Vendelo, M. T. (1999). Networks, cognition and management of tacit knowledge. *Journal of Knowledge Management*, 3 (4), 252-261.
- Butcher, D., Harvey, P., & Atkinson, S. (1997). *Developing business through developing individuals*. Cranfield: Cranfield University.
- Choudrie, J., & Selamat, M. H. (2005). Meta-abilities: The key to the strategic tacit knowledge diffusion and organizational learning. *OR Insight*, 18(4), 18-27.
- Courtney, J. F., Croasdel, D. T., & Paradice, D. B. (1998). Inquiring organizations. *Australian Journal of Information Systems*. 6 (1), 3-15.
- Haldin-Herrgard, T. (2000). Difficulties in diffusion of tacit knowledge in organizations. *Journal of Intellectual Capital*. 1 (4), 357-365.
- Harvey, P., & Butcher, D. (1998). Those who make a difference: Developing businesses through developing individuals. *Industrial and Commercial Training*. 30 (1), 12-15.
- Karhu, K. (2002). Expertise cycle – an advanced method for sharing expertise. *Journal of Intellectual Capital*. 3 (4), 430-446.
- Klein, H. K., & Hirschheim, R. (1996). The rationality of value choices in information systems development. *Foundations of Information Systems*. Retrieved September 15, 2002, from <http://www.cba.uh.edu/~parks/fis/kantpap.htm>
- Malhotra, Y. (1997, August 15-17). *Knowledge management in inquiring organizations*. Paper presented at the third americas conference in information systems, Indianapolis. Retrieved November 1, 2002, from <http://www.brint.com>
- Malhotra, Y. (2004). Why knowledge management systems fail? Enablers and constraints of knowledge management in human enterprises. In M. E. D. Koenig & T. K. Srikantaiah (Eds.), *Knowledge management lessons learned: What works and what doesn't* (pp. 87-112). Medford, NJ: Information Today.
- Miles, M. B. and Huberman, A. M. (1994). *Qualitative data analysis: A sourcebook of new methods*. California: Sage.
- Myers, M. D. and Avison, D. (2002). *Qualitative research in information systems*. London: Sage.
- Nachmias, D. and Frankfort-Nachmias, C. (1996). *Research methods in the social science* (5th ed.). London: St. Martins Press.
- Saint-Onge, H. (1996). Tacit knowledge: The key to the strategic alignment of intellectual capital. *Strategy and Leadership*

Journal. 24 (2), 10-14.

Srikantaiah, T. K. and Koenig, M. E. D. (2000). *Knowledge management for the information professional*. Medford, NJ: Information Today.

Stewart, T. A. (1997). *Intellectual capital: The new wealth of organizations*. London: Nicholas Brealey Publishing.

Tsoukas, H. and Vladimirou, E. (2001). What is organizational knowledge? *Journal of Management Studies*. 38 (7), 973-993.

Tsoukas, H. (2002). Do we really understand tacit knowledge? Knowledge Economy and Society Seminar, London.

Von Krogh, G., Ichijo, K. and Nonaka, I. (2000). *Enabling knowledge creation*. New York: Oxford University Press.

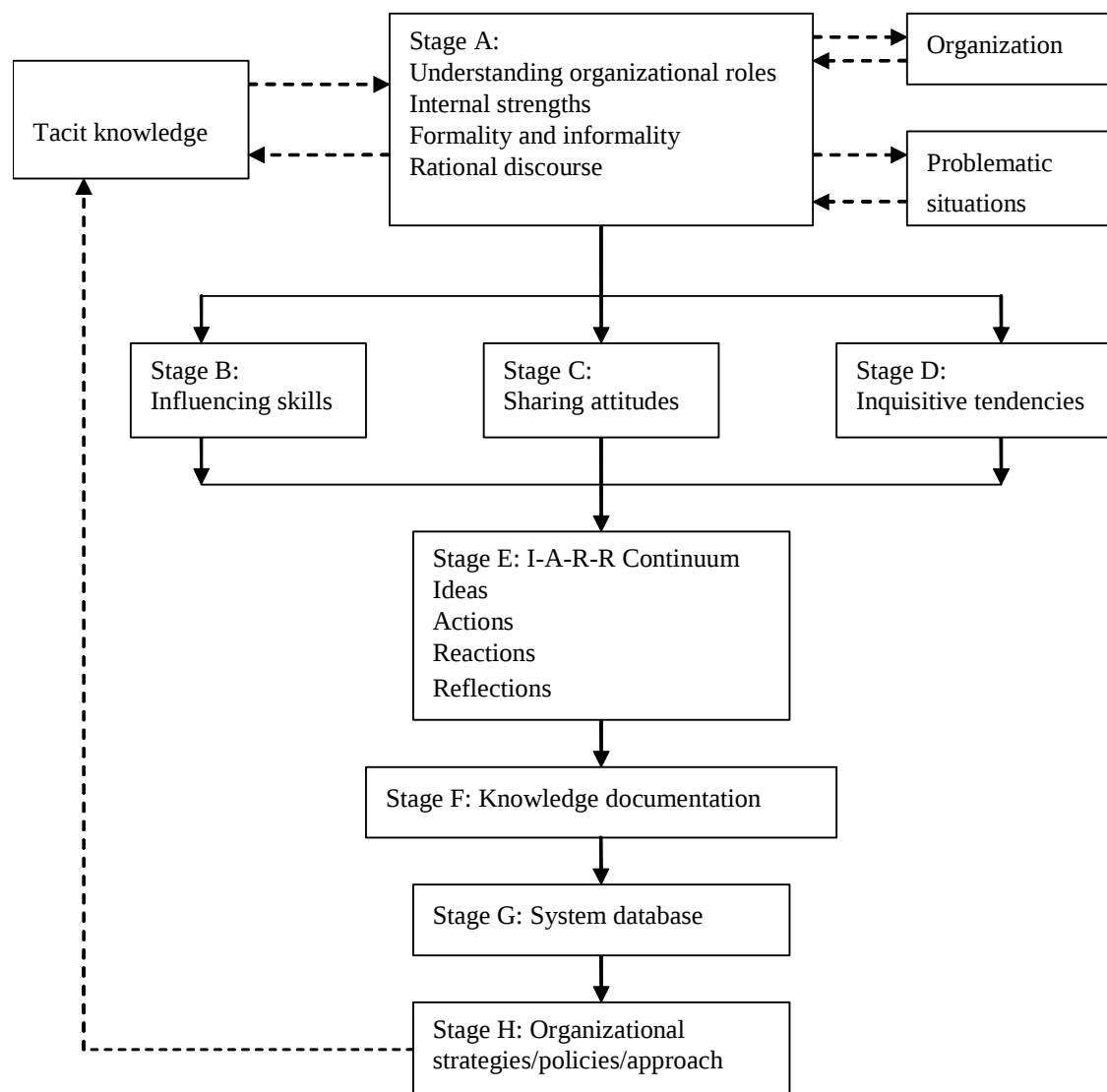


Figure 1. Framework for a continuous organizational development



Discussion on the Sustainable

Development of Electric Power Industry in China

Shijun Yang

School of Business Administration, North China Electric Power University, Beijing 102206, China

E-mail: wyl_2001_ren@126.com

Dongxiao Niu

School of Business Administration, North China Electric Power University, Beijing 102206, China

E-mail: niudx@126.com

Yongli Wang

School of Business Administration, North China Electric Power University, Beijing 102206, China

E-mail: wyl_2001_ren@163.com

Abstract

Nowadays, the effects of the development of electric power are becoming more and clearer in the development of national economy, and it influences the increased speed of GNP. The generated construction of Electric Power Industry for our country is not very appropriate, and there are a long distance to the international level. First, it discusses the macro-circumstance, the thought of sustainable development and the practical situation of China. At last, this article puts forward the difficult which our country facing and gives some feasibility methods.

Keywords: Sustainable development, Electric power industry, development strategy, Path

With the development of science technology, the electric power industry has become important production and life goods for the economic society. Our country has put into effect of open policy for more twenty years, the increment speed of the economy has been keeping 9.7% each year, and the GDP has been increasing 9.9% per year between 1990 and 2000. In 1994, the government built the first sustainable development strategy in the world named *21st Century Agedum for China*, and it has become the guidebook of the sustainable development for every walk of life. The electric power industry is the based industry in national economy, and if the national economy wants to develop, we must improve the electric power at first. The electric power industry must supply with enough power support to implement the national economy faster, more sustained, and stabilized. The sustainable development of electric power industry is significant for the society, and it is a important part of the sustainable development of the whole economic society.

1. The Sustainable Development of Electric Power Industry

With the development of economy, the total quantity consumed of energy is very great. The whole country consumes 1425Mtce in 2002, and the consumption of coal, oil, rock gas, nuclear power and hydroelectricity each occupies 66.5%, 24.6%, 2.7%, 1.6% and 5.6%. It can be seen from table 1, the proportion of USA 24.2%, 39%, 26.2%, 8.1% and 2.5% separately. The garage proportion of coal consumption is 25.5% in world, but our country has reached 66.5%. It is very apparent that more coal consumed and more terrible environment, so this phenomenon is unfavorable for the sustainable development of the country.

The quantity energy consumption for generating electricity occupies 38.88% in the total of primary energy sources consumption, and it has increased 20 percents from 1980. The electrical energy consumption occupies 11.4% in the terminal energy consumption, it has increased 6.59 percents from 1980. It can be seen that the GDP of our country has increased up to 2877.84 billions from 451.78 billions between 1980 and 2000, but the consume of unit GDP has been fallen down to 0.44 kg coal per yuan from 1.33 kg coal per yuan. So the development of electric power industry plays a important role for the energy conservation in our country.

With the quick development of the electric power industry, the balance of current supply and demand has improved better and better. Because the environmental pressure, many areas has spark plugged to reduce the directed consumption and encouraged to use electricity, and there will be more demand of electric power. From the Figure 1, it can be seen that the

electric demand will catch up to 4400 Twh in 2020 of the whole society, and the per capita quantity of electric power consumption will also reach a higher level. The trend in development of the energy is electrification. So the demand of energy development strategic is to improve the level of electrification in China.

It can be found that there are 58000MW equipped capacitor at the beginning of open –ended, 100000 MW in 1987, 200000MW in 2000, 400000MW in the first half of 2004. The equipped capacitor has reach 20000MW from 100000MW in 7 years, and it has spent nearly 7 years from 20000MW to 300000MW, more than 4 years from 300000MW to 400000MW. The building of electric power has being developed in exaggerated scale speed. At present, the additional equipped capacitor per year can be as the total equipped capacitor of Sweden, and the total equipped capacitor per two years of England.

The economic outlook is able to fine based on the faster peed of the world's economic resurgence. Because the international and national capital which invested to develop our country is increasing, the national economy keeps increased potential head steadily. The developed trend of the secondary industry which has more influence to the demand of electric power shows these features: Firstly, there will be faster develop of the industry for treatment and high energy-consume. Secondly, the development of chemical circles is being faster and the proportion be raising quickly. Thirdly, the consumption of unit GDP has increased from fallen on annual basis. Experts forecast that the electric demand growth will be higher than the economic growth in the next three years, so it should pick up speed the building of electric power project.

2. The problem of implementing the sustainable development of electric power industry

In the high speed increased economic environment, the development of electric power is facing on the double pressures of economic growth and environmental protection, and there are many problems and contradictions.

First, as the development of national economy and the improvement of people life's quality, the demand of electric power increases quickly, the electric power industry must develop continually to supply enough electric power with sustainable speed. This problem relates to plurality of the energy source of electric power generation.

Second, whether the land, water resources and primary energy sources can meet the demand of increased electric power or not, and what measures should be taken.

Third, what the restricted condition be put forward when exploiting the electric power and energy source from the atmosphere environmental capacity and regional environmental capacity, and what countermeasure should be adopted. With the development of economy and increase of energy consumption, the discharge of greenhouse gas is increasing quickly, China has been the second country in the world. The environmental problem has become a important restricted factor to the development of national economy. China is the second country of power generation and power consumption. The most emission source of CO₂ and SO₂ is power generation in China, they occupy about 1/3 in total emission separately. The electric power industry is developing continually, the consumption of energy, the emission of CO₂ and SO₂ will increase quickly. It is forecasts that the consumption of coal for electric power generation will be 1.7 billions t in 2020, and it will be a great challenge to the sustainable development of electric power industry for China.

Forth, how to implement the energy-saving of society-wide depend on the progress of policy and science technology. What should be done to face on the increase of electric power consumption unit GDP.

Fifth, what technology and management measures should be done to improve the reliability of electric power system, the security in operation and flexibility in manipulation, so the reliable current supply should be ensured for customers.

There are many problems in Chinese electric power industry, such as the construction is single, the makeup of electric generating set is irrational and the consumption of electric power per people is very low. So the electric power industry of China must put into effect the two inversion ultimately to improve the stage of industry, and its development must according to the demand of economic development and the environmental requirements.

3. The countermeasure should be made for electric power industry in the sustainable development strategic

The trend of contamination regulation is becoming better and better, so this is a good chance for China to celebrate the originality innovation of technology, organization and system in the aspect of environment protection and resource complex utilization, and find a suitable way that can develop the electric power industry quickly and improve the living environment. For this project, it must carry out the policy of environment protection is "prevention being key measure, combining prevention and cure, complex regulation", the suitable emission of contamination and the gross domination should be the centre, to improve the control level of contamination based on science and technology advancement. In the next years, this industry should stick to measures such as energy-saving and consumption-dropping, combining the ended regulation and clear production, combining the pollution control and complex utilization of resource, increasing investment, reinforcing management, strengthening the work of environment protection.

3.1 Optimizing the construction of the development of electric power industry

At present, there are many problems in the construction of electric power industry. Firstly, the capacity volume pre unit engine set is too low. The total capacity volume of below 50MW engine set occupies 26.62% in the whole volume, and the medium electric power plant is composed the majority of the whole electric power plants. There are many small plants and

they are employing more people per plant, so the extent of industrial concentration, the efficiency of labor and the level of management is lower, these are the prominent problem in construction of industry. Secondly, the proportion of clear-electric power generation should be raised. In 2003, the proportion of capacity volume of clear-electric power generation installed engine is 25%, and the generated energy occupies 21% in the total, but this has long distance from the project (31%) of “the tenth five plan”, so the proportion of capacity volume of clear-electric power generation installed engine should be raised higher in the following years of “the eleventh five plan”. Thirdly, the technical and economic target need be improved. Although the coal consumption of power supply has been fallen down 37g/kwh from 1993 to 2003, there is 50g/kwh between the level of China and the level of developed country. So some measure should be taken to reduce the coal consumption. Meanwhile, the level of line loss is too high in China, and the rate of line loss can be reduced yet. Fourthly, the scaling relation between the current source and electric network is not co-ordinated.

There are several problems should be major settled when the construction of electric power industry are adjusting in the period of “The Eleventh Five”, the problems is as follows: Firstly, the problem of stopping the small generating set. This needs set up the mechanism of exit depending on the market mechanism, and confine the build of small generating set depending on the conjunction of many measures. In the plan of “The Eleventh Five”, it has been shut the small generating set about 18500MW. Secondly, the problem is the development of overcritical and beyond overcritical generating set. The condition of a wider scale promotion of overcritical generating set has been matured, so it should raise the proportion of capacity volume of overcritical generating set, and it need be supported by corresponding industrial policies. Thirdly, the problem is exploitation of hydroelectricity.

The cyclic of economical evaluation for the exploitation of hydroelectricity should be extended, and it should be paid attention of the trend of expanding the equipped capacitor a plant, the proportion between unit capacity volume and the firm capacity should be kept 3:1. The hydroelectricity should be developed based on the regulation of market transaction and the condition of the least of allocated cost of resource, and it implements general optimization. The exploitation of pumped-storage power station is the problem of system resource allocation, and it should not be the unique or principal measure to variable load. At last, it should accelerate the building of pneumoelectric and nuclear power.

3.2 Exploitation of the generate electricity technology with lean coal

There is much more coal resource in China, and the coal will be the great part of the resource of generated electricity in the next many years. It must exploit the generate electricity technology with lean coal in order to reduce the environmental contamination.

On the aspect of the lean fired technology of coal, the technology of combined cycle between gas and steam has been developed quickly. This technology can increase the calorific efficiency of power plant and it can settle the problem of environmental contamination. It may be a generate electricity technology that has better prospect in the 21 century. At present, there are three competed programmes: IGCC, PFBC-CC and AFBC-CC are listed in the *21 Century Agendum in China*, and the government has been ejected many item to develop the lean fired technology of coal.

3.3 Intensification of electric network technology

At present, every regional electric network has been formed trunk stem grid with 220KV, and they are developing to the grid structure with 500KV. In order to implement the project that combining the electric network of whole country before 2015, every regional electric network must follow the policy decision: “uniform planning, uniform building, uniform managing, uniform dispatching”. The construction of electric network will be suitable and the operation will be flexible. Finally, it is establishing the foundation for the networking of whole country.

It should develop the electric network of city and village when developing the backbone network. The government has been invested much money on the electric network of city and village, the construction of these electric networks is very frail, and the transmission and distribution equipments are aging severely. Each regional electric network should accelerate the building and reforming speed of the electric network of city and village, as a result, it can reduce the line loss, increase the efficient supply and settle the “bottle-neck problem” of power transmission. Meanwhile, it should accelerate the building speed of electrification in village, exploit the power market of village, and increase the demand of electric power.

3.4 Implement of DSM

DSM is a energy-saving technology which presented from foreign country. DSM is a technological and economic measure for modifying the quantity and pattern of electric power consumption of customer. This technology has been used from 1992.

With the development of the electric power industry and regulation of the industrial construction of national economy, the construction of electric power consumption has been altered ultimately. Because the proportion of electric power consumption in third industry raises and the domestic load has been increased quickly, the load ratio falls annually and the distance of peak-to-valley becomes wider. With the DSM technology, the construction of the electric power consumption can be promoted, the load ratio can be raised, and the coal consumption of generate electricity can be reduced finally. The DSM technology is an important measure which can save the resource and reduce the environmental contamination, and it also

agree with the policy of the developed plan of the electric power industry.

4. Conclusion

In this article, it discusses the sustainable development strategic of electric power industry in China. The government should cultivate the electric power market actively, transit the way of the electric power growth, accelerate the regulation of the construction of it, allocate the resource suitably, increase operation rate of resource, and reinforce the building of electric power network. The broaden sources of income and energy-saving should be done simultaneously. The generate electricity technology with lean coal should be extended, the generate electricity with new resource and regenerative energy, and implement the coordinated development among electric power industry, society, economy and environment.

References

- Gao, Hong. (1999). A systematic analysis of the sustainable development of electric power. *International Journal Hydro-electric energy*. 3:35-38.
- Li, Xingde. (2000). Discussion on the sustainable development strategy of electric power in Gansu. *Gansu Environmental Study and Monitoring*. 13(1):56-63.
- Zhao, Qingbo. (2002). Sustainable development strategy of electric power in Shandong province. *Shandong Dianli Jishu*. 1:1-4.
- Zhu, Fahua & Tan, Guozhu. (2002). Joining WTO and sustainable development of electric ity generation industry. *Electric Power Environmental Protection*. 18(4):1-5.

Table 1. Energy consumption construction in 2002

Country	energy consumption (Mtce)	oil (%)	rock gas(%)	Coal (%)	nuclear power (%)	hydroelectricity (%)
USA	3275.7	39	26.2	24.2	8.1	2.5
Russia	914.6	19.2	54.6	15.4	5.0	5.8
German	470.6	38.6	22.6	25.7	11.3	1.8
England	314.7	35	38.6	16.6	9	0.8
Canada	412.4	31.3	25.1	10.6	5.9	27.2
Spanish	134.5	38.9	18.8	21.9	14.3	6.1
Australia	112.9	38	21.6	49.5	-	3.8
China	1425.4	24.6	2.7	66.5	0.6	5.6
world	13435.7	25.5	34.7	24.3	6.3	6.5

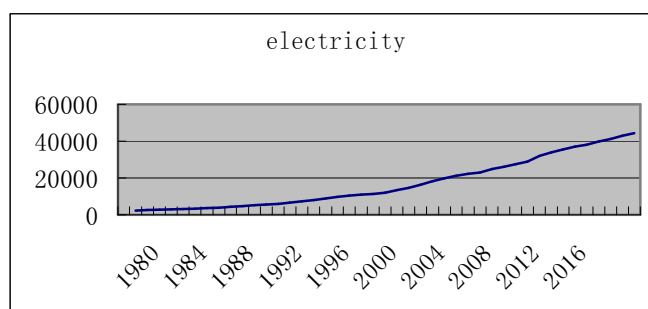


Figure 1. The Trend Figure of Electric Power consumption



An Empirical Study on IPO Underpricing Under Full Circulation in China

Pingzhen Li

School of Economics, Anhui University, Hefei 230039, China

Tel: 86-551-5104282 E-mail: jinrong1@163.com

Abstract

A serious IPO underpricing phenomenon has been existing in China's stock market for a long time. Many studies show that the splitting- stock problem is the main reason for the abnormally high IPO underpricing. Today, the reform of stock right splitting has basically been completed, this paper conducted an empirical analysis on IPO underpricing in the context of full circulation. Estimation results show that: after the reform of stock right splitting, a clear phenomenon of the IPO underpricing still exists in China's stock market, but there is a relatively big margin decline compared with the pre-reformed market. And the Shenzhen market's average is higher than the Shanghai stock market's. Meanwhile, the multi-factor regression analysis shows that as for the new shares issued in china's special bull market ,the relationship between the scale of the issuance of IPO, the gap between the listed day and the issued day, the issue price, he net assets per share, the success rate and the IPO underpricing is Unlike traditional research-minded.

Keywords: IPO, Underpricing , Splitting stock right

1. Introduction

IPO underpricing refers to the initial public offering of stock prices significantly lower than the first day of the stock market price of the deal. Almost all the stock markets in the world have different levels of IPO underpricing phenomenon. Since China's stock market is still a nascent market with the splitting- stock problem, Studies both at home and abroad show that the problem of stock right splitting is the main reason for China's high IPO underpricing. Because of the lack of studies against the full circulation market, this paper's findings have the considerable significance. During the reform of stock right splitting, "Old and new zoned out" initiatives lead to the prolonged interruption of the issue of new shares to ensure the smooth progress of this reform. However, CHINA CAMC ENGINEERING CO., LTD (002051) held the public subscription On June 5, 2006, which marked the starting of issuing new shares officially in an environment of full circulation, and then more than 100 new-issued stocks also provided a relative abundance of samples for this paper.

The structure of the paper is as follows: the first section is about the introduction; the second part notes the research methods and data sources; the third part details the empirical findings of the study and a brief analysis of the results; finally, in section 4, we make a conclusion.

2. Research Methods & Data Description

2.1 IPO Underpricing Rate

In this paper, we take the following method to measure IPO Underpricing Rate:

$$IR = P1/P0 - I1/I0$$

Where IR for the IPO Underpricing Rate; P0 for the issue price of new shares; P1 for the first day's closing price of new shares; I0 for the closing market index for the previous day of new shares; I1 for the market's closing price index for The first day of listing.

2.2 Regression Model

In this paper, we use the linear regression method with considering IR as the interpreted variables and the scale of the issuance of IPO, the gap between the listed day and the issued day, the issue price, the net assets per share, the success rate as the explanatory variables. Involved in the linear model to the following:

$$IR = \beta_0 + \beta_1 P0 + \beta_2 GAP + \beta_3 ZQL + \beta_4 LVON + \beta_5 NAPs + \beta_6 EPS + \varepsilon$$

Where IR for the IPO Underpricing Rate; P0 for the issue price of new shares; GAP for the gap between the listed day and the issued day; ZQL for the success rate; LVON for the natural logarithm of the amount of funding; NAPs for Net assets per

share; EPS for earnings per share.

The model has the following assumptions:

Assumption 1:

With the other conditions unchanged, the gap between the listed day and the issued day (GAP) is positive correlation with IPO underpricing(IR).

Assumption 2:

With the other conditions unchanged, Success rate (ZQL), funding amount (CZJE), net assets per share (NAPs) and earnings per share (EPS) are negative correlation with IPO underpricing(IR).

2.3 Sample Selection and Data Processing

This paper covers 154 new-issued stocks from June 5, 2006 to Dec 25, 2007 (detailed in Table 1), The data used in this paper comes from the company's prospectus, listed on the notice, success rate Notice, ShengLong- software and some financial website.

As usual, we adopt Shanghai Securities Exchange Integration Index in selecting index.

3. Empirical Findings and Brief Analysis

3.1 Statistical description of the IPO underpricing(IR)

According to table 3 we find that the average underpricing for A-share IPO's after the reform of stock right splitting is 148.03%. It is much lower than those research findings (Mok and Hui (1998): 956%; Gongmeng Chen (2000): 335%;) based on the environment of stock right splitting, however, compared with the international double-digit rate markets in many developed countries (Table 2), China's securities market still exists much higher degree of new issue shares underpricing. Besides, 30 new shares listed in Shanghai Stock Exchange with an average of 72.57% is much lower than those 124 new shares of average 166.28% listed in Shenzhen Stock Exchange, which shows that the first day of the Shenzhen market's Municipal excess receipts seems to be much larger than the Shanghai stock market's. The phenomenon is reflected in the papers (Li Liu and Wende LI (2000)), which argued that the reasons for it were the scales and the Shenzhen market's lately opening, however, according to the time span and the number of the samples in this paper, we know that the reasons for the occurrence of this phenomenon is not the case, there may be a deeper level systemic factors leading to the occurrence of this phenomenon. In addition, Skewness to 1.1279 greater than zero, shows a deviation of right side and because of the Shenzhen stock market for 1.256, greater than the Shanghai stock market's 0.98, it notes that the Shenzhen stock market in the right-side greater degree of deviation.

3.2 Industrial analysis of the IPO underpricing of the samples

Because of the peculiarities of the Samples' time span, the number scattered in various sectors of stocks is too few and this data is not suitable for the discount on new stock issues related industries phenomenon test. However, it is apparent that industrial factor has much influence on IPO underpricing. For example, real-estate, electronics and food industries have higher degree of IPO underpricing than banking, electricity and gas and metallurgical industries. In the nine banks in the sub-samples, the average underpricing is only 0.63, well below the sample mean and These nine banks belong to the Shanghai stock market, which may be one of the reasons why the first day of the Shenzhen market's Municipal excess receipts seems to be much larger than the Shanghai stock market's.

3.3 Multiple regression results

The variables related to the regression model above can explain to some extent the reasons for IPO underpricing. To further explain the phenomenon of IPO Underpricing, we will set out the multiple regression model results and make a brief analysis. Regression results as shown in table 6, from the single-variable coefficient analysis, the correlation coefficient between P0 and IR is 0.109, showing that the issue price of new shares (P0) is slightly positive correlated with IPO underpricing (IR), which is different from the traditional research results, but from the sub-sample analysis of the Shanghai stock market, it is consistent with the assumptions that IR is negatively correlated with P0 and the significant probabilities value of T is 0.001, thereby the issue price of new shares (P0) variable does pass the test of significance, which indicates that P0 variable does explain IR very well.

The correlation coefficient between the gap between the listed day and the issued day (GAP) and IPO underpricing (IR) is negative and strongly significant, which is not consistent with our assumptions. However, it does not mean that the traditional conclusion was wrong, because the result that the longer the gap between the listed day and the issued day (GAP), the greater the risk and the higher is IPO underpricing has experienced long-term testing. The reasons for this paper's conclusion inconsistent with the tradition may be the environment of the bull market. To curb excessive expansion of the stock market, the government must speed up the issuance of new shares, which often gives investors an expectation that no matter which stock goes to public, its GAP will not be too long. As a result, the GAP variable is weak to explain the phenomenon of IPO underpricing and also shows that risk factors in the stock has not been well reflected in China's stock market.

The finding that the correlation coefficient between success rate (ZQL) and IPO underpricing (IR) is negative and strongly significant is consistent with the above assumptions. This shows that the success rate (ZQL) can indeed reflect the needs of the new shares' investors. In other words, the higher success rate is, the smaller demand for the investors is and the lower the degree of IPO underpricing (IR) is.

The correlation coefficient between net assets per share NAPs and IPO underpricing (IR) is positive and more significant, which is also inconsistent with the above assumptions. Under normal circumstances, the higher the net assets per share NAPs, the better the company's fundamentals are. Because of that, this kind of company would choose a issue price of new shares (P0) as high as possible to lower IPO underpricing (IR). This abnormal phenomenon in China's stock market shows that shares' prices can not fully reflect the companies' fundamentals and the stock market is still a seriously speculative place. In addition, earnings per share EPS and IPO underpricing (IR) is negative correlation, but it is not significant under 5% statistical level.

In addition, the natural logarithm of the amount of funding (LVON) is negatively correlated with IPO underpricing (IR) and it is consistent with the above assumptions. The amount of funding can reflect the size of the company to some extent. A big company is bound to bring a sound development expected and a relatively small risk. Therefore, when determining the price of the issue price, they will narrow the difference between the market price and the issue price that is, making a lower IPO underpricing (IR). However, the variable is not strongly significant and to some extent it also shows that China's stock markets do not adequately reflect companies' fundamentals from the finding.

Finally, the regression analysis results show that the value of R^2 is only 0.276 and even the Adj - R^2 is only 0.246, which notes that the regression equation is not exactly fitting for the samples. As for the Chinese stock market, which just gained full circulation, the factors that were promoted by the traditional view do not adequately explain the degree of IPO underpricing.

4. Conclusions

This paper makes an empirical test about the phenomenon of IPO underpricing in China's stock market after the reform of stock right splitting. The results show that: First, the degree of IPO underpricing is much lower than before and the reform is very effective. However, compared with other developed stock markets, the issuing of new shares still exists higher IPO underpricing. The reform of stock right splitting is just one of the measures to lower the degree of IPO underpricing; Second, with previous research findings consistent, this paper also argues that the first day of the Shenzhen market's Municipal excess receipts seems to be much larger than the Shanghai stock market's, but its causes are still unknown, perhaps the size and the nature of the companies are the key factors; Third, the findings in this paper show that some traditional factors that affect the degree of IPO underpricing are not very good to explain the phenomenon of IPO underpricing, such as the issue price of new shares (P0), the gap between the listed day and the issued day (GAP), net assets per share NAPs. The reasons may be found in the following areas:

First, China's bull market background changed the investors' price expectation. The stock market which has been depressed for many years spurred by the outbreak of the rising and kept the making money effect going on. However, with the deepening of the reform and the higher index, shares gradually detached from the supports of the companies' fundamentals, the new-issued shares issued in such an atmosphere no doubt will be impacted by this type of thought.

Second, the realization of full circulation can only improve the efficiency of the allocation of resources in China's stock market and will not necessarily guarantee the long-term and healthy development of this market. According to the results of the empirical research, many investors did not realize the nature of the stock market and China's stock market is still a serious speculative place.

References

- Chen, Gongmeng & Gao, Ning. (2000). The Degree of IPO Underpricing and The Reasons in China's Stock Market. *Financial Research*. (8)
- Chen, Gongmeng. (2002). An Empirical Research on Long-term Return of China's IPO Market. *Economic Science*. (1)
- Liu, Li, & Li, Wende. (2000). The Research on The First Day of Excess Receipts of China's IPO Market. *China's Accounting and Financial Studies*. (12)
- Lu, Junrong & Lin, Jingjun. (2005). Measurements of The Systematic Efficiency of IPO. *International Business*. (1)
- Xiong, Hu & Meng, Weidong. (2007). An Empirical Research about Investors' Bias of Acts and IPO Underpricing under The System of Examination and Approval in China. *Soft Science*. (4)

Table 1. Sample's statistical description

Year	A-shares		
	SH	SZ	Total
2006	15	68	83
2007	15	56	71
Total	30	124	154

SH:Shanghai Stock Exchange SZ:Shenzhen Stock Exchange

Table 2. The IPO underpricing rate of some more developed securities markets

Countries and regions	The authors	Sample interval	Number of samples	IR
The United States	Ibbotson	1960-1992	10626	15.3%
England	Dimson;Levis	1959-1990	2133	12.0%
Singapore	Koh & Walter	1973-1987	66	27.0%
Japan	Fukuda;Hebne & Hiraki	1970-1991	472	32.5%
Hong Kong	McGuinness	1980-1990	80	17.6%

Sources: Gongmeng Chen(2000)

Table 3. The statistical description of the IPO underpricing of the samples

	IR		
	ALL	SH	SZ
Mean(%)	148.03	72.57	166.28
Std. Deviation (%)	112.79	55.16	115.68
Skewness	1.1279	0.981256	
Maximum (%)	535	214	535
Minimum (%)	0	0	22
N	154	30	124

Note: ALL: all samples SH: the Shanghai stock market SZ: the Shenzhen Stock Exchange

Table 4. statistical description of the variables

Variables	ALL		SH		SZ	
	Mean	Std.Deviation	Mean	Std.Deviation	Mean	Std.Deviation
IR	1.4803	1.1279	.7257	.5516	1.6628	1.1568
P0	9.6162	5.0772	8.2013	6.4655	9.9585	4.6479
GAP	13.78	4.27	12.50	4.78	14.09	4.10
ZQL	.42081	.62652	1.16460	1.09409	.24085	.19612
NAPs	4.1000	1.5921	3.4832	1.8000	4.2493	1.5079
LVON	6.10315	1.57138	8.63960	1.34072	5.48950	.83599
EPS	.39471	.26197	.35193	.27677	.40506	.25836

Note:the uncertainties represented for all variables referred to the former model

Table 5. Pearson correlation matrix

		IR	P0	GAP	ZQL	NAPS	LONV	EPS
Pearson Correlation	IR	1.000	.109	-.184	-.389	.020	-.284	-.017
	P0	.109	1.000	.018	-.055	.866	.081	.718
	GAP	-.184	.018	1.000	-.138	.107	-.177	.170
	ZQL	-.389	-.055	-.138	1.000	-.158	.623	-.111
	NAPS	.020	.866	.107	-.158	1.000	-.049	.736
	LVON	-.284	.081	-.177	.623	-.049	1.000	.083
	EPS	-.017	.718	.170	-.111	.736	.083	1.000

Table 6. multivariate regression test results

Coefficients

		Standardized Coefficients	t	Sig.	95% Confidence Interval for B		Collinearity Statistics	
Model		Beta			Lower Bound	Upper Bound	Tolerance	VIF
1	(Constant)		6.334	.000	2.342	4.466		
	P0	.524	3.487	.001	.050	.182	.219	4.576
	GAP	-.212	-2.879	.005	-.094	-.018	.909	1.101
	ZQL	-.375	-4.082	.000	-1.001	-.348	.584	1.711
	NAPS	-.421	-2.717	.007	-.515	-.081	.205	4.868
	LVON	-.145	-1.538	.126	-.237	.030	.558	1.792
	EPS	-.077	-.696	.487	-1.275	.611	.401	2.494

Dependent Variable: IR

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.525	.276	.246	.9792



Is Full Inclusion Desirable?

Melissa Brisendine

Jacksonville State University

David Lentjes

Jacksonville State University

Cortney Morgan

Jacksonville State University

Melissa Purdy

Jacksonville State University

Will Wagnon

Jacksonville State University

Chris Woods

Jacksonville State University

Larry Beard

Jacksonville State University

Charles E. Notar

Jacksonville State University

700 Pelham Road N

Ramona Wood A3

Jacksonville, Alabama 36265-1602

Tel: 1-256-782-5959 E-mail: cnotar@jsu.edu

Abstract

This article constitutes the culmination in a review of 58 sources by a group of first year master's degree students in a problems and issues in secondary education course to determine "Is Full Inclusion Desirable?" Full inclusion means that all students, regardless of handicapping condition or severity, will be in a regular classroom/program full time. All services must be taken to the child in that setting. There have been several opposing ideas about full inclusion. There are pros and cons to the situation, and these will be discussed in the paper.

Keywords: Inclusion, Learning Disabilities, Special Education, Special Educational Needs (SEN), Special Needs

Introduction

The Education for All Handicapped Children Act (P.L. 94-142) of 1975 and its update the Individuals with Disabilities Education Act (IDEIA) of 2004 identified specific categories of disabilities under which children may be eligible for special education and related services. As defined by IDEA, the term "child with a disability" means a child: with mental retardation, hearing impairments (including deafness), speech or language impairments, visual impairments (including blindness), serious emotional disturbance, orthopedic impairments, autism, traumatic brain injury, other health impairments, or specific learning disabilities; and who, by reason thereof, needs special education and related services. When "No Child Left Behind" came about, it was important for children with disabilities to be tested along with the regular education children. This put a greater emphasis on educating all children to a certain level and inclusive classrooms facilitate this. Inclusion is a term which expresses commitment to educate each child, to the maximum extent appropriate, in the school and classroom he or she would otherwise attend. It involves bringing the support services to the child (rather than moving the child to the services) and requires only that the child will benefit from being in the class (rather than having to keep up with the other students). Proponents of inclusion generally favor newer forms of education service delivery. Full inclusion means that all students, regardless of handicapping condition or severity, will be in a regular classroom/program full time. All services must be taken to the child in that setting.

There have been several opposing ideas about full inclusion. There are pros and cons to the situation, and these will be

discussed in the paper. We will give both sides of the argument on full inclusion, and conclude with our position on the matter. Full inclusion is an important matter that every educator has an opinion about. Before forming opinions, research should be taken into the facts for and against full inclusion.

1. Positive Social Outcomes

Inclusion can be successful for children with disabilities in all psychological aspects. Studies have shown that students who enter general education classrooms feel more encouraged to work and learn within a classroom of appropriately developed peers. Students with disabilities can be assigned to an inclusive classroom with a majority of general education students, or a self-contained classroom in which only other students with disabilities are included. Although both concepts work, each has serious implications on the students' social and emotional functioning. Typically, students with disabilities who are placed in inclusive settings tend to fare better than students in self-contained settings (Weiner & Tardif, 2004). The inclusive setting offers students such advantages as being better accepted by peers, higher self-perceptions, and fewer teacher-rated problem behaviors. Students are able to develop bonds with general education students better than if they have been segregated by a self-contained environment. Since the students with disabilities are better accepted within the inclusive classroom, this could lead to a more positive outlook on psychosocial adjustments later in life.

Cross, Traub, Hutter-Pisghahi, & Shelton (2004) reports positive social outcomes for inclusion are not limited to the students with disabilities. These outcomes can significantly affect typical students within the general education classroom as well. Studies indicate that when inclusion is introduced into the general education classroom, students with and without disabilities can benefit socially from their daily interactions. Students without disabilities tend to become more accepting of people with disabilities, if they have been introduced to an inclusive environment. Students bond and become companions within inclusive settings which can result in positive long-term attitudinal differences in acceptance. Basically, typical children in the classrooms are helpful to the child with special needs. Teachers express the belief that the children within the inclusive setting are learning compassion and acceptance of differences at an early age.

Teachers have the additional benefit of witnessing the positive effects of inclusion on their students with and without disabilities. Many educators are hesitant toward inclusion because of their attitude on preparedness for a successful class. The attitudes and beliefs of teachers often determine whether and how inclusive approaches involving young children are put into practice. Most often, general education teachers offer additional support to students with disabilities by incorporating special education teachers into the classroom, or by asking for instructional advice. Inclusion can become most effective if the teacher accesses all possible means of support for the class. Teacher involvement is the key ingredient toward success within the inclusive classroom.

2. Positive Academic Outcomes

Studies have indicated that inclusion for special education students can be desirable. Peetsma, Vergeer, Roelvelde, & Karsten (2001) in one longitudinal study, analyzed with two and four years study provided a comparison of matched pairs of elementary students in mainstream and special education, to obtain longitudinal data about differences in the cognitive and psychosocial development of pupils in various forms of special and regular primary schools. Results showed that, after two years, students with disabilities achieved higher in math in regular education, and motivation was higher than in special education. After four years, those in regular education had progressed more academically than those in special education. Yet, results were somewhat inconclusive. Over the first two years, some students did better in regular education, and some did better in special education. While children in special education usually had lower cognitive scores, only one significant difference in cognitive development was found: at-risk students in regular education made more progress in mathematics than students with learning disabilities. It should be noted that this study was centered on students with mild disabilities so it cannot be generalized to students with more severe mental and physical handicaps. However, all this considered, the study suggests that students in special education do no worse after inclusion in regular education, and probably make more progress academically. Specifically, attention needs to be paid to the psychosocial development of students in special education.

Holloway (2001) found that inclusion programs effectively meet the education needs of only *some* students with mild disabilities. Other students performed better academically when they received instruction through traditional special education programs such as resource rooms. In reading and math, more students made progress comparable to their grade-level peers through inclusion than students in non-inclusive settings. Overall, investigations found small or insignificant differences on measures of academic achievement for inclusion versus non-inclusion, despite large financial and professional resources in inclusion. So, special education does not need a narrow view of services for students with disabilities, but instead a commitment to the use of a complete array of educational opportunities. This commitment is best implemented by a combined service model (i.e., co-teaching) versus an inclusion only model.

A study by Mastropieri et al. (2005) shows that collaboration was extremely effective and conducive for promoting success for students with disabilities in inclusive classes. The relationship between the co-teachers is a major critical component influencing the success or failure of the inclusion of students with disabilities. When co-teachers are getting along and working well together, students with disabilities are more likely to be successful and have successful experiences in the inclusive environment.

3. Negative Social Outcomes

While inclusion has positive outcomes, it also has many negative social effects on the student with special needs. Students with special needs already have a stigma associated with being labeled as a special education student. When placed in a general education classroom, those feelings of inadequacy may become maximized. The lack of understanding from the student, his or herself, the other students and many teachers also contribute to these feelings. There are negative social aspects from all sides, the special education students, general education students, teachers and co-teachers. The sooner the impact of all of these is understood, the faster an inclusion plan that works can be developed.

According to Llewellyn (2000) special education students are often unaware of the components of their disability. This makes it extremely difficult for them to help others understand what is going on with them and thus shuts them out of the social world. They have difficulty making friends and feeling a part of the classroom. When inclusion is not done appropriately, students usually feel isolated and different when all they really want is to fit in. This can lower self-esteem, cause them to be bullied and to make them want to get out of school as quickly as possible, even if it means leaving. Curtin & Clarke, (2001) indicates that students with disabilities in mainstream schools were not provided with the proper psychological and social developmental interventions.

Students who do not have special needs do not understand how their special needs classmates feel and what they go through on an everyday basis. Therefore, they are not empathetic and many times do not give the special students a chance. Their lack of understanding may cause them to be mean and mistreat the students with special needs.

Curtin & Clarke (2001) found another problem that general education students face is the lack of time and attention that they receive in the inclusion classroom and this may cause them to resent the students with special needs. This may lead to mistreatment and bullying.

Another problem that students with special needs face in the inclusion classroom is teachers. Many general education teachers do not understand and do not want to bother with the special students. This leads to the lack of compassion and an increase of resentment towards the special students. This may cause low self concept and may make them do poorly in areas where they could do well. Although special education teachers help the situation by becoming co-teacher, the general education teacher tends to feel intruded upon and this may result in animosity that is seen by the special needs students. In a study of 180 future teachers done by Taylor, Smiley, & Pansamy (2001), the researcher shows that future teachers preferred to work only with general education students. This attributes to the feelings of inadequacy and social exclusion.

While it may benefit the students academically and socially to be included in the general education classroom, it can also cause the students to feel like outcasts. This could do more harm socially than the help that they receive academically. Until we figure out a way to fix this problem, many students should continue to be served outside the general education classroom.

The potential effect of adopting a full inclusion model as the implementation strategy has both positive and negative affects for educating children with disabilities. The attitude of full inclusion has functioned as a mechanism to recognize a principle, a perceived fight of children with disabilities to receive their education in the regular classroom. Critics argue that it is unfair to assume all children with disabilities can be appropriately educated in the regular classroom. There are many modifications to be made to incorporate any disabled child into a general classroom; however, to facilitate a child that has been diagnosed with an emotional/behavioral disorder (EBD) presents a difficult challenge. Idol (2006) states the needs for a student diagnosed with EBD are complex and demand the utmost flexibility and patience of those who educate them. Many children with EBD stretch the abilities of the general and special educator. Based on recent studies for many EBD students there must be ways to handle anger and aggression, problem-solving skills, receiving feedback for appropriate behaviors, being taught in a structured and supportive classroom environment, a behavior management plan that encourages cooperation and positive peer interactions, and modifications consistent with his behavior and attention problems. Students that are characterized as emotionally disturbed exhibit externalizing behaviors such as yelling, disturbing peers, hitting fighting, complaining, stealing, lying, and not responding to teacher corrections. 67% can not pass competency exams. Students with ED have the lowest grade-point average of any group with disabilities and highest absenteeism rate of any group of students.

4. Negative Academic Outcomes

Based on recent studies, regular education students are not tremendously impacted by inclusion academically; however, there are some issues that are directly correlated with special education students being integrated into the regular classroom.

Some educators have expressed the concern that the presence of students with disabilities impairs the academic achievement of students without disabilities. This is usually dictated by the type disability and severity of the impact of the disability on special education student. In a more recent study by Idol (2006) a group of educators were asked to rate the impact of the presence of students with disabilities in general on the other students across three variables (academic skills, course grades, and statewide test scores). Specifically, the educators were asked if the other students improved, did about the same, or did worse as result of being educated together with a student with disabilities. Thirty four percent of respondents said that they thought the presence of students with disabilities negatively affected their class in these areas.

Many teachers fear inclusion will interfere with their ability to teach in addition to limiting the educational experiences of the

majority of students. Teachers do not want to fathom that social skill and peer relationships are equal to or more important than achievement. To some classroom teachers most problems that are being incurred are technical and logistical. It also has been noted that in cases in which inclusion has failed, the general education teacher was not involved in program planning, implementation, and evaluation. Ongoing consultation and administrative support was nonexistent. Other factors that contributed to academic failure in regards to teachers were: not individualizing to meet students needs, overusing instruction instructional assistants, underestimating the effectiveness of explicit instruction and assuming that sitting quietly is an appropriate alternative to participation.

Hanson, et al., (2001) state co-teaching should enhance the classroom environment by blending the area of expertise between two professionals. As the two teachers interact, students should gain new perspectives on content and expose themselves to different ways of expressing ideas. However, in general education classrooms in which the roles and responsibilities of classroom teachers and special education teachers are not clearly defined, the students grades are affected negatively in the classroom. Conflicts arise from personality differences and from a lack of clarity about appropriate role functions. The classroom and special education teacher's role is pivotal in the success of the general education class academically. In some cases the special education teacher is perceived as a consultant with no obligations to the teacher or to the students. He or she was not held accountable, involved in planning or support.

Conclusion

The Council for Exceptional Children states that inclusion is a term used to describe the ideology that each child, to the maximum extent appropriate, should be educated in the school and classroom he or she would otherwise attend. Inclusion brings services to the children with special needs instead of moving the child out of the general education classroom to receive the extended services. According to this analysis of the literature, full inclusion is desirable to many educators; however, inclusion requires a series of events to take place before it is successful in the real world. Full inclusion is becoming more evident in classrooms across America each year. To increase the probability of success, school systems, administrators, teachers and parents must collaborate and work as a team to be supportive of the aspects of inclusion and improve the education of America's children. School systems must be supportive and provide the adequate funds that are needed for each school in its district. Administrators and school principals must be prepared to serve as leaders and team players when tackling the issue of full inclusion as well as providing their teachers with the adequate resources and training that they need to be successful in teaching in an inclusion classroom. Teachers need time to get to know their co teacher before they begin to work together to make a successful class. The teachers need to be able to work together and plan the class as one. The teachers must realize that they are both educators and the children in the classroom are the most important thing. The teachers need to be able to feed off each other and facilitate the lesson to every child even if this requires modifications and/or accommodations to take place.

One important aspect of inclusion is the social gains that all the children in the classroom can achieve. The children with special needs can gain confidence when working in a group with their typical peers. General education students can learn to accept their peers with special needs and become more aware of the feelings of these students. Full inclusion gives all students opportunities to interact with their peers and this can help all students in learning that not everyone is the same but that all people, no matter what their intellectual or physical ability may be, are people and deserve respect.

Regular education students have been found to be very receptive and positive towards their classmates with special needs and do not seem to decline academically, which indicates that inclusion is not as harmful as many people once thought it to be. For the inclusive classroom setting to be academically successful, positive attitudes, cooperation and communication must be present from the school administration, the regular education teacher, and the special education teacher. Teachers and administrators must work closely together to plan appropriate lesson plans for the special needs students, and if need be outside assistance should be provided.

While full inclusion is a good idea for some students, there are still exceptions for some. Whereas, some students with special needs, including those with severe disabilities as well as emotional and behavioral issues, may not fit into the full inclusion model, this does not exclude the fact that they too need to have interactions with their non disabled peers. Students with mild disabilities can make more progress in an inclusive classroom and may need the social and academic atmosphere to gain confidence and maturity.

The controversial topic of inclusion is becoming more popular with students, parents, teachers, and school administrators voicing their concerns. Each person is entitled to their opinions on the issues of inclusion but needs to remember that the children are the most important part of the classroom. Since there are no definite answers for full inclusion and, since many opinions on the topic vary, there is still a tremendous need for more updated studies to show the true effects of full inclusion in America's classrooms.

References

- Anderson, D. (2006). In or out? Surprises in reading comprehension instruction. *Intervention in School and Clinic*. 41. 175-179.
- Baker, J. (1995). Inclusion in Virginia: Educational experiences of students with learning disabilities in one Elementary school. *Journal of Special Education*. 29 (2), 116-124.

- Burke, K., & Sutherland, C. (2003). Attitudes toward inclusion: Knowledge vs. experience. *Education*.125(2), 163-172.
- Calderon, M. B. (2006). Regular education teacher response to the inclusion of students with disabilities. *Dissertation Abstracts International: Section B: Science and Engineering*, 66(7-B), 3941.
- Campbell, J., Gilmore, L., & Cuskelly, M. (2003). Changing student teachers' attitudes towards disability and inclusion. *Journal of Intellectual & Developmental Disability*. 28(4), 369-379.
- Cheney, D. (1995). Teacher conference, student diversity, and staff training for inclusion middle school students with emotional and behavioral disorders. *Journal of Emotional and Behavioral Disorders*. 3(3), 174-182.
- Crawford, T., & Simonoff, E. (2003). Parental views about services for children attending schools of the emotionally and behaviorally disturbed: A quantitative analysis. *Child: Care, Health and Development*. 29(6), 481-491.
- Crockett, J. B., & Kauffman, J. M. (1998). Taking inclusion back to its roots. *Educational Leadership*, 12(2), 74-77.
- Cross, A., Traub, E., Hutter-Pisghahi, L., & Shelton, G. (2004). Elements of successful inclusion for children with significant disabilities. *Topics in Early Childhood Special Education*, 24(3), 169-183.
- Curtin, M., & Clarke, G. (2005). Listening to young people with physical disabilities' experience of education. *International Journal of Disability*. 52, 195-214.
- Daam, C., Beirne-Smith, M., & Latham, D. (2001). Administrators' and teachers' perceptions of the collaborative efforts of inclusion in the elementary grades. *Education*. 121(2), 31-338.
- Downing, J. E. (1997). Inclusive education for students with severe disabilities: Comparative views of principals and educators at different levels of implementation. *Remedial & Special Education*. 18, 133-142.
- Ellins, J., & Porter, J. (2005). Departmental differences in attitudes to special educational needs in the secondary school. *British Journal of Special Education*. 32(4), 188-195.
- Fitch, F. (1999). Inclusion, exclusion, and ideology: Special education students' changing sense of self. *The Urban Review*. 35(3), 233-252.
- Gallager, D. (2001). Neutrality as a moral standpoint: Conceptual confusion and the full inclusion debate. *Disability and Society*. 16, 637-654.
- Goeff, L. (2007). Annual review: Educational psychology and the effectiveness of inclusive education/mainstreaming. *British Journal of Educational Psychology*. 77 (1), 1-24.
- Hagan-Burke, S. & Jefferson, G. L. (2002). Using data to promote academic benefit for included students with mild disabilities. *Preventing School Failure*. 46(3), 112-118.
- Hanson, M., Horn, E., Sandall, S., Beckman, P., Morgan, M., & Marquart, J., et al. (2001). After preschool inclusion: Children's educational pathways over the early school years. *Council for Exceptional Children*. 68(1), 65-83.
- Hastings, R., & Oakford, S. (2003). Student teachers' attitudes towards the inclusion of children with special needs. *Educational Psychology*. 23(1), 87-94.
- Heflin, L. J., & Bullock, L. M. (1999). Inclusion of students with emotional/behavioral disorders: A survey of teachers in general and special education. *Preventing School Failure*. 43(3), 103-111.
- Hegarty, S. (2001). Inclusive education-a case to answer. *Journal of Moral Education*. 30(3), 243-249.
- Holahan, A., & Costenbader, V. (2000). A comparison of developmental gains for Preschool children with disabilities in inclusive and self-contained classrooms. *Topics in Early Childhood Special Education*. 20(4), 224-235.
- Holloway, J. H. (2001). Inclusion and students with learning disabilities. *Educational Leadership*. 17(4), 86-88.
- Hornby, G. (1999). Inclusion or delusion: Can one size fit all? *Support for Learning*. 14(4), 152-157.
- Huber, K., Rosenfeld, J., & Fiorello, C. (2001). The differential impact of inclusion and inclusive practices on high, average, and low achieving general education students. *Psychology in the Schools*. 38, 497-504.
- Idol, L. (2006). Towards inclusion of special education students in general education. *Remedial and Special Education*. 27 (3), 77-94.
- Jobe, D., & Rust, J. O. (Fall 1996). Teacher attitude toward inclusion of students with disabilities into the classroom. *Education*. 11(1), 148-153.
- Kauffman, J. M. (2002). Separate and better: A special public school class for students with emotional and behavioral disorders. *Exceptionality*. 10(3) 149-170.
- Kemp, C., & Carter, M. (2005). Identifying skills for promoting successful inclusion in kindergarten. *Journal of Intellectual & Developmental Disability*, 30(1), 31-44.
- Kluth, P., Straut, D. M., & Biklen, D. P. (Eds). (2003). Access to Academics for all Students: Critical Approaches to Inclusive Curriculum, Instruction, and Policy. Mahwah, N.J.: Lawrence Erlbaum Associates Publishers.
- Kniveton, B. H., (2004). A study of perceptions that significant others hold of the inclusion of children with difficulties in

- mainstream classes. *Educational Studies*, 30(3), 331-343.
- Koutrouba, K., Vamvakari, M. & Steliou, M. (2006). Factors correlated with teachers' attitudes towards the inclusion of students with special educational needs in Cyprus. *European Journal of Special Needs Education*, 21(4), 381-394.
- Lindsay, G. (2003). Inclusive education: A critical perspective. *British Journal of Special Education*, 30, 3-12.
- McDonnell, J., Thorson, N., Disher, S., Mathot-Buckner, C., Mendel, J., & Ray, L. (2003). The achievement of students with developmental disabilities and their peers without disabilities in inclusive settings: An exploratory study. *Education and Treatment of Children*, 25(3), 224-236.
- Mastropieri, M. A., Scruggs, T. E., Graetz, J., Norland, J., Gardizi, W., & McDuffie, K. (2005). Case studies in co-teaching in the content areas: Successes, failures, and challenges. *Intervention in School and Clinic*, 40(5), 260-270.
- Meadows, N. B. (1996). Meeting the challenges of responsible inclusion. *Preventing School Failure*, 40(3) 139-142.
- Miller, L. (1995). Elementary principal's survey finds slim support for standards, Inclusion. *Education Week*, 14(30), 7-10.
- Monsen, Jeremy J., (2004). Teachers' attitudes towards mainstreaming and their pupils' perceptions of their classroom learning environment. *Learning Environments Research*, 7(2), 129-142.
- Norwich, B. (2001). Education, inclusion and individual differences recognizing and resolving dilemmas. *British Journal of Educational Studies* 50(4), 482-502.
- Norwich, B., & Kelly, N. (2004). Pupils' views on inclusion: Moderate learning difficulties and bullying in mainstream and special schools. *British Educational Research Journal*, 30(1), 43-65.
- Peetsma, T., Vergeer, M., Roeleveld, J., & Karsten, S. (2001). Inclusion in education: Comparing pupils' development in special and regular education. *Educational Review*, 53(2), 125-135.
- Phelps, A. L. (2003). High schools with authentic and inclusive learning practices: Selected features and findings. *NCSET Research to Practice Brief*, 2(2), 3-6.
- Pitt, V., & Curtin, M. (2004). Integration versus segregation: The experiences of a group of disabled students moving from mainstream school into special needs further education. *Disability & Society*, 19(4), 387-401.
- Praisner, C. (2003). Attitudes of elementary school principals toward the inclusion of students with disabilities. *Council for Exceptional Children*, 69(2), 135-145.
- Rapp, W. (2005). Inquiry-based environments for the inclusion of students with exceptional learning needs. *Remedial and Special Education*, 26(5), 297-310.
- Salend, S. J. (2000). Strategies and resources to evaluate the impact of inclusion programs on students. *Intervention in School and Clinic*, 35(5), 264-270.
- Schrock, J. A. (2003). Preservice teachers' attitudes toward inclusion: The influence of cooperating teachers and the student teaching experience. *Dissertation Abstracts International: Section A: Science and Engineering*, 63(11-A), 3857.
- Smith, A., & Kozleski, B. K. (2005). Witnessing Brown: Pursuit of an equity agenda in American education. *Remedial and Special Education*, 26, 270-280.
- Smoot, S. (2004). An outcome measure for social goals of inclusion. *Rural Special Education Quarterly*, 23(3), 15-22.
- Tapasak, R. C., & Walther-Thomas, C. S. (1999). Evaluation of a first-year inclusion program. *Remedial and Special Education*, 20(4), 216-225.
- Tarver-Behring, S., Spagna, M. E., & Sullivan, J. (1998). School counselors and full inclusion for children with special needs. *Professional School Counseling*, 23(3) 51-56.
- Taylor, R., Smiley, L., & Panasamy, R. (2001). Effects of educational background and experience on teacher views of inclusion. *Educational Research Quarterly*, 26(3), 3-16.
- Tichenor, M. S., Heins, B., & Piechura-Couture, K. (2000). Parent perceptions of a co-taught inclusive classroom. *Education*, 120(3), 569-574.
- Visser, J., & Stokes, S. (2003). Is education ready for the inclusion of pupils with Emotional and behavioral difficulties: A rights perspective? *Education Review*, 55, 65-75.
- Waite, S. J., Bromfield, C., & McShane, S. (2005). Successful for whom? A methodology to evaluate and inform inclusive activity in schools. *European Journal of Special Needs Education*, 20, 71-81.
- Weiner, J., & Tardif, C. (2004). Social and emotional functioning of children with learning disabilities: Does special education placement make a difference? *Learning Disabilities Research & Practice*, 19(1), 20-32.
- Weiss, M. P. (2004). Co-teaching as science in the schoolhouse: More questions than answers. *Journal of Learning Disabilities*, 37(3), 218-223.
- Winter, E.C.(2006). Preparing new teachers for inclusive schools and classrooms. *Support for Learning*, 21(2), 85-91.



An Empirical Research on the Relations between Higher Education Development and Economic Growth in China

Xiaohong Wang

Tianjin Polytechnic University, Tianjin 300160, China

Tel: 86-22-2452 8322 E-mail: zhhk@tjpu.edu.cn

Shufen Wang

Tianjin Foreign Studies University, Tianjin 300204, China

E-mail: wangsf@tjfsu.edu.cn

Abstract

With the development of science and technology, education is playing a more and more important role in economic growth. Therefore, the relations between higher education development and economic growth have been a hot issue for a long time. By employing the relevance analysis model in the empirical analysis on the role of higher education in economic growth, this article is expected to give some reference to the harmonious development of higher education and economic growth in China.

Keywords: Higher education development, Economic growth, Index system

As a quite significant part in education system, higher education is closely related to economy. Since reform and opening up, great progress has been made in China's higher education, and therefore, has promoted its economic growth. However, a series of problems have been caused accordingly. As a result, great importance has been attached to a subjective analysis on the relations between higher education development and economic growth due to its significance in laying down China's higher education strategies.

1. The Construction of Index Systems for the Relations between Higher Education Development and Economic Growth

1.1 The Construction Principles

Higher education development, as well as economic growth, is a process in which many factors interact with each other and is characterized by non-linear dynamics. In spite of uncertainty, the relations between the two really exist. In the construction of the index systems in this article, the systematic, scientific, comparable, concise and operable principles have been followed. In addition, because the time sequence data employed in our analysis will help to reflect the development speed, speed indexes will not be taken into consideration in our quantitative analysis. Besides, those indexes causing difficulty in quantitative analysis have been excluded. Those indexes with less importance will not be emphasized in our analysis. Taking the above principles into our consideration, we have established the index systems for the relations between higher education development and economic growth.

1.2 The Construction of the Index System for Higher Education Development

This index system aims at measuring the level of higher education in China in an overall way, monitoring and evaluating higher education development as well as some influencing factors based on overall, exact and subjective knowledge about the operation and situation of China's higher education system. Starting with three aspects including scale, efficiency and financial support, we have established the index system for higher education development at three levels. It is shown in Table 1.

1.3 The Construction of the Index System for Economic Growth

This index system aims at learning about and evaluating the specific situation of China's economic development since reform and opening up as well as its development trends. Based on the scale, capacity, structure, quality of economic growth, together with income and expense, we have established the index system for economic growth at five levels, as shown in Table 2.

2. An Introduction to the Model for the Empirical Analysis on the Relations between Higher Education Development and Economic Growth

Higher education development and economic growth interact with each other in a united system, which is characteristic of

incomplete information, diversified principles and grey relations between information and result. Based on the specific nature of their relations, we have established the model as follows.

First, we establish the natural number sequences $X(t)$ and $Y(t)$:

$$\begin{aligned} X_i(t_k) &= \{X_i(t_1), X_i(t_2), \dots, X_i(t_n)\} \\ Y_j(t_k) &= \{Y_j(t_1), Y_j(t_2), \dots, Y_j(t_n)\} \\ i, j, k &= \{1, 2, \dots, N\} \end{aligned}$$

Then we can get the correlation coefficients of the two sequences at t_k :

$$R_{ij}(t_k) = \frac{1}{1 + \left| \frac{\Delta x(t)}{\sigma_{xi}} - \frac{\Delta y(t)}{\sigma_{yj}} \right|}, \quad t_k \in T \quad (1)$$

In it: $\Delta x(t) = x(t+1) - x(t)$, $\Delta y(t) = y(t+1) - y(t)$

$$\sigma_{xi} = \sqrt{\frac{1}{N} \sum_{k=1}^N (x_{ik} - \bar{x}_i)^2}, \quad \sigma_{yj} = \sqrt{\frac{1}{N} \sum_{k=1}^N (y_{jk} - \bar{y}_j)^2}$$

Then we can figure out the average relevance degree of every X and Y index at t_k :

$$R_{ij} = \frac{1}{N-1} \sum_{k=1}^{N-1} R_{ij}(t_k) \quad (2)$$

When judging the relevance degree between Y_j and X_i , the following standard can be followed: if $0 < R_{ij} \leq 0.35$, it is a low relevance degree; if $0.35 < R_{ij} \leq 0.65$, it is a medium degree; if $0.65 < R_{ij} \leq 1$, it is a high degree.

The above model has following features: (1) compared with other relevance analysis between functions and regression analysis, this model employs less data and provides high resolution, hence avoiding different indexes' orders of magnitude and dimensions and having favorable expansibility; (2) it is convenient to process the data on the computer because this model doesn't require standardization and reference point of the original data; (3) the evaluation result will not be influenced by zero and negative values in the original sequences; (4) both sequences have effect when we process and figure out relevance values with filtration. (Julong Deng, 1993)

3. The Calculation of the Model for the Relations between Higher Education Development and Economic Growth in China

The samples adopted in this research are the time sequence data on China's regular higher education level from 1998 to 2005, which come from the National Statistics Announcement for the Execution of Education Funds and China's Statistics Annual in 2006 on China Education News Net (<http://www.jvb.com.cn/jyz/jytj/>).

Based on the established analysis model and the index systems for higher education development and economic growth, we can deal with the following calculation course: First, put the data obtained from Table 1 and 2 into Formula (1) and figure out $R_{ij}(t)$ of $Y(t)$ and $X(t)$ at t moment with SPSS14.0, that is to say, altogether 780 ($10 \times 13 \times (7-1)$) values for $R_{ij}(t)$ can be got with 10 indexes of $X(t)$ and 13 indexes of $Y(t)$. Then, with Formula (2), we can get the average relevance degree of X and Y indexes from 1998 to 2005, with altogether 130 values (Shufen Wang, 2007). Last, according to the judgment standards for relevance degree, the relevance degree between higher education development and economic growth is shown in Table 3.

It is shown in Table 3 that in all the indexes, strong, medium and weak relevance degrees take respectively 42.3%, 57.7% and 0 in the whole. In the higher education development indexes with strong relevance, $X_1, X_2, X_3, X_4, X_5, X_6, X_7, X_8, X_9, X_{10}$ appear respectively 10, 10, 10, 10, 0, 10, 3, 0, 1, 1 time(s), taking 18.18%, 18.18%, 18.18%, 18.18%, 0, 18.18%, 5.45%, 0, 1.82%, 1.82% in all the 55 indexes with strong relevance. Among the indexes with medium relevance, $X_1, X_2, X_3, X_4, X_5, X_6, X_7, X_8, X_9, X_{10}$ appear respectively 3, 3, 3, 3, 13, 3, 10, 13, 12, 12 times, taking 4%, 4%, 4%, 4%, 17.3%, 4%, 13.3%, 17.3%, 16%, 16% in all the 75 indexes with medium relevance. However, there is no index with weak relevance.

Finally, we can get the average relevance coefficient $\bar{R} = 0.6890$ by dividing the total relevance values of $Y(t)$ and $X(t)$ at all the moments by the total number. The relevance degree between higher education development and economic growth in China can be shown generally.

4. Analysis and Evaluation of the Relations between Higher Education Development and Economic Growth in China

The following conclusions can be reached with the above empirical research:

(1) Generally speaking, the relations between China's higher education development and its economic growth are strong in-

phase and positive ones. Among all the 130 relevance values between 10 indexes of higher education development and 13 ones of economic growth, there are 55 values with strong relevance and 75 with medium one.

(2) The higher education development indexes with strong relevance have the greatest influence on economic growth. Among them, X_1 , X_2 , X_3 , X_4 and X_6 play particularly important roles in the influences on economic growth.

(3) Government's financial support should be put more importance to due to its wide influences on economic growth indexes. In all the higher education development indexes with medium relevance, X_8 , X_9 and X_{10} appear most frequently, taking 17.3%, 16%, 16% in the total with medium relevance. Therefore, its significant role in economic growth can not be neglected.

(4) In scale, efficiency and financial support of higher education, the first has the greatest influence on economic growth while the last has the least. In terms of the average influences economic growth has on higher education development, the average relevance degrees the 13 economic growth indexes have with X_1 , X_2 , X_3 , X_4 , X_5 , X_6 , X_7 , X_8 , X_9 , X_{10} are respectively 0.8271, 0.8273, 0.8226, 0.8091, 0.5675, 0.7901, 0.6056, 0.5165, 0.5848, 0.6010. To be more specific, in the three aspects of higher education including scale (X_1 , X_2 , X_3), efficient (X_4 , X_5 , X_6 , X_7) and financial support (X_8 , X_9 , X_{10}), the average relevance degrees are respectively 0.8257, 0.6931, 0.5674. Thus, the constant expansion of higher education scale has obvious influences on economic growth.

(5) Higher education development has particularly important influences on social productivity, hence calling for great attention. In terms of the average influence degree all the higher education development indexes have on economic growth, the average relevance degrees between 10 higher education development indexes and Y_1 , Y_2 , Y_3 , Y_4 , Y_5 , Y_6 , Y_7 , Y_8 , Y_9 , Y_{10} , Y_{11} , Y_{12} , Y_{13} are respectively 0.7068, 0.7170, 0.7347, 0.7437, 0.7395, 0.5376, 0.5796, 0.7523, 0.5422, 0.7302, 0.7522, 0.7179, 0.7329, among which Y_8 gets the greatest influence.

5. Conclusion

To sum up, higher education development and economic growth interact with and influence each other. In order to ensure the harmonious and sustainable development of China's economy, the government is expected to make greater investment in higher education. In addition, a virtuous cycle in which one promotes the other's development should be formed by expanding the scale and improving the efficiency of higher education. In addition, I hope this article will provide some theoretical bases for the Chinese government's laying down policies in accordance with the harmonious development between higher education development and economic growth as well as offer support for China's great efforts to enhance the effect of the "relying on science and education to rejuvenate the nation" strategy.

Table 1. The index system for higher education development

Higher education development (X)	Scale	The number of colleges and universities X_1
		The number of students in colleges and universities (10 thousand) X_2
		The number of faculty members in colleges and universities X_3
	Efficiency	The percentage of professional teachers in the whole faculty in colleges and universities (%) X_4
		The percentage of teachers with an advanced title in professional teachers in colleges and universities (%) X_5
		The percentage of teachers with at least a master's degree in professional teachers in colleges and universities (%) X_6
		The ratio of students to teachers in colleges and universities (%) X_7
	Financial support	The percentage of budgetary education funds in financial expense (%) X_8
		The average budgetary education funds for college and university students (yuan) X_9
		The average budgetary public funds for college and university students (yuan) X_{10}

Table 2. The index system for economic growth

Economic growth (Y)	Scale	The total amount of GDP (billion yuan)Y ₁
		The total investment in fixed assets (billion yuan) Y ₂
	Capacity	Per capita GDP (yuan)Y ₃
		Per capita financial income(yuan/person)Y ₄
		Per capita financial expense(yuan/person)Y ₅
	Structure	The contribution rate of secondary industry(%)Y ₆
		The contribution rate of tertiary industry(%)Y ₇
	Quality	All-personnel labor productivity (yuan/person)Y ₈
		The percentage of the number of employees in secondary industry in the total of employees (%)Y ₉
		The percentage of the number of employees in tertiary industry in the total of employees (%)Y ₁₀
	Income and expense	Town dwellers' per capita dispensable income(yuan)Y ₁₁
		Rural dwellers' per capita net income(yuan)Y ₁₂
		The general level of consumption(yuan/year)Y ₁₃

Table 3. The correspondence table for the relevance indexes between higher education development and economic growth

The correspondence table for strong relevance indexes	
Y ₁	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₂	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₃	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₄	X ₁ , X ₂ , X ₃ , X ₄ , X ₆ , X ₇
Y ₅	X ₁ , X ₂ , X ₃ , X ₄ , X ₆ , X ₇
Y ₆	
Y ₇	X ₉ , X ₁₀
Y ₈	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₉	
Y ₁₀	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₁₁	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₁₂	X ₁ , X ₂ , X ₃ , X ₄ , X ₆
Y ₁₃	X ₁ , X ₂ , X ₃ , X ₄ , X ₆ , X ₇
The correspondence table for medium relevance indexes	
Y ₁	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₂	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₃	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₄	X ₅ , X ₈ , X ₉ , X ₁₀
Y ₅	X ₅ , X ₈ , X ₉ , X ₁₀
Y ₆	X ₁ , X ₂ , X ₃ , X ₄ , X ₅ , X ₆ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₇	X ₁ , X ₂ , X ₃ , X ₄ , X ₅ , X ₆ , X ₇ , X ₈
Y ₈	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₉	X ₁ , X ₂ , X ₃ , X ₄ , X ₅ , X ₆ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₁₀	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₁₁	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₁₂	X ₅ , X ₇ , X ₈ , X ₉ , X ₁₀
Y ₁₃	X ₅ , X ₈ , X ₉ , X ₁₀

References

Deng, Julong. (1993). *Grey Control System*. Huazhong Technology University Press.

Lin, Yong. (2003). *An Empirical Research on the Harmonious Development of Education and Economy in China*. Exploring Education Development. 2003(6):13-16.

Zhan, Zhengmao. (2004). *Study on the Synthetic Appraising Index of Chinese Higher-Dducation Development Level*. Science of Science and Management of S.&T. 2004(9):128-132.

Wang, Shufen. (2007). *Applied Statistics*. Beijing University Press & China Forestry Publishing House.



On Party Newspaper's Dominant Role and Its Marginalization in Operating

Xiangyu Chen

College of Humanities and Social Sciences, Nanjing Forestry University

159 Lonpan Road, Nanjing 210037, China

Tel: 86-25-8542 7679 E-mail: chenxiangyu0613@126.com

Abstract

Although the party newspaper still maintains its dominant position, it faces the threat of being marginalized in terms of publication, advertisement and other aspects of operating. The situation becomes tense with dull operation of all plain media as a result of rapid rise of new media. This paper believes that under the mechanism of socialist market economy, the maintenance of Party newspaper's status as the mainstream hinges on the success of its operating. If the operating of the party newspaper can fail, the newspapers can't play the dominant role. The marginalization of the party newspaper in operating would definitely weaken the leading role of Party's throat and tongue, erode its dominance, eventually its ability and level to govern.

Keywords: Party newspaper, Dominance, Marginalization

Party newspaper is an important tool for the party committee to instruct and develop work. It plays a vital role in the dissemination of party's theory and policy, the persisting correct guidance of the public opinion, and the issuing authoritative information. Although party newspaper's dominant status and mainstream function still exist presently, it has actually the trend of marginalization in advertising, issuing, and so on. Particularly in the situation that because the new media rapidly rose so that paper media is experiencing the cold current universally, party newspaper's marginalization in operating, make people more pessimistic.

In the new time, party newspaper must maintain and strengthen its leading role, which is decided by the nature of the party newspaper. If party newspaper emphasis leading role and mainstream function, it's operating management will be pushed to the edge. Party newspaper's marginalization in operating is gradually weakening party newspaper's status and function. Which fall into in the dual opposition contradiction. How to resolve this contradiction, realize the harmonious situation of the both, has become the question which the party newspaper operator must face.

1. The relationship between the party newspaper's dominant role and its marginalization in operating

1.1 *It's not the dominant role of the party newspaper that causes its marginalization in operating.*

Party newspaper is the Communist party and government's throat and tongue. Party newspaper's responsibility and duty is that it plays the dominant role. In the planned economy time, party newspaper had played the kind of dominant role under the protection of the administrative strength. In the operating economy system, if party newspaper maintains mainstream status and plays its function, it must consider both the political power, and the operating force. The situation that party newspaper is to meet is complex. However, it doesn't mean that Party newspaper's dominant role lead to its marginalization in operating.

The environment that party newspaper is facing up to is completely new. Party newspaper can't adapt to this kind of new operating economy environment without a long time. It isn't like the evening newspaper, the urban newspaper, which came about to cater to the demand of the market. To party newspaper, the marginalization in operating appears, is a very normal matter. Because evening newspaper and urban newspaper were born in the operating economy environment, but party newspaper was born in the age of revolutionary war, and it adapted the planned economy environment. Now, party newspaper has entered a brand-new environment, where it is doomed to have the unsuitability. It is believed that party newspaper will pass through the difficult time of the marginalization in operating by its adaptation and adjustment.

1.2 *Party newspaper's marginalization in operating weakens its dominant role.*

Party newspaper's issuing marginalization will influence its dominant role. Social class in our country is being diversified, and audience is becoming the debris. There are many people belonging to the emerging middle class in our society, not only

including officials, state-owned enterprise managers, intellectual groups, but also a great deal of people who drift away in the state system, such as the private business bosses, the foreign enterprise managers, the specialized technical persons, the free persons, and so on. They are representing the development direction of China, (Zhou, 2005, p.5-7) who will be supposed to become the objects of party newspaper. If party newspaper doesn't win the emerging class, the dominant role will be weakened inevitably.

Secondly, party newspaper's success in income of the issuing and advertisement, can further improve the competition ability of party newspaper, in renewing equipment and news resources, talented people and so on, so that consolidate the leading role of the party newspaper, create good condition for the displaying of mainstream function. In this significance, the operating and management of party newspaper shouldn't be weakened; otherwise, in the future competition, the party newspaper's leading role and the mainstream function will have the possibility to be weakened.

1.3 Party newspaper's dominant role may offer certain condition for party newspaper's mainstreaming in operating and management.

Party newspaper mainstream function to display can't cause party newspaper's marginalization in operating and management, on the contrary it may make the condition for party newspaper's mainstreaming in operating and management. In the marketing economy environment, each kind of medium must find its own localization, forms competitive advantage which is unable to substitute, which is the different competition, and party newspaper is not exceptional. Party newspaper has formed the mainstream effect since a long time ago, which is unable to substitute to other media. The authoritative and the mainstream effect will be acquired, whose key is decided by the party newspaper mainstream function to display. Therefore, party newspaper mainstream function to display may help party newspaper form different competitive advantages to other media.

Although party newspaper's mainstreaming in operating and management is decided by all sorts of reasons, and leading function to display in great degree can't reverse the present marginalization situation in operating and management fundamentally, we can believe that if party newspaper is continuing to play mainstream function, it will be able to form the unique competitive advantage certainly, thus creates the condition for party newspaper's mainstreaming in operating and management.

2. The original analysis of party newspaper's marginalization in operating.

Party newspaper's marginalization in operating and management is decided by many kinds of factors, including the macroscopic environment, the idea of newspaper's operating, and the management itself. Under the macroscopic background of party newspaper, the thesis puts emphasis on the analysis of the latter two, which cause party newspaper's marginalization in operating.

2.1 The thoughts of party newspaper's operating don't adapt to the market economy system.

Party newspaper has a glorious history and long tradition. In the planned economy time, party newspaper is the most strongest among all kinds of newspaper. Along with the establishment of the socialist market economy system, this kind of pattern has gradually been broken by popular newspaper, urban newspaper, evening newspaper, and so on, which appears as a new force in a sudden, and those kinds of newspaper conform to the historical development, in which the issue and advertisement revenue, even the authority and influence of quite many party newspapers would be weakened. One of the basic reasons is the backwardness of newspaper's operating ideas. (Xu, 2002, p. 13-15).

The concept of "enterprise" was introduced into Chinese journalistic circles in the middle and late of the 90's. The advice of taking corporate governance methods to manage the medium was proposed, and the commodity attribute of news was raised again. "The theory of reader's demand", "the theory of audience's center" and so on, had been put more emphasis on. A great number of marketing newspapers was stimulated by these theories, such as urban newspapers, evening newspapers, and started to be established. Those newspapers had seized reader's market rapidly by the social news and the metropolis news which were about entertainment and service primarily. Although the party newspaper attempted to carry on some reforms, and obtained some provoking results, the majorities of the party newspapers still followed the traditional theory in operating, persevered the policy, walk a route not as the market guidance.

In 1996, Chairman Jiang Zemin proposed "the guidance theory" and "the fortune and misfortune theory" and so on, whose starting point was to strengthen the leading role and function of party newspaper, but in reality, (Fang, 2004, p.90-93) the reform of party newspaper returned to the traditional theory, and the speed of party newspaper's marketing began to slow down. "The principle of three drawings close" appeared, namely "draw close to actuality, draw close to populace, draw close to life". It has become the theory basement of party newspaper's reform presently to some extent. All levels of party newspapers regard "the principle of three drawings close" as the rod, and seek the conjunction spot between party newspaper and populace diligently, which provides a turning point for the marketing of party newspaper.

Rome wasn't built in one day, so was Party newspaper's marginalization. The long-term practice shows that the traditional theories of party newspaper are out of tune with the socialist market economy system. In the new environment, it is necessary the new thoughts in operating party newspaper should be produced, and solute realistic problems in the

development.

2.2 The audience's localization of party newspaper isn't suitable for the audiences' multiplication as well as its' fragment tendency.

From the planned economy system to the market economy system, the society in our country has changed largely in each level, so that the environment where Party newspaper is surviving has changed. However, party newspaper's status, role, function hasn't changed. Particularly the audience's localization of party newspaper, which is nearly the same as the planned economy system, has still stuck to the community who are the governmental employee, the party members, the intenders of the state-owned enterprise, and the intellectuals.

Party newspaper's status, role, function shouldn't get changed, on the contrary, it should get strengthened, but the audience's localization of party newspaper, may be boldly surmounted. The renowned journalistic scholar called Ding Boquan believes that party newspaper has the necessity to adjust the audience's localization from mainly facing the institution cadre in the party and government, the business management level and the intellectual circle (namely mainstream reader group), to facing the more general reader group, including the above mainstream reader group. (Ding, 2007) The thesis believes that the current social levels have been changing, and the original homogeneity pattern has been broken, which has the tendency to develop into multiplex and fragment. Especially some new media comes into being, which is possible to affect the Chinese social pattern in the future. Party newspaper must advance with times, and play mainstream function. It has no alternative but to consider these emerging and growth of the new reading community.

About the audience's localization of party newspaper, some researchers think that party newspaper affects a number of audiences through influencing mainstream community such as the institution cadres, the enterprise superintendents, the intellectuals, and ultimately realizes the ideals of two levels of dissemination. For instance, party newspaper may influence the executive of a county party committee, so as to affect thousands of the audiences. This kind of viewpoint indeed has some reasonable ingredients, but party newspaper's ways to perform mainstream function should be varied. Besides affecting the audiences through the leaders of public opinion generally, some important measures like walking into the common people's families, entering the main streets and small alleys, should be emphasized. Through influencing the common people's lives, party newspaper performs the mainstream function.

Besides, at present the media competes with each other much more intensely. If general audiences couldn't be bought into the dissemination of party newspaper, they would be taken in by evening newspapers, urban newspapers and emerging medium. Party newspaper would lose the initiative to perform mainstream function. Therefore, the thesis believes if the audience's localization of party newspaper can't be suited to the change of social class, or remains the same as the original planned economy time; the number of party newspaper's audience will decrease sharply. Finally, the party newspaper's marginalization in operating is inevitable to come, which will weaken the power of the party newspaper's performing mainstream function.

2.3 The news products of party newspaper can not meet the demand of recent audiences

Modern press is the industry which lords over others by content. Those who have the first-class news product can win the audience's favor, and get victory in the drastic competition. Party newspaper as the important constituent of modern press is not exceptional. However, presently the news product of the majority of party newspapers couldn't meet the audience's need. A supposition may be made if the issue of party newspaper loses the protection of administrative strength, the majority of those newspapers can't survive. Main performance as follows:

The news product of party newspaper is lack of the common characters by which links up with people. Party newspaper is the bridge between the public and the party or the government, which also is the medium which serves for the public. However, over the long-time period top-down propaganda and enlightenment has fostered the starchy aristocratic blood of party newspaper, so that as soon as party newspaper is mentioned, the respectful distance will be kept from the people. Some reporters of party newspaper who are in order to reduce the report risk, report what the head said, lacking the processing of the news expression form, which further aggravates the starchy style of party newspaper. The kind of aristocratic blood of the news product of party newspaper isn't in harmony with the communalization, which has rooted in the hearts of the people.

The news product of party newspaper has the same homogenization as evening newspaper and metropolis newspaper. Some party newspapers are in order to win the competition, and learn from the evening newspaper, the metropolis newspaper, which is undisputable. However, they think that the competition among party newspapers, the evening newspapers and the metropolis newspaper, is about the social news, entertainment news. The content homogeneity has become one result of the competition. Party newspapers have lost the competitive advantages which party newspaper originally should have. The competition called "serious newspaper grows popular" doesn't conform to the reality of party newspapers.

The news product of party newspapers hasn't disseminated the rational thoughts. Party newspapers must supply the people thoughts, clarify the confusion of public opinion, help the people know the winding of life, become the spirit strength of the people. (Liu, 2006, p.19-21) However, some layouts of party newspapers have been filled with many official

articles, self-praised empty expressions, even sentimental-colored articles, losing moral character party newspapers should have, making the people disappointed of party newspapers.

The lives of common people haven't been influenced by the timed public opinion news made by party newspapers. Party newspapers can't be blind to the realistic problems. Positive attention should be paid to the audience's survival and life and so on, and positive guidance and intervention of public opinion should be carried to people. However, what most of party newspapers care are the personal issue the leadership and outstanding intellectual care, and what the common people care is scarcely mentioned. For example, the "Mu Zimei" phenomenon in the network, should be meddled in and guided through the public opinions, but it is a pity that party newspapers does not take any action.

2.4 The mentality of party newspaper's operating has the discrepancy with the rules of the development in modern newspaper industry.

If analyze the marginalization from the aspect of running party newspaper is to inspect its' external reasons, then to analyze the problems from the aspect of operating the party newspaper is to discuss the interior reasons. The reason in running a newspaper is important, which is undoubted, while the reason in operating shouldn't be ignored. Even if the level of running party newspaper is very high, if there is no new mentality and new method in issue, advertisement, as well as service aspects, the present situation of party newspaper's marginalization in operating can't be changed. The thesis mainly attempts to discuss the problem from the following several aspects:

The operator of party newspaper lacks the consciousness of founding and spreading brand. In some sense, the competition of modern press is the brand competition. The brand not only means the benefit pledge the media gives readers, but also means one kind of materialized religion. Facing the audience and the advertising host, the operator of party newspaper should have a strong awareness of founding and spreading brand. With the awareness, party newspaper can acquire the initiative in issue, advertisement and management and so on. Actually, the majority of party newspaper operators don't have such consciousness.

The incomes structure of party newspaper's operating is too single. Party newspaper's operating obeys the law of "sells two times". The advertisement and the news could have gone along with each other, developed harmonically. However, if the income of party newspaper relies on the advertisement too much, running party newspaper will be subordinated to the advertisement host, so that the relationship between news and advertisement become deteriorated. However, at present the majority of party newspapers in our country rely on the income of advertisement. This kind of incomes structure will not conform to the development of party newspaper in the future, because the development of the modern press depends on the harmony between the leading work and the side line. If party newspaper can have an achievement in the side line, certainly the condition for no marginalization of party newspaper's operating can be created.

The resources of party newspaper lacks designed integration in the operating. Party newspaper has rich resources, for instance, the authority and public credit for a long time. The operator of party newspaper may integrate own resources according to the correlated benefit group. For example, in view of the advertising customers, party newspaper can plan special columns to propagandize their own images, and create advertisement opportunities forwardly. However, the majority of present party newspapers still rest on the level of selling the page. They haven't formed the consciousness of integrating party newspaper's resources and creating advertising opportunity temporarily.

3. Some proposals to eliminate the marginalization of party newspaper in operating

The problem of party newspaper's marginalization in operating should be emphasized by operators, which is decided by the resent status and function of party newspaper, as well as the request of the party and government in future. Through various kinds of methods, for party newspaper, the ability to adapt marketing economy will be adjusted and improved fully. The mainstream function of party newspaper will be performed better by positively participating in the competition, enhancing its own operating strength.

3.1 Emancipating minds and renewing ideas.

It's a golden time for china to reform and develop which also is the time full of contradictory and conflict. The reform of party newspaper in the macroscopic environment will not only meet the best opportunity, but also the hardest challenge. What party newspaper meets today has never been met before, which is unable to be answered by the traditional theory of party newspapers. It is necessary that new theories and thoughts should be produced to deal with the problems in the development of party newspaper. Otherwise, party newspaper will not only lose the opportunity of its development, but also threaten its own survival. It means that operators and researchers of party newspaper must eradicate the obsolete thoughts and ideas in running a newspaper, establish the new theory of party newspapers which suits present development.

The thoughts and ideas presently need to be transformed and renewed: "the principle of party newspaper and the performance of the mainstream function, opposes the marketing of party newspaper", "party newspaper is at a disadvantage, comparing to the evening newspaper, the urban newspaper", "party newspaper carries on the competition with other newspapers, which reduces its own taste", "party newspaper influences the mainstream crowd, and it's not important whether the number of issue is large or small", "the marketing and popularity of party newspaper has no sense, no

rationality, or savor” and so on. It’s a difficult process to emancipate thoughts and renew ideas, which not only needs to struggle with the old thoughts, but also needs to earnestly practice and boldly attempt for party newspaper operators.

3.2 The localization of target audiences of party newspaper is generalized.

There are three kinds of situation worthy of value: firstly, the deep reform of the governmental institution makes a part of governmental staff start to diverge; secondly, quite a lot of middle small state-owned enterprises have been transferred successfully, which is separated from the traditional administrative releasing network of party newspaper; thirdly, middle class is emerging outside the system. According to the development tendency, the thesis thinks that the former two kinds of situation means the decrease of the traditional audiences’ number for party newspaper and the latter means the space of the audiences’ growth for party newspaper. However, party newspaper hasn’t entered the emerging market along with the coming of social stratum, but lost traditional core audiences gradually. (Hu, 2006, p.26-32)

In such situation, party newspaper should generalize localization of the audiences according to the differences of aimed degree. The author believes that the audiences of party newspaper may be divided into the superior group, the increasing group, and the boundary group:

The superior group mainly refers to the cadre of state agency, the superintendents of state-owned enterprise, the intellectuals and so on. Although the groups are the core of party newspaper formed by administrative strength, it’s not an easy job for them, whether they authentically become the core audiences or not.

The increasing group mainly refers to the emerging middle-class, which has the possibility to become the main body of China intending society. The former vice-minister of foreign trade and economic cooperation department in china once said that, in the future 10 years, in China the number of the people who have the middle income will increase to 4 billion. It is obvious that the increasing audiences shouldn’t be neglected, which form a giant market for the development of the mainstream media.

The boundary group refers to the people who have hesitation to read newspaper. When party newspaper reports events splendidly, this group will become the readers of party newspaper; when party newspaper reports some important events ordinarily, this group will depart immediately. For party newspaper, it’s of great importance to maintain and enhance the accidental reading rate.

3.3 The difference of party newspaper’s news products.

Party newspaper is facing up to the new survival environment after our country joined WTO. Foreign capital’s participating network industry inevitably will diverge part of the audiences of planes media. And massive external cultural products also will diverge readers’ attention further. (Ding, 2002, p.6-7) In such situation, media competes more intensely. It is impossible for party newspaper to be out of the matter. The key question is how to participate in the competition for party newspaper. The difference of news product is a very good answer.

The first is the difference of the reported content. Regardless of any kind of media, having no good content, it is unable to win in the competition. The homogeneity of news product in current media is serious. If party newspaper wants to win the competition, it must have a difference in the content from evening newspaper, urban newspaper and other media, and use own political resources to make exclusive reports as far as possible.

The next is the difference of reporting way. Under the condition of modern communication technology, it is more and more difficult for party newspaper to pursue exclusive report. However, party newspaper may report the news events from a new angle and enlarge the expositive and analytical potency, which has a difference in height and depth from the common media as far as possible. It may be thought that the competition of modern press is the competition of reporting way in some sense.

The final is the difference of layout. The layout is the face of newspaper. The audience will notice the layout of newspaper before contact the news content. The difference of layout may express the difference of content and reporting way, and the different impression of the integrity will be lost in audiences’ mind. It is very helpful to realize different strategies on news product.

3.4 The brand operating of party newspaper.

Brand is some kind of specific relation between products and consumers, which also is one kind of material religion. In a sense, competition among medias is the competition among brands. Because brand itself means prompt news reports, strong influence on public opinions, rich resources of attention. The brand operating of party newspaper has enormous profits to the party newspaper’s mainstreaming in marketing.

The first is to find what the relation between party newspaper and audience is. Through the scientific investigation, the operator will discover the differences between ideal image and realistic image in aimed audiences’ minds, then carry on the adjustment as far as possible, which may do concrete things such as the authority, the timeliness, the authenticity, the content, the report way, the style layout and characteristic and so on.

The next is to found and maintain a good relationship between party newspaper and its audience. Through the proper adjustment to the running idea, the editing policy, the report principle, the layout of page, the service of release, the

audiences' feedback and so on, the ideal relation of the audience will be founded and maintained, then rise and become a permanent pledge and reading promise. Thus may develop more faithful readers.

The Final is to positively propagandize and promote the good relations between party newspaper and audience. When established, the good relation should be promoted through advertisement, public relations, activity and so on. The object is not only the advertisement customer of party newspapers, but also the aimed communities. On the one hand, this kind of promotion can make the brand of party newspaper finally formed; on the other hand, it is the beginning that party newspaper wins the attention resources and the advertisement customer.

References

- Ding, Boquan. (2002). Several problems worthy discussing in the current development of party newspaper. *News Amateur*. 1, pp. 6-7.
- Ding, Boquan. (2007). On the reform of party newspaper. [Online] Available: <http://www.zijin.net/blog/user1/96/archives/2006/6856.shtml>(December 8, 2007)
- Liu, Jianming. (2006). Make party newspaper become high-quality newspaper. *Current Dissemination*. 1, pp. 19-21.
- Fang, Xiaohong. (2004). From the principle of party nature to the principle of three close drawing. *Nanjing Normal University Journal (Social Science Version)*. in September, 5, 90-93.
- Hu, Siyong. (2006). Market's evolution and mainstream newspaper's emerging. *News Lookout Post*, 2, pp. 26-32.
- Xu, Xiangming. (2005). The exquisite union of high pursuing and close drawing. *News Frontier*. 8, pp. 13-15
- Zhou, Xiaohong. (2005). *The report of Chinese middle class*. (1st ed.). Beijing: Social science publishing house. (Chapter 1).



HIV/AIDS in Vietnam: A Gender Analysis

Nguyen Van Huy

Faculty of Public Health

Hanoi Medical University

01 Ton That Tung Str

Dong Da Dist, Hanoi

Vietnam.

Tel: 844-8523798 E-mail: nvanhuy@yahoo.com

Udoy Sankar Saikia

School of Geography, Population, and Environmental Management

Flinders University

Adelaide

South Australia.

E-mail: udoy.saikia@flinders.edu.au

Abstract

Global statistics of HIV/AIDS infection reveals the disastrous effects of discrimination against women in the area of human health. Women's vulnerability to HIV/AIDS reflects their wider social, economic and sexual disadvantages compared to their male counterpart. Although the gender context of HIV/AIDS has received a considerable attention recently, however, in case of Vietnam gender aspects of the epidemic have still been a neglected area of research. Little is known about how gender affects the epidemic as well as how the epidemic affects the life of women. This paper reveals that the gender context of HIV/AIDS epidemic in Vietnam has a much complex reality. Institutions, social norms and opportunity structures, of which "Doi Moi" [Renovation] has become an integral part, combine to create new norms and conditions put women more vulnerable to HIV/AIDS. A gendered strategy is crucial in order to successfully fight against the growing HIV/AIDS epidemic.

Keywords: Vietnam, HIV/AIDS, Gender, Gender Analysis, Institution, Opportunity Factor

1. Introduction

Despite much effort, HIV/AIDS epidemic continues to grow in many parts of the world, threatening developmental process. On a global scale, a total of 30 million HIV/AIDS cases were documented in 1997 (Cohen 1998, p.1) and by the year 2005, an estimated 40.3 million "people living with HIV/AIDS" (PLWHA), close to 5 million of them have been newly infected and 3.1 million died from AIDS within that year, pervading every part of the world (UNAIDS & WHO 2005). The UNAIDS projections reveal an upward future trend, with about 14,000 newly-infected cases everyday, 95% of which ravage poor and developing countries (Swiss Centre for International Health 2005). A rising huge number of HIV/AIDS carriers are challenging the humanity to combat it.

Almost as many women as men are now suffering and dying of HIV/AIDS, and the infection mechanism of this epidemic is increasingly becoming a gendered one. HIV/AIDS epidemic was largely prevalent among men in most nations in its earlier stages, but now it has a women's face as mostly women are bearing the brunt of the epidemic and they make up almost half of the HIV/AIDS infected population globally (WHO 2003; UNAIDS 2004, p.3). Ample evidence suggests that populations most affected by HIV/AIDS are those who have been socially and/or economically marginalized by income, employment, education, culture, power, gender and other socio-economic aspects (Commonwealth Secretariat 2002, p.4). Inequalities as a consequence of this marginalization put more people at risk of infection, isolation and bearing heavy responsibilities for caring for themselves and others which ultimately result in early death. HIV/AIDS, thus, is evidently a disease which could ravage every aspect of people's lives, from the most private to the most public sphere, affecting both human health and process of societal development.

The importance of the interaction between gender, poverty and health has been acknowledged during the last decade, but

has still only been recognised in research and policy making to a limited extent (Vlassoff & Bonilla 1994, p.26). Research on gender aspects of HIV/AIDS has so far also been limited and little is known about how gender factors affects the epidemic as well as how the epidemic affects the life of women in Vietnam. This paper brings forward the significant publications relating to HIV/AIDS in Vietnam published during 1994-2006 to provide a gender analysis and illuminates areas where gender and related factors have an impact on the epidemic as well as where the epidemic does so on the life of women.

2. Prevalence of HIV/AIDS in Vietnam

HIV/AIDS epidemic in Vietnam so far gives a pessimistic picture with a rapidly growing number of infections and deaths over past decades, despite certain intervention efforts. Since the first case reported in 1990 (McNally 2002, p.1), each subsequent year saw about 1,500 new cases, spreading to all 61 provinces of Vietnam within nine years, bringing the total to a cumulative 76,180 PLWHA by the end of year 2003 (Hien et al. 2004, p.141). However, an actual cumulative number was estimated to soar to 160,000 cases (Policy Project Vietnam 2003). By the end of 2003 there were 11,659 AIDS cases and 6,635 AIDS-related deaths (Hien et al. 2004, p.143). Young adults at working age of 20-39 years have been the biggest group of victims, most of whom are found among sex workers and injecting drug users (IDUs), occupying 21.6% (Agence France-Presse 2001) and 32% (Hien et al. 2004, p.137), respectively. While HIV infection among IDUs dominantly ravages men, that among sex workers is found mainly in women, implying a gender disparity in HIV/AIDS rate among these groups. Although HIV is originally prevailing among males, it is ever-increasing among females. Rather, HIV rate among female sex workers rose from 2.8% in 1998 to 21.6% in 2001 (Agence France-Presse 2001). The number of women suffering from HIV was from below 50,000 cases in 2001 but rapidly increased nearly to 100,000 cases by 2005 (Hien et al, 2004, p.143). The above disturbing picture of HIV/AIDS in Vietnam, thus, should be regarded as an issue with utmost concern.

3. Institution, gender and HIV/AIDS

In Vietnam, a paradox exists within the current institutional system which has been putting several marginalised groups such as female sex workers and drug injecting users more vulnerable to HIV/AIDS infection. The legal policies see sex work and drug abuse as “social evils”, the behavioural acts which have long been regarded as a degradation of morality, a threat to both familial traditions (Tung et al. 2000; Rekart 2001, p.48). As it is viewed as a “social evil”, its solutions generated pay much concern about fighting against such “social evils”, whilst prevention and care services have not received enough attention and focus. Police are actively mobilised to capture IDUs and female sex workers when finding these groups injecting drugs or having sex with clients, and then confine them in rehabilitation centres (Markus & Liselotte 2001). This heightens the vulnerabilities of these groups to risky behaviours, because they must carry out these risky behaviours quickly before being discovered by police (Hien et al. 2004, p.149). For those groups with injecting drug, pressure to inject rapidly before being observed by police means they pay less attention to cleaning injection equipment, thereby sharing needles. Paradoxically, a number of men working as police who themselves perform their task of arresting IDUs and female sex workers are clients of these female sex workers (Tung et al. 2000; Rekart 2001, p.49). It appears that the vulnerability of these groups to HIV/AIDS infection could not be reduced, despite the introduction of legal institutions.

4. Culture, gender and HIV/AIDS

According to Eckersley (2001, p.69), a variation in culture can amplify and/or moderate social determinants of health. In Vietnam, some cultural norms and stigma as well as unequal power and bargaining position women, especially among those working as sex workers are making them socially vulnerable to HIV/AIDS transmission. Like in many other developing countries, gender discrimination, repressive culture norms and power disparity in a contemporary Vietnamese society has led to marginalisation of groups like IDUs and female sex workers. At community level, female sex workers, IDUs and PLWHA in Vietnam are frequently stigmatised and socially excluded (Rekart., 2001, p.48; McNally 2002, p.7), since they are construed as social evils. Sex workers and HIV/AIDS carriers are socially seen as violating human morality and destroying familial traditions. They are challenged by a phenomenon of victim blaming, since their behaviors are thought as responsible for disease they suffer. At both levels – community and household, women working as sex workers are labelled as “not virgin”, and are challenged to lead a happy life. Most men expect to marry much younger girls who are “virgins”, while it is socially acceptable for men to have extra and multiple sex partners both before marriage and during spousal life (Rekart 2001, p.49). But, community has not recognized that accepting multiple partner relationships for men is a gender norm that increases women’s vulnerability to HIV infection, since men are risky to be infected by HIV when having sex with numerous partners outside their home, and spread HIV to their wives. The gender inequalities have direct impact on the rise of men’s extramarital sex and married women’s risk of HIV infection (Werner & Belanger 2002). Women sex workers try to hide their prostitution status as otherwise they would not be able to get married. However, women’s prostitution status, if known by their husbands after marriage, could threaten a familial breakdown. Their survival would be more difficult if they suffered from HIV/AIDS and subsequently considered being unacceptable or denied to stay home by their husbands. At community level, since they fear being arrested by police and stigmatised by their families and friends, sex workers tried to stay “invisible” and “out of reach”. Consequently, sex workers and PLWHA have been discouraged from seeking and accessing HIV/AIDS prevention and treatment services. Further, as gender norms rooted in the family, women are often expected to carry out reproductive roles like domestic care while men mainly perform productive tasks like generating income. But, when poverty dominates their life, women conventionally take both roles, thus bearing double burden and having limited time to

access health services. Once women suffer from HIV/AIDS, they face triple jeopardy – dismissed by their husbands, unaccepted by community, and discouraged from accessing health care. As such, in both groups of women – female sex workers and women living with HIV/AIDS, familial and social vulnerabilities heighten the risks of HIV/AIDS infection for female cohort, and reduce survival opportunities for women with HIV/AIDS.

The Vietnamese context also implies a gender inequality in bargaining powers both within and beyond family between men and women. Women frequently keep silent, not able to negotiate safer sex and powerless to ensure safety for their survival (McNally 2002, p.135; UNAIDS 2004). They fear losing their clients when trying to negotiate with clients to use condoms, since it is men who make decisions on safe sex or on types of sexual relations - mostly unsafe sex. Since women are voiceless and less powered to bargain sex behaviors, they become submissive to follow decisions of men in community and of their husbands at their home. When women try to persuade clients to use condoms, they may risk losing the opportunity of earning income. More formidably, some women sex workers are forced to inject drugs by brothel owners or mediators so they can be easily exploited and controlled (UN 2001, p.53). Ironically, when sex workers are found as HIV/AIDS-positive, brothel owners would dismiss them, depriving them of their livelihood (UNAIDS 2004). In that case, women living with HIV/AIDS may face “double jeopardy” because of discrimination regarding gender and health. Therefore, lack of bargaining power makes it more difficult for women sex workers to avoid risk behaviours of HIV/AIDS infection.

5. Opportunity factors, gender and HIV/AIDS

5.1 Macro opportunity factors

There has been a wide assertion among research community that the spread of HIV/AIDS in Vietnam is related with *Doi Moi* (Reform policy). The presence of gendered disparities, socio-economic and cultural change, which are part of *Doi Moi*, combine to transform old sexual desires and create new ones to produce a situation in which some married men’s extramarital relations are no longer considered entirely socially unacceptable (Phinney 2003, pp.220-230).

In 1986, the Vietnamese government transformed the Vietnamese economy from a centrally planned economy to a market economy with a socialist direction. In addition to transforming its agricultural based cooperatives in favor of household production, the state removed most welfare subsidies (Craig 2002), closed state factories in favor of promoting private enterprise, enabled the expansion of export markets, and loosened restrictions on domestic and foreign migration. *Doi Moi* policies have had the most impact on urban areas and their surroundings. Changes have had a profound influence on reshaping sexual norms and created an emergence of social stratification, gender disparities and the commercialization of women’s bodies (Mangat 2003).

Although more women have access to economic opportunities and politically empowered than before *Doi Moi*, there has been a significant increase in gender disparities. Because of the poverty, many young women from rural areas have left their homes to seek employment in the sex industry (Hong et al. 2000, p.179; Thuy et al. 2000, p.67). The consequence of this has led to a dramatic increase in both the number of sex workers (Phinney 2006) and the number of men clients frequenting the latter groups due to men’s leisure and changing norms and attitudes toward sexuality and sexual relations (Ha 2002). It is with *Doi Moi* that a series of social, cultural and economic changes have intertwined to create a set of opportunity factors that promote men’s access to extramarital sex in specific ways. Opportunity factors here mean the political and socio-economic conditions that enable a behavior to occur and become common or normalized. The extramarital opportunity factors that have contributed not only to the rise in men’s extramarital sex as part of the process of *Doi Moi*, but also have increased married women’s risk of HIV include the commodification of sexuality, the prevailing presence of modern masculinities and transformed male prestige desires. Together these have made extramarital sex a widespread urban phenomenon that must be understood as a product of a changed social organization and political economy.

5.2 Micro opportunity factors

Micro opportunity factors favoring men’s sexual practice both before and beyond marriage have been attributed to four key factors namely drinking alcohol, financial status, peer pressure, and ability to refuse commercial sex (FHI, 2006, pp.1-2). According to Family Health International (FHI 2006, pp.1-2), 100% of the young men surveyed reported that alcohol plays a significant role in heightening sexual desire and lowering the ability to control oneself (respondents said that 90% of the time they visited female sex workers, the evening began with drinking alcohol). Education and money play no role in whether or not a man purchases commercial sex. Respondents came from all socio-economic backgrounds. Education ranged from primary school to university. Nearly all working class respondents and day construction laborers in particular, said money does not influence whether or not one goes for commercial sex. Rather, money influences only what type of sex and what level of sex worker one can afford and the frequency of visiting female sex workers. Laborers mentioned that if they have little money, they would pool funds to buy service from sex workers. Pressure from business ties is also another factor that drives men buying sex. Men might refuse to go with friends, but never refuse to go with a boss or business partner, since defectors risk not receiving future invitations, job promotions or business deals.

It is therefore important to note that opportunity structures and social norms in favour of men enable them to engage in numerous extramarital and multiple sex which put them more risky to HIV/AIDS infection, and consequently put women in general and married women in particular vulnerable to HIV/AIDS transmission. Men can be seen as a bridging group

between women, their wives and their lovers in HIV/AIDS transmission.

6. Social consequences of HIV/AIDS on women

The impacts of HIV/AIDS in Vietnam are multilevel and multidimensional. In the family sphere, since women are expected to fulfill all productive, reproductive, and community task, their burden is triple, especially when their family members suffer from HIV/AIDS. Most (74%) of women in Vietnam took the bulk of care giving to their family members with HIV/AIDS (UNDP 2004). For women suffering HIV/AIDS, their burden is multiplied, as they shoulder both disease burden and familial and social tasks. They have the added pressure of being ill themselves and having to provide care for their husband, family members, and/or sick child (Tallis 2002). For a woman living with HIV, such an increase in workload often means that she does not have time to adequately care for herself as well as attend to her own needs. In this case, they face “time poverty” which potentially affects their health. The opportunistic infections, such as tuberculosis and pneumonia also heighten their disease burden and death risk. Families whose members suffering HIV/AIDS are more likely to be poor, since their household earnings decline and medical expenses increase (Policy Project Vietnam 2003). In 2004, about 126,000 Vietnamese people who have either become newly poor or fell deeper into poverty trap because of HIV/AIDS, and this trend continues to increase over time (UNDP 2004). For women-headed households or families with both parents with HIV/AIDS, their poverty burden would be multiplied, because of loss of their work. Around 50% of HIV carriers working reported losing their job as a result of HIV status known (UNDP 2004). Poverty and disease multitude apparently become a tremendous challenge facing them.

In communities where stigma and discrimination prevail, both female sex workers and PLWHA, and, even their family members face such multiple disadvantages as stress, social isolation and unemployment. Only one-third of PLWHA are accepted by their communities, and stigma is a significant barrier to their participation in supportive groups (Policy Project Vietnam 2003). Fifty percent of non-HIV/AIDS workers did not want a relationship with an infected worker and believed that the infected workers must be responsible for their own sin behavior (Global Nomads Group 2003). The impacts of HIV/AIDS affect not just adults, but children and youth. They are required to stay home or stop their education to care for AIDS-infected family members (Policy Project Vietnam 2003). There are about 22,000 orphaned children in Vietnam as a consequence of their parents died from AIDS. Once orphaned children become the heads of households at a very early age, it adversely affects their behavioural development and future opportunities. The situation is worse for female children.

The social and economic burden at national level is believed to be heavy when women get HIV/AIDS, since women are socially convened as both the important work force of the society and the main party to perform reproductive tasks at their home— childbearing and family caring. Their absenteeism and costs of replacing workers with HIV/AIDS would reduce economic productivity of both public and private workplaces (Policy Project Vietnam 2003). The deaths from HIV/AIDS among women also add to the loss of labour force of the nation. Huge costs for HIV prevention and AIDS care for both male and female cohorts are also a remarkable barrier to the social development.

7. Conclusion

The gender analysis provides a lens to reflect a dynamic and complex picture of HIV/AIDS epidemic in Vietnam. Poverty, gender, institutions, cultural norms, and opportunity structures are not only persuasive explanatory factors for, but a good reflection of the consequences of this epidemic. This review will hopefully lead to an increased awareness of how gender and related factors affects the epidemic as well as how the epidemic affects the life of women in Vietnam. In searching for responses to the epidemic, Vietnam needs to take a gendered strategy into account which could address such several emerging gender issues as gender inequalities (in power, bargaining position, rights), and other gender-related factors favoring men (institutions, cultural norms, and opportunity structures). Such a strategy should stand high on a scientific research or policy analysis agenda in order to inform gendered responses. It calls for the effort of the whole society - Vietnamese government and community to make this strategy become possible in reality. Given the recent progress in socioeconomic achievement and a gendered initiative suggested, Vietnam has still substantial opportunities to prevent the spread of HIV/AIDS, depending on its commitment, determination, and effort.

Acknowledgements

The authors wish to thank the government officials of the Vietnamese Ministry of Health for their great provision of useful materials related to HIV/AIDS in Vietnam. Dr. Dao Thi Minh An, lecturer in Public Health Faculty, Hanoi Medical University, Vietnam, is also acknowledged for her valuable advice and comments.

References

- Agence France-Presse. (2001). Vietnam-Prostitute-AIDS: Vietnam Reports Explosion of HIV Infection among Prostitutes. [Online] Available: <http://www.aegis.com/news/afp/2001/AF0103C2.html> (18 March 2006)
- Cohen, D. (1998), ‘Poverty and HIV/AIDS in Sub-Saharan Africa’, *The SEPED Conference Paper Series*, Copenhagen, Denmark.
- Commonwealth Secretariat. (2002). ‘Introduction’, in *Gender Mainstreaming in HIV/AIDS: Taking a Multisectoral Approach*, CS & Maritime Centre of Excellence for Women’s Health, London, United Kingdom, pp.1-20.
- Connell, R. W. (1995). *Masculinities*, University of California Press, Berkeley, USA.

- Craig, D. (2002). *Familiar Medicine: Everyday Health Knowledge and Practice in Today's Vietnam*. University of Hawaii Press, Honolulu, USA.
- Eckersley, R. (2001). Culture, health and well-being, in *The Social Origins of Health and Well-being*, eds. R. Eckersley, J. Dixon & B. Douglas, Cambridge University Press, UK, pp.51-70.
- FHI (2006). *Behind the pleasure: sexual decision making among high-risk men in urban Vietnam*, FHI (Family Health International), Hanoi, Vietnam.
- Global Nomads Group (2003). HIV/AIDS in Vietnam, [Online] Available: http://www.gng.org/currents/vietnam/vie_hiv.html (4 April 2006).
- Ha, V. (2002). The Harmony of family and the silence of women: Sexual behavior among married women in two northern rural areas in Vietnam, *Columbia University of New York Research Track*, New York, USA.
- Hien, N. T., Long, N. T. & Huan, T. Q. (2004). HIV/AIDS Epidemics in Vietnam: Evolution and Responses, *AIDS Education and Prevention*. Vol. 16, Suppl. A, pp.137-154.
- Hong, K. T., Van, N. T., Phuong, L. T. & Oanh, K. H. (2000). HIV infection and risk factors among women sex workers in Southern Vietnam. *Vietnamese Journal of Practical Medicine*, Vol. 382, pp.178-181.
- Mangat, M. (2003). Sex and Drugs Sell, Eastern Horizons, No. 14, [Online] Available: <http://www.unaids.org.vn/event/sexndrugs.htm> (15 December 2006).
- Markus, S. & Liselotte, B. (2001). Mobility & Vulnerability: An Explorative Study among Female Sex Workers in Ho Chi Minh City, Vietnam, [Online] Available: <http://www.unaids.org.vn/resource/topic/mobilepop/cswbcmcmobility2.doc> (18 March 2006).
- McNally, S. P. (2002). *HIV in Contemporary Vietnam: An Anthropology of Development*. PhD Thesis, Melbourne, Australia, pp.1-44.
- Phinney, H. (2006). Rice is essential but tiresome, you should get some noodles: The political-economy of married women's HIV risk in Ha Noi, Viet Nam, Prepared for published in *American Journal of Public Health*, unpagged.
- Policy Project Vietnam. (2003). The Socioeconomic Impact of HIV/AIDS in the Socialist Republic of Vietnam, [Online] Available: http://www.policyproject.com/pubs/countryreports/VIET_SEI.pdf (4 April 2006).
- Rekart, L. M. (2001). Sex in the city: sexual behavior, societal change, and STDs in Saigon, *Sexually Transmitted Infection*. Vol. 78, Suppl. 1, pp.47-54.
- Swiss Centre for International Health (2005). HIV/AIDS Background Information for International Cooperation, [Online] Available: http://72.14.203.104/search?q=cache:GWw6cURUv2IJ:www.sdc-health.ch/priorities_in_health/communicable_diseases/hiv_aids/hiv_aids_-_ubersichtspapier_fur_die_internationale_zusammenarbeit+14.000+new+HIV+cases+every+24+hours&hl=en&gl=au&ct=clnk&cd=4 (12 April 2006).
- Tallis, V. (2002). Gender and HIV/AIDS: Overview Report, [Online] Available: <http://www.bridge.ids.ac.uk/reports/CEP-HIV-report.pdf>. (4 April 2006).
- Thuy, N. T. T. et al. (2000). HIV infection and risk factors among women sex workers in Southern Vietnam, *Vietnamese Journal of Practical Medicine*, Vol. 382, pp.65-70.
- Tung, N. D., Son, N. T. & Trung, N. T. (2000). Population Mobility, Prostitution and Factors Related to HIV Transmission on Vietnam's Main Transportation Routes, [Online] Available: <http://www.unaids.org.vn/resource/topic/mobilepop/mobilecswvietnam.doc> (18 March 2006).
- UN (United Nations) (2001). Report Results of the Survey on High Risk Factors of Drug Abuse among Groups of Female Prostitutes in Vietnam, [Online] Available: <http://www.unaids.org.vn/resource/topic/sexwork/cswdu.pdf> (18 March 2006).
- UNAIDS (2004). UNAIDS Praises Vietnam for Adopting National AIDS Strategy, [Online] Available: http://www.unaids.org/NetTools/Misc/DocInfo.aspx?href=http://gva-doc-owl/WEBcontent/Documents/pub/Media/Press-Releases02/PR_VietNam_18Oct04_en.pdf (18 March 2006).
- UNAIDS & WHO (2005). AIDS Epidemic Update, [Online] Available: http://www.unaids.org/epi/2005/doc/EPIupdate2005_pdf_en/epi-update2005_en.pdf (30 March 2006).
- UNDP (2004). Impact of HIV/AIDS on Household Vulnerability and Poverty in Vietnam, [Online] Available: <http://www.undp.org.vn/undp/docs/2004/hiv/advoce.pdf> (4 April 2006).
- Vlassoff, C. & Bonilla, E. (1994). Gender related differences in the impact of tropical diseases on women: what do we know?, *Journal of Biosocial Science*, Vol. 26, pp.37-53.
- Werner, J. & Belanger, D. (2002). Gender, Household, State: Doi Moi in Viet Nam, *Cornell University Southeast Asia Program Publications*. Ithaca, New York, USA.
- WHO (2003). Gender and HIV/AIDS, [Online] Available: http://www.who.int/gender/document/en/Gender_factsheet.pdf (18 June 2005).



China's Urban-Rural Gap: An Analysis Based on Capability

Xiaoke Zhou & Yanling Xi

School of Economics, Tianjin Normal University, Tianjin 300387, China

Tel: 86-22-2376 3775 E-mail: xiaokezhou@yeah.net

Abstract

The current urban-rural gap in China is caused by several factors and embodied in various respects. This paper analyzes the relevant factors from the perspective of capability, including income, education, health, employment opportunity and social security. Only by improving the capability of the rural residents, can the problem of the ever-widening gap between urban and rural areas be really solved.

Keywords: Urban-rural gap, Capability

1. Introduction

The research of the current urban-rural gap in China is mainly from the perspective of income gap. The income gap is a significant indicator and can be easily measured, but the income gap is a result rather than a reason, it is also caused by many other factors. Therefore, the gap between urban and rural areas should be analyzed from a deeper perspective of more realistic interpretation, which is just the main purpose of this paper. This paper attempts to analyze China's urban-rural gap from the perspective of capability.

The concept of capability was put forward by Amartya Sen, the 1998 Nobel laureate in economics, in his interpretation of welfare, equality and poverty. In Sen's view, a person's "capability" refers to the alternative combinations of functionings that are feasible for him to achieve. Capability is thus a kind of freedom: the substantive freedom to achieve alternative functioning combinations (or, less formally put, the freedom to achieve various life styles) (Sen, 1999, p.75). Sen regarded capability as the substantive freedom to choose a life one has a reason to value. According to Sen's explanation, poverty must be seen as a deprivation of basic capability rather than just the lower income, income shortage is only a strong induced condition of causing poverty. On the basis of Sen's theory, this paper explains China's current urban-rural gap from the capability discrepancies of obtaining income and other substantive values.

2. The key indicators included in capability

The concept of capability is broader than income or wealth. Of course, it includes the ability to earn income. By comparing with the substantive freedom represented by capability, income stands for a tool of freedom; it plays an important role as a tool to reach the substantive freedom. Under the condition of market economy, most goods and services can be obtained only by paying price, and obtaining income is an effective way to pay price. For most people, work is a steady means to make income; work is also of special significance for the poverty group: it can help them escape from poverty. Although leisure has its value, in the case of lacking income and employment opportunity, the utility of leisure may be negative because of the relative excess. Excessive leisure can even become a psychological burden to the poor. Employment opportunity refers to a person who has the ability to work can be employed when he or she is willing to work, otherwise his or her right to work is being deprived. Sen himself considered unemployment as capability deprivation, unemployment has many far-reaching effects other than loss of income, including psychological harm, loss of work motivation, skill and self-confidence, increase in ailments and morbidity (and even mortality rates), disruption of family relations and social life, hardening of social exclusion and accentuation of racial tensions and gender asymmetries (1999, pp.94-95). Employment opportunities have substantive significance for one person's capability. Thus, income and employment opportunities are indicators included in capability.

Health and decent life is a substantive freedom, the pursuit of such a lifestyle means a person's capability. The essence of human capital, which is mainly constituted of health and education, is an intrinsic value which is owned by a person. Its value lies in improving one's ability to achieve substantive freedom. One of the important contributions of neoclassical growth theory to economic analysis is the introduction of the concept of human capital and gradually extending its connotation from knowledge, skills to health. The relevant experience studies also indicated that knowledge, skills and health have a strong tool value for economic growth, improving labor productivity, increasing personal income and expanding economic participation. Obviously, health and education have not only intrinsic value but also strong tool value to a person's capability.

Social security is also considered as an aspect of capability in this paper. In the modern society, the traditional family security function is gradually weakened or converted. So social security is a risk prevention mechanism provided for the individuals by the society. To avoid absolute poverty, social security should provide a baseline protection of survival for the residents, and provide the residents with some of the most basic needs for a decent standard life on condition that social and economic development reaches a certain extent. The meaning of social security is not only a baseline protection, it also lies in offering a buffer to the losers in the market competition so that the losers can not completely lose their ability to compete, and providing opportunities for them to adjust, restore and develop their capability.

In the following of this paper, we analyze China's urban-rural gap from five aspects: income, education, health, employment opportunity and social security. All of these factors are highly relevant to capability. A function form of capability can be expressed as: $C=F(I, E_m, E_u, H, S)$

3. The specific analysis of the gap between urban and rural areas

3.1 Analysis of income gap

According to an income distribution survey carried out by the Institute of Economics of the Chinese Academy of Social Sciences, from 1995 to 2002, the contribution rate of the income gap between urban and rural areas to the overall income gap raised from 36% to 43% (Li & Yue, 2004, pp.30-38). Other relevant researches also showed that the income gap between urban and rural areas was the greatest influential factor to the overall income gap in China (World Bank, 1997, Li & Gustafsson, 2001, p.66, Chen & Zhou, 2001, pp.14-23, Lin & Liu, 2003, pp.3-14, UNDP, 2005, p.35). Li and Yue (2004) also indicated that if the health care, education, unemployment insurance and other non-monetary factors were taken into account, China's urban-rural income gap was the highest in the world.

We can measure the current income gap between urban and rural areas from the angles of absolute income and Gini coefficient. From the point of absolute income (see Figure 1), since 1985, the gap which had been narrowed only a few years but expanded most of the years had a significant upward trend on the whole. According to the figures announced by the Ministry of Agriculture recently, in 2006, the relative income gap between China's urban and rural residents had been expanded to 3.28:1, and the income gap of absolute income between them had reached 8172.5 yuan.

From the point of Gini coefficient (see Table 1), the overall Gini coefficient exceeded 0.4 (the internationally recognized warning line) in 1995 and had been higher than 0.4 since 1998, but if the overall Gini coefficient is decomposed into the urban Gini coefficient and the rural Gini coefficient, both of them are no more than 0.4, the urban Gini coefficient is even lower than 0.33. The seemingly inconsistent phenomenon reflects that the income gap between the urban and rural areas is very large in China.

The urban-rural income gap is not only the result of the widening gap, it also has a tendency that further increases the gap between the urban and rural areas. Permanent income gap causes a huge inequality of property distribution, wealth continuously accrues to cities. According to data from an income survey conducted by the Institute of Economics of the Chinese Academy of Social Sciences in 2002, urban and rural residents accounted for 93 percent and 7 percent respectively of the highest decile nationwide and 1.3 percent and 98.7 percent respectively of the lowest decile (UNDP, 2005, p.33). On the condition that the income and wealth of the rural residents is significantly lower than that of the urban residents, the opportunities for rural residents to obtain various kinds of meaningful activities are surely less than that of urban residents. If the policy tries to solve the problem only from the perspective of income, it can alleviate the relative poverty of rural residents through carrying out fiscal transfer payment. But transfer payment can not solve the problem of capability shortage, so it has no substantive significance to develop rural areas virtually. The point is to increase their own ability to obtain income and provide them with a fair environment, so that they have chances to change their backward status by their own efforts. The access to such opportunities and ability is relevant to the following analysis to a large extent.

3.2 Analysis of education gap

The education gap is a deeper level gap between urban and rural areas, which is notably embodied in education investment and educational level of the residents. In 2002, among the whole educational investment, 77% were used in cities, while rural areas in which the population accounts for more than 60% of the total population received only 23% (Guo, 2007, pp.27-44). Calculated by these data, the proportion of per capita education investment used in urban and rural areas was more than 5:1 in 2002. With respect to educational level of the residents, the gap is larger. According to the fifth census, rural laborers in 2000 had 7.3 years of schooling on average, 2.9 years fewer than laborers in urban areas (UNDP, 2005, p.55), and the proportion of the population who received high school, technical secondary, tertiary, undergraduate and postgraduate qualifications in urban areas were respectively 3.4 times, 6.1 times, 13.3 times, 43.8 times, 68.1 times of that of rural areas (Qiu, 2006, pp.4-6). Another related study about higher education equity provided an even higher times: the population who received high school, technical secondary, tertiary, undergraduate and postgraduate qualifications in urban areas were respectively 3.5 times, 16.5 times, 55.5 times, 281.55 times, 323 times of that of rural areas (from China Economic Times, 9 March, 2005).

China's education gap between urban and rural areas increasingly evolves into polarization, while education polarization strengthens the dual structure in urban and rural areas. Zhang et al. (2006, pp.10-14) studied the fairness of education in

China by using education Gini coefficient. They indicated that the significant increase of the national education fairness was in sharp contrast to the regional education inequality and the urban-rural education inequality after 1978; they also reminded that the education inequality between urban and rural areas may cause the vicious circle of “poverty-lack or loss of educational opportunities-poverty or more poverty”. In order to change the unfair situation, it is necessary to increase education investment for the rural areas, but the policies should not be limited to this point. Besides education investment, it is more important to improve rural public infrastructure, provide basic health and social security for rural residents so as to improve their welfare level and life quality. Only the living environment being improved, can the rural areas attract the groups who received higher education to flow from city to countryside, it will be possible to change the serious condition of lacking of high-quality talents in rural areas fundamentally. To the laborers who work in rural areas, especially those who work in the primary industry, skill training and vocational education have especially special significance. These activities can improve their ability and thus are helpful for them to get the opportunities to be employed in a high value-added industry or in a developed area.

3.3 Analysis of health gap

Health is a basic capability, lacking of health means the deprivation of the opportunities to choose. For a long time, the allocation of public health and medical resources had tilted to urban and developed areas seriously and neglected the rural and backward areas. The level of rural per capita medical resources is far below the city on average. In 2003, the numbers of hospital beds and doctors per 1000 persons in urban areas were 3.67 and 4.84; while the numbers of hospital beds and doctors per 1000 persons in rural areas were 0.67 and 1.19 (Qiu, 2006, pp.4-6). The current rate of rural cooperative medical coverage is only about 10%, while the coverage rate of urban areas is 42% (Qiu, 2006, pp.4-6). The indicators of health input in rural areas are far below the national average level, 87% of farmers are completely self-financed medical groups, and the per capita health expenditure of rural residents is only 28% of that of urban residents (Guo, 2007, pp.27-44).

With respect to medical care spending, the gap between urban and rural areas is also very notable. By the end of 2005, the expenditures of urban and rural residents in medical care were respectively 7.6% and 6.6% (China Statistical Yearbook, 2006). Considering the income ratio between urban and rural residents was 3.22:1 at the same time, the ratio of medical care spending between urban and rural residents was 3.71:1. The serious uneven situation of public health and medical resource distribution results in the involuntary deprivation of the health of many rural residents. In 2005, a report co-sponsored by the State Council's Development Research Centre and the World Bank came to the conclusion that the reform of the national medical system was “basically unsuccessful”; this conclusion is largely associated with the health gap between urban and rural areas. Clearly, Chinese government should take a more active role in this field.

3.4 Analysis of employment opportunities gap

By the end of 2005, the total number of employment was 758.25 million in China, of which the rural employment number was 484.94 million and the number of the population who was employed in the primary industry was 339.7 million (China Statistical Yearbook, 2006). Calculated by the above data, the number of employed persons in rural areas and in the primary industry amounted for 63.96% and 44.8% of the national total respectively, and the number of employed persons in the primary industry amounted for 70.05% of the rural total. It indicated that there were very little non-agricultural opportunities for the rural residents. The fact that too many people are employed in the primary industry determines that it is impossible for this group to get rid of the position of relative poverty by agriculture; and it also determines that the modern agriculture, which is characterized by mechanization and scale operation, can't work in the current China. Seen from the process of China's modernization and urbanization, developing modern agriculture and reducing the gap between urban and rural areas are the necessary way. Therefore, the transfer of a large number of farmers into towns is an inevitable choice.

Providing employment opportunities is the objective requirements to the transfer of rural surplus labor. However, China's current household registration system characterized by urban-rural divide restricts the movement of the farmers to the cities and their freedom of choosing place of residence, it also leads to the unfairness in seeking employment and business opportunities, thus depriving the chance of many farmers to change the status of their lives. Household registration is the institutional obstacle of the orderly flowing of employment and the establishment of a unified labor market between urban and rural areas, so it is the fundamental factor of causing the binary social structure. Comparing with urban areas, the labor resources of rural areas are relatively abundant, but the demand quantity is relatively small. The common sense of economics tells us that if the supply of a resource is far beyond its demand, its price will surely be low, which means that in the circumstances of unfree movement, the income of rural residents in general must be less than that of urban residents. In the free flow circumstances, the labor resource, which is abundant but relative cheap, will gradually flow from rural areas to towns. In the state of complete free movement, it can be expected that rural labor will continue to transfer to urban areas until the marginal values of labor of rural and urban areas are fully equal. In reality, many limited conditions which are specific and vary from person to person decide that a completely free flow is impossible to achieve. But the institutional barriers can be completely eradicated; a reasonable system should ensure that every person can flow unrestrictedly whenever he or she has the will and ability to move.

3.5 Analysis of social security gap

Since the introduction of urban economic reform in 1984, China has gradually carried out the reform of social security

system, which focuses on providing old-age, unemployment and medical insurance for urban workers. The policy guidance of city priority inevitably brings the enormous gap of social security between urban and rural areas. Seen from the basic guarantees, by the end of 2005, the number of people who were covered by the basic old-age insurance, the unemployment insurance and the basic medical insurance had reached 174.88 million, 106.48 million and 137.83 million respectively in urban areas, but there were only 54.42 million people who were included in the old-age insurance in rural areas (China Statistical Yearbook, 2006). With respect to the indicators of special care and social assistance, the numbers of people who were included in a minimum standard of living were 2247 and 367 per 10000 persons respectively in urban and rural areas. According to the personnel who benefited from social security, the coverage ratio of social security was only 3% in rural areas, the proportion of social security coverage ratio between urban and rural areas was 22:1, and the proportion of per capita social security fee between urban and rural areas was 24:1 (Guo, 2007, pp.27-44).

For a long time, the land and the family perform the social security function in rural areas. But land protection and family protection have obvious limitations and vulnerabilities in the modern society. So in the process of advancing China's modernization and urbanization, the security function of land and family should only be regarded as a transition on condition that the real social security is absent. The current problem to be solved is how to incorporate social security of the rural residents into the process of urbanization and modernization, making them well co-coordinated and promote each other. Under the restrictive conditions of urbanization, modernization and providing social security for rural residents, the program of "land-for-security" is worthy of considering. First, give the farmers the right to use the land permanently or at least more than 50 years, the using right is allowed to be circulated freely on condition that the purpose of the land will not be changed. The farmers can choose between operating the land themselves and transferring the using rights to others, including the individual and the state. In the mode of transferring the using rights to the individual, the rental income paid by the transferee naturally provide a basic security to the transferor. In the situation that the state receiving the transfer, the state can consider adopting the policy of replacing land with social security, which is the above-mentioned "land-for-security". On the one hand, the land-lost farmers can obtain social security; on the other hand, this mode means opportunity to concentrate the using right of the land so as to carrying out modern scale operation and developing modern agriculture. To avoid the formation of state monopolies, the maximum scale of the state farm should be restricted, which can be regarded as a guarantee to the vitality of competition.

4. Conclusion

The current urban-rural gap in China is caused by a variety of factors and embodied in various respects. Although concerning only one aspect, such as income gap, is helpful to understand the gap, it is impossible to fundamentally reverse the trend of ever-widening gap. If the policy emphasize one point too much, it is harder to achieve the expected results because of neglecting other important aspects, so a good policy is surely a result of multi-dimensional consideration and implementation. This paper suggests that the government's policy of solving the gap between urban and rural areas should be established on the basis of transfer payments, focused on education, health and employment opportunities, and supplemented by social security.

References

- Amartya Sen. (1999). *Development as Freedom*. New York: Alfred A. Knopf, Inc.
- Chen, Zongsheng & Zhou, Yunbo. (2001). The Impact of Illegal and Abnormal Incomes on Income Inequality of Inhabitants and Its Economics Analysis. *Economic Research Journal*. (4), pp.14-23
- China Statistical Yearbook (2006). [Online] Available: <http://www.stats.gov.cn>
- Cheng, Yonghong. (2007). Evolution of and Decomposition Analysis on Overall Gini-Coefficients in China after Reform. [Online] Available: <http://www.cenet.org.cn> (15 September, 2007).
- Guo, Jianjun. (2007). Current Situation, Issues and Policy Recommendations of Coordinative Development of Urban-Rural Area in China. *Review of Economic Research*. No. 2057 (1), pp.27-44
- Gustafsson, Bjorn & Li, Shi. (2001). A More Unequal China? Aspects of Inequality in the Distribution of Equivalent Income. In Riskin, C., Zhao, Renwei & Li, Shi (Eds.), *China's Retreat from Equality: Income Distribution and Economic Transition*. New York: M. E. Sharpe, Inc. P.66
- Lin, Yifu & Liu, Mingxing (2003). Growth Convergence and Income Distribution in China. *The Journal of World Economy*. No. 26(8), pp.3-14
- Li, Shi & Yue, Ximing. (2004). Survey on China's Urban-Rural Income Gap. *Business & Finance Review*. No. 101(3), pp.30-38
- Qiu, Xiaohua. (2006). The Reduction of the Gap between Cities and Counties to Facilitate Coordinated Development. *Finance and Economy*. (1), pp.4-6
- UNDP. (2005). China Human Development Report 2005. [Online] Available: <http://www.undp.org.cn>
- World Bank. (1997). *Sharing Rising Incomes: Disparities in China*. China 2020 Series. Washington D.C.
- Xu, Bing. (2005). The Gap between Urban Areas and Rural Areas: Solving the Difficult Problem over the Century. *Report of*

China Economic Times. 9 March.

Zhang, Chengzhong, Huan, Zhijian & Li, Huaizu. (2006). An Empirical Study on Education Equality Based on Education Gini Coefficient in China: 1978-2004. *Tsinghua Journal of Education*. No. 27(2), pp.10-14

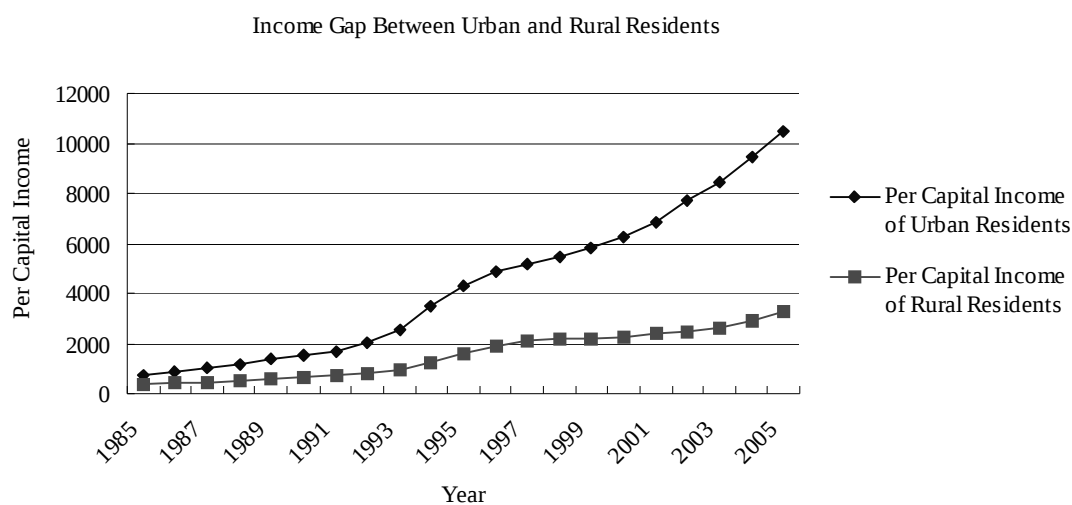


Figure 1. Income Gap between Urban and Rural Residents

Table 1. China's Gini Coefficient (1985-2004)

Year	1985	1986	1987	1988	1989	1990	1991	1992	1993	1994
G1	0.3073	0.3239	0.3247	0.3384	0.3529	0.3587	N.A.	0.3993	0.4183	0.4300
G2	0.2166	0.2117	0.2208	0.2229	0.2281	0.2319	N.A	0.2473	0.2625	0.2874
G3	0.2812	0.2960	0.2981	0.3111	0.3230	0.3221	0.3218	0.3185	0.3395	0.3374
Year	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
G1	0.4169	0.3946	0.3964	0.4001	0.4124	0.4275	0.4331	0.4297	0.4430	0.4419
G2	0.2792	0.2783	0.2861	0.2911	0.2961	0.3089	0.3121	0.3057	0.3221	0.3263
G3	0.3349	0.2974	0.3353	0.3375	0.3471	0.3623	0.3671	0.3725	0.3788	0.3637

Notice: G1, G2, G3 represent the Overall Gini Coefficient, the Urban Gini Coefficient and the Rural Gini Coefficient respectively.

Source: Calculated by Cheng, Yonghong (2007), according to the statistical data opened by the National Bureau of Statistics of China.



Economic Analysis to “Peasant Worker Shortage” in China

Weini Chen

School of Economics, Harbin University of Commerce, Harbin 150028, China

Tel: 86-451-8401 3756 E-mail: fengnitof@163.com

Abstract

“Peasant worker shortage” originated from coastal towns in Fujian in 2003. However, there are about 200,000,000 surplus labors, and about 5,000,000 new surplus labor. From an angle of economics, the author analyses the causes of this phenomenon, indicating that the problems mirrored by the shortage of farmer laborers will have negative influence upon the construction of a new type industrial structure and the building of a harmonious socialist society, and thus makes some suggestions.

Keywords: Peasant worker shortage, Cause, Influence, Inspiration

1. China bothered by the “peasant worker shortage”

Information shows that the labor supply and demand situation has changed greatly in the Pearl River Delta Region and the Yangtze River Delta Region since 2004. In the past, there might be surplus labor supply, but now such supply might be barely sufficient. In some sectors, there might not be enough workers to meet employers’ demand. The labor market is no longer a buyer’s market.

Shenzhen. In the past, due to a surplus labor situation, companies could usually find lots of workers available for use. But now things have changed. Shenzhen has large numbers of migrant workers in China. In Shenzhen, more than 10 million migrant workers come from other places to find jobs.

Not only in Shenzhen, the peasant worker shortage problem has also occurred in other economically developed cities, such as Shanghai, Suzhou, Hangzhou and Nanjing, where large numbers of workers are needed. Among all kinds of jobs that meet labor shortage problem, over half do not require high technical skills. These include sewers, waiters or waitresses, salespeople, security guards, storage and transport workers, and printing and dyeing workers. In Guangdong Province late last year, the government said factories were short more than 500,000 workers; and in Fujian Province, there was a shortage of 300,000. Even north of Shenzhen, Zhejiang Province, known for its brash entrepreneurs, is short about 200,000 to 300,000 workers in 2004.

Our country has long time known for its surplus labor supply and cheap labor force resource and nobody can expect the “labor shortage” someday will appear in China. However it happened. What influence will this phenomenon make on our social and economic development? Author will get some insight from the angle of Economics.

2. Economic analysis to the reason of the “peasant worker shortage” in China

2.1 Labor force market can not get its equilibrium development.

Our country coastal labor market is characteristic of the coexistence of the low pay and the labor shortage, which broke the economic law and was not considered a normal phenomenon. According the general equilibrium principle in economics, both of supplier and demander will obtain equilibrium in a open competitive market, and no exception for labor market. The supplier and demander will reach its supply-demand equilibrium through game theory of wage. In demand situation, when demand for labor falls, wage will fall, vice versa; in supply situation, when labor supply falls short of demand, wage will rise, and when supply exceeds demand, wage will fall.

However, the labor force market of our country’s coastal region failed to follow the rules above: wage failed to rise along with the raise of labor demand. Take for example the Pearl River Delta Region where labor wage is relative higher, workers whose average month wage (including call-back pay) of a worker in Guangdong Province below 800 Yuan account for more than 80%, those whose wage over 1000 Yuan only account for 6.54%. Compared with that of ten year ago, month wage of a peasant worker increased no more than 100 Yuan, while in the corresponding period, annual wage of city workers (excluding increased price level factor) increased by 6%.

According market equilibrium theory, why wage level has lingered at low level is due to insufficient demand or surplus supply. However, the former is obviously out of reality, for our nation economy grows at the speed of 8%, annually, with a great demand for labor. If it is due to surplus supply, how can explain “peasant worker shortage”?

The author thought that, why our country coastal labor market can't adjust the labor force balance between supply and demand through the wages is due to our country labor market structure & characteristic. Our country labor market is characteristic of the coexistence of the short-term partial market and the long-term single market. Labor force supply exceeds demand, while the short-term market falls short of demand—this contradictory is long-standing. This kind of market pattern can cause the partial labor market inevitably distort the price, can't reflect the supply and demand condition, and thus cause the supply and demand fail to achieve automatic balance.

East coastal region of our nation develops fast, in great demand for labor. As a single and enclosed market, wage should increase to a equilibrium level meeting demand along with the increasing demand. Nevertheless, wage can not reach a reasonable level because it's held down by the same market labor equilibrium price in the whole nation. It can be illuminate by the following figures.

Figure 1-a denotes partial short-term supply-demand equilibrium relationship in coastal region labor market. Figure 1-b denotes the long-term supply-demand equilibrium relationship in nation labor market.

S_0 & S_1 , respectively denotes long-term and short-term labor supply curve, the slope of S_0 is lower than that of S_1 , indicating supply elasticity in long-term market is larger than that in short-term market. D_0 & D_1 respectively denotes labor demand curve in nation uniform market and coastal partial market. The slope of D_1 is larger than that of D_0 , indicating demand elasticity in partial labor market is smaller than that in nation market. W_0 denotes wage of nation labor market supply-demand equilibrium, indicating the lowest wage in coastal partial labor market; $W \geq W_0$ denotes the lowest wage standard is higher than long-term labor market equilibrium price.

When speedy economic development in coastal partial region develops led to labor demand increase, demand curve D_1 shift right to D_2 , and labor price rise to W_2 . When the difference of W_2 minus W_0 is larger than flow cost of labor, migrant workers from other places will begin enter coastal labor market. Due to the increase of labor supply amount and the downward trend of equilibrium wage in nation labor market, W_2 will return back to W_1 . Under this wage level, L_a denotes labor supply amount, and demand amount L_b . Consequently, the supply gap of $L_a - L_b$ creates and lead to "peasant labor shortage" phenomenon.

2.2 Low pay for work is the essential reason for "peasant worker shortage".

As the previous analysis indicates: When wage returns back from W_2 to W_1 , why is a number of people unwilling to accept the wage and quitting for labor market? Economics principles explain that people face tradeoff between pain which labor brings about (that is human's physical & mental contribution and giving up leisure) and revenues which labor creates. The labor time people will supply depend on the formula: $MR = MC$ (marginal revenue of labor equals marginal cost of labor) Figure 2 can illuminate:

In Figure 2, x-axis T denotes time, y-axis P denotes marginal utility of labor product and marginal negative utility of labor output. Q curve denotes marginal utility curve of labor product. $Abcd$ curve denotes during o-a period, marginal negative utility curve of labor output and this curve upward and then downward indicates negative utility of labor is gradually decreasing, since workers can not adjust themselves to work at the beginning and then can adjust themselves to their labor environment. During a-b period, it is positive utility because suitable labor brought about people pleasure. After b point, overmuch labor caused people fatigue and thus it's negative utility.

At the point t_1 , marginal negative utility labor caused t_1d just equals marginal utility of labor product t_1e , consequently, t_1 point is the equilibrium labor time, that is the time workers will give up leisure and pay out working time. It can be expressed by the following formula:

$$\frac{dy}{dt} = \frac{dp}{dt} = \frac{dy}{dp}$$

In this formula, v denotes negative utility of labor, dy/dt denotes marginal negative utility of labor; p denotes labor product, dp/dt denotes marginal output; u denotes the total utility of labor output, du/dp denotes marginal utility of labor product, $dp/dt \cdot du/dp$ denotes marginal positive utility of labor. When labor time passes t_1 point, marginal labor negative utility is greater than marginal labor positive utility, meaning people are reluctant to offer their labor for society. In the figure, marginal utility curve of labor product, Q stands for utility curve of wage and welfare. When wage is raised, curve Q_1 shift to the left and the equilibrium point shift right to t_1 , meaning people will supply much more labor; contrariwise, curve shifts to the left from Q_1 to Q_2 , meaning people will decrease labor and increase leisure to obtain tradeoff.

In coastal developed areas, graduate increased income of peasants caused some negative influence over labor supply, which is also the crucial reason for "peasant worker shortage". Economics theory can explain this principle of the phenomenon.

In Figure 3, left curve denotes workers' "income-leisure" utility curve. Any point in this curve bears the same utility for workers; y-axis denotes income and x-axis denotes leisure or work time. From the original point to H point, meaning leisure time from 0 to 100 (hereby hypothesis: the maximum available time of someone is 100), the segment shifts to the left from H point to original point indicates graduate increased labor time. Original point denotes that workers devoted all labor time to work, without any leisure time. Ht_1 indicates legal labor time workers must total once workers begin their work for society.

Y_a denotes other incomes than labor, that is the income not from labor. W_1 denotes wage rate that is reward in per unit time:
 $W_1 = (Y_b - Y_a) / (OH - Ot_1) = Y_a Y_b / Ht_1$.

General workers are running product operation based on family unit and thus family members' income or social welfare the whole family obtains can be considered a non-labor income. Research shows that when worker's non-labor incomes increase, the slope of one's "income-leisure" utility curve will turn steep. Corresponding economics indicates that because income effect causes increase speed of consume index larger than that of wage, if wage is not changed, income will be decreased relatively, and thus the utility curve of labor revenue will shift to the right, which indicates that the number of workers who quit labor market is turn great. It is just why "peasant worker shortage" was aggravated.

3. Inspiration & Countermeasures

3.1 Upgrading the industrial structure of the Enlightenment.

In order to improve China's international status in the international division of labor and to enhance its comprehensive national strength, we must effectively strengthen the transformation of traditional industries, upgrade the industrial structure and to choice some international high-tech, advanced technology, competitive, bright prospect industry as a national strategic industries, such as the information industry, bio-technology industry, the aerospace industry, advanced equipment manufacturing industries, etc. Only if cultivate our competitiveness in strategic industries, can we achieve better interests under economic globalization, and be able to maintain long-term competitiveness and economic growth. Otherwise, the future development of China's space will be reduced, the current low level of industrial structure in the international division of labor will be frozen even risk to be locked in the global industrial chain of low-end.

Our low-cost strategies we adopt at present will be detrimental to the upgrading of the industrial structure and the formation of the above strategic industries. First, from the angle of accumulation of human capital aspect, low labor costs will inevitably lead to low labor remuneration, so that workers lack of human capital investment, leading to their low level of the culture, skills, health and overall quality and those workers can not meet the needs of new industries; Secondly, from prospect of the enterprise's own innovative power, if labor costs has been unable to return to a reasonable level, enterprises will indulge in reliance on the cheap labor resources, without pressure and incentive to adjust and optimize the structure of production, technological upgrading and to elevate the proportion of innovation, technology and management among production factors. All of above factors will hinder industrial upgrading.

3.2 The author believes there are mainly three countermeasures.

First, to increase the minimum wage level of migrant workers in developed coastal areas. Governments in different regions should adjust the policy to the changing situation annually, based on the level of economic development, living standards and the price index, formulation of peasant workers the minimum wage protection. The standard wage should include workers' human capital investment required for the cost, besides maintaining basic living of peasant workers.

Secondly, to strengthen the power of social security system for peasant workers. Peasant workers mostly are engaged in "three-D" work that is dangerous, dirty and difficult (Dangerous, Dirty, Difficulty). This sort of work bears high-risk index, physical harm to health and great threat to the life. Government should intensify security, medical and pension aspects of social security for workers. When nation's financial resources can not directly bear such cost burden, we can introduce some other tilt policies to encourage the hiring units to pay these costs for workers, such as to offer various social insurance for workers and preferential policies under the degree of protection, access to industry and the industry tax deductions

Third, to intensify further efforts to assist peasant workers and increase the their incomes. "Peasant worker shortage" phenomenon is the essence of the overall low income of the farmers. Low incomes and the rural labor surplus led to low labor supply prices in overall labor market of the whole country, additionally, just the low price constrains the raise of labor price along with the rising demand in the developed coastal areas and inevitably led to the labor shortage. Only manage peasant workers' income to have a significant increase, the existing labor supply price will increase under the current population condition and fundamentally solve the coastal areas "peasant worker shortage" problem. Furthermore, only if society increase peasant workers' incomes, can we fundamentally resolve the long-interference we bothered to build a harmonious structure of China's two components city-country economy in a harmonious socialistic society in urban and rural areas "dual structure" and eliminate the urban-rural difference. Then, the existing urban and rural household registration system and the discrimination against the peasant workers can truly be resolved.

References

- Li, Zhi. (2005). Some thought about regional peasant labor shortage. *China Grain Economy*. Aug. China.
- N. Gregory Mankiw. (2003). *Principles of Economics*. 3rd edition. America.
- Robert S. Pindyck & Daniel K. (2002). Rubinfeld. *Microeconomics*. America.
- Xu, Jingyong & Huang, Huanwen. (2005). Urbanization with Chinese Characteristics, Migrant Rural Workers and Labor-intensive Industries *Research on Financial and Economic Issues*. vol 12. China.
- Yu, Shuyan & Zhan, Yuping (2006). Rural Migrant Workers' Shortage and Regional Transference of Labor Intensive Industry in China, *Commercial study*. vol 24. China.

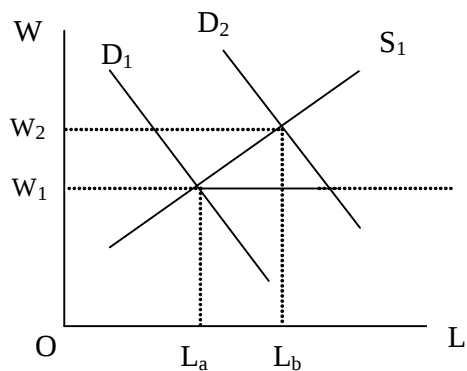


Figure 1-a. partial short-term labor market

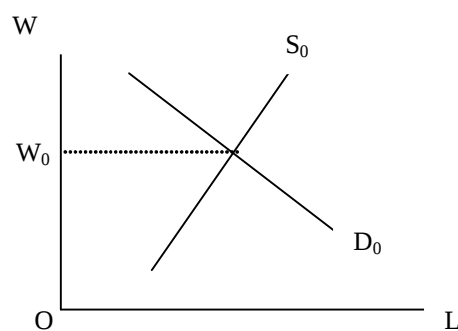


Figure 1-b. partial nation long-term labor market

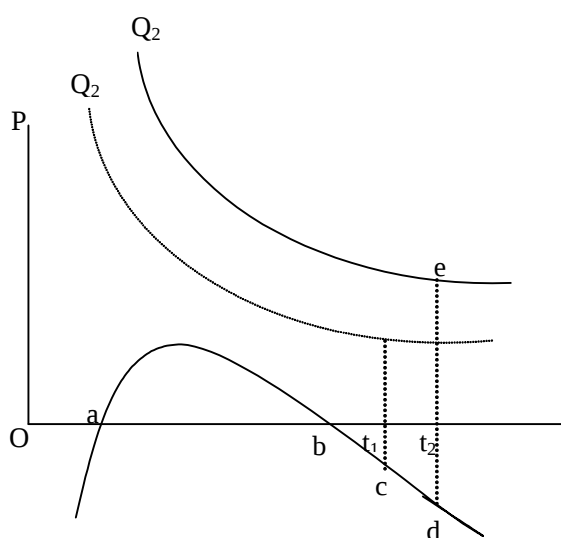


Figure 2. Determination of labor time

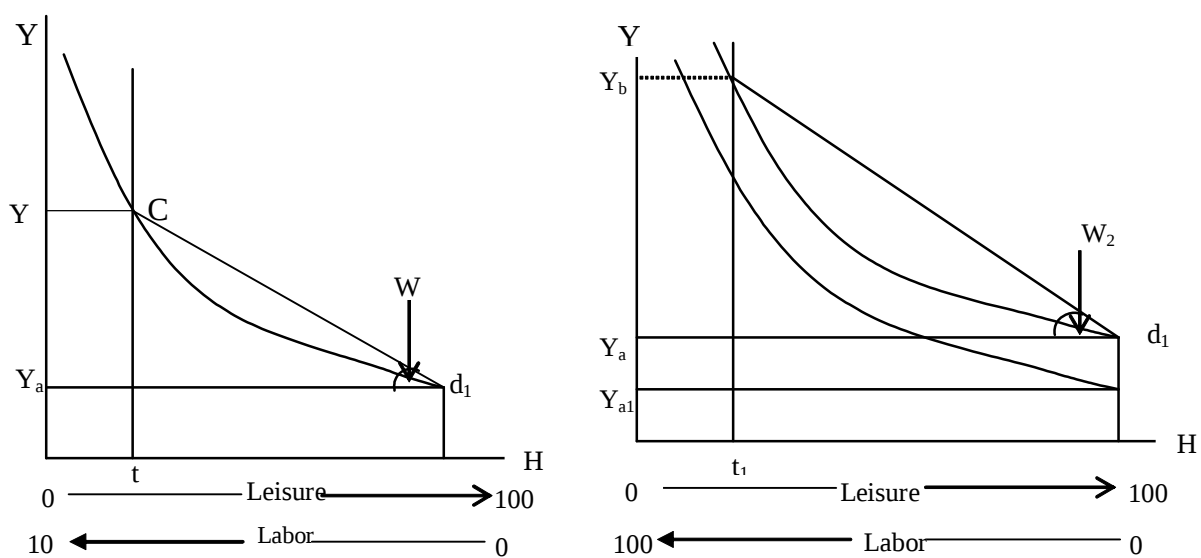


Figure 3. Determination of whether to work



On Differences between Eastern and Western Plastic Arts

Lu Xue

College of Art and Appareluages, Tianjin Polytechnic University, Tianjin 300384, China

E-mail: lianglu1125@126.com

Abstract

Plastic arts refer to the creation of visual static images with some substantial materials as well as methods, including architecture, sculpture, painting, industrial arts, design, calligraphy and seal cutting and so on. Due to the differences between the eastern and western cultures, plastic arts also display different characteristics. To be more specific, different geographical environments and social and historical environments have led to different cultural foundations of the two. The Chinese culture emphasizes the kinship while the western culture puts more importance to individual equality; the Chinese culture emphasizes ethical rules while the western culture the exploration into objective rules; the Chinese culture emphasizes harmony while the western culture opposition, hence resulting in the differences in Chinese and western value orientations. In addition, in the comparison between Chinese and western philosophy, the former seems to be macroscopic and comprehensive with its emphasis on the harmony between opposite sides and the inner experiences while the latter tends to be more scientific due to its division between sensibility and reason, individuality and generality.

Keywords: Plastic arts, Difference Analysis, Cultural foundation, Value orientation, Difference in philosophy

Plastic arts refer to the creation of visual static images with some substantial materials and methods, including architecture, sculpture, painting, industrial arts, design, calligraphy and seal cutting and so on. They have displayed different trends and characteristics in the east and the west.

Some well-known ideas on plastic arts in China are given as follows:

During the Spring and Autumn and the Warring States Periods, painting's advantage in remaining images was mentioned in some ideologists' works.

A famous painter in East Jin Dynasty, Gu Kaizhi, emphasized the importance of "the convey of spirit", changing the long-lasting traditional ideas to purely pursue similarities in shape. In this way, a new foundation is provided for us to understand the characteristics of painting arts.

In Song Dynasty, the "expression of feelings" theory came into existence, maintaining that paintings should be relied to express the painter's feelings. According to this theory, similarities in shape would give way to expression of feelings although they shouldn't be neglected totally.

Wang Bo in Ming Dynasty gave a more profound and dialectic explanation about the similarities in shape, which is regarded to step further towards the characteristics of painting.

It was revealed in Bai Juyi's description of Zhang Zao's painting course that painters are good at combining their subjective experiences with the objective environment and then forming images in their minds. Accepting this theory, a contemporary painter, Pan Tianshou maintains that although the images come from the objective world, they are different from the real ones due to the painters' subjective experiences.

Su Shi in Northern Song Dynasty proposed the theory of "to have a well-thought-out plan", according to which painters are expected to form mature and complete images in their minds before reconstructing them on paper. This theory has been accepted by the following painters as a basic principle. In Qing dynasty, Zheng Banqiao proposed another theory—"the bamboo outside mind" as a supplement for Su Shi's. In addition, Zheng Banqiao also pointed out the differences among "the bamboo in mind", "the bamboo in eyes" and "the bamboo in hand", hence giving a more vivid explanation for the painting course.

Meantime, Wang Bo's theory has been accepted by a lot of painters in modern China, such as Shi Tao, Qi Baishi and Huang Hongbin. According to Qi Baishi, the intermediate state between similarity and non-similarity is the excellent one because "paintings which are similar to something too much seem meretricious while ones which are not seem deceptive". Huang Hongbin maintains that real similarities should come from those with some changes.

And the following are some famous theories on plastic arts in the west:

During Revival of Learning, Italian painter Leonardo Da Vinci thought that painting, as a science branch, begins with points,

and then extends to lines, sides and comes to shapes. Besides, according to him, the proper use of shadows will help to create a concavo-convex effect. In addition, color, shape and distance of objects in painting, as well as the mistiness of objects caused by distance are also included in painting science, which is regarded as the origin of perspective study.

According to German classical philosopher Hegel, the principle nature of a subject matter, instead of the subject matter itself, has taken a more and more significant role in painting. In one of his important works— *Aesthetics*, it is pointed out that the subject matters for painting mainly come from those things which can be manifested from the externality. In his opinion, the inner world will not be reflected by the external images directly in painting. Instead, movement will be employed to uncover the hidden inner world.

French classicalism painter Angel maintained that the emotional expression of painting is closely related to plastic arts and therefore the latter is expected to search for and accumulate natural beauty. French Romanticism painter Eugene Delacroix emphasized the importance to express the painter's fantasies and impressions. While another painter Gustave Courbet believed that painting, as a concrete artistic form, is expected to manifest those visible and existing things and therefore, a faithful reproduction should be given in painting.

In Pissarro's theory, painting is employed to reveal feelings, so it shouldn't be restricted by rules or principles. While according to the postimpressionist school, volume, color and the spirit of painters should get emphasized in painting. Cézanne claimed that sculpt should go along with the natural things instead of pursuing them.

According to Henri Matisse, a representative of fauvism, painting is mainly to manifest things with its concern about the shape of objects. In his opinion, cube and globe is the only necessary things for painters. While for Picasso, not only what is seen but what we think about things should be manifested in painting.

The following conclusions can be reached from the above thoughts: Influenced by the western scientific ideology and the eastern sensational ideology, plastic arts display different characteristics between the two. Just as what Li Dazhao, one of the founders of CCP, has said in *Basic Differences Between the Eastern and Western Civilizations*, there are some major differences between the two: one pursues quiescence while the other movement; one pursues natural things while the other artificial ones; one desires for peace while the other for war; one is negative while the other positive; one is dependent while the other independent; one prefers coziness while the other initiative; one would like to follow while the other to create; one tends to be conservative while the other would like to try on different things; one pursues arts while the other science; one emphasizes spirit while the other substance; one emphasizes human soul while the other flesh; one believes in nature's control over man while the other maintains that man can conquer nature. Accordingly, these above differences should be traced back to the general differences between the eastern and western cultures with the following reasons:

(1) A Comparison in Cultural Foundation

Generally speaking, differences in culture lie in different production modes and life styles caused by different geographical environments.

Different geographical environments:

China has as large an area as whole Europe does. The surrounding mountains and oceans set barriers between this nation and the outside world as well as providing large space for their people, hence resulting in China's self-sufficient agricultural economy. Until our human society stepped into the capitalist industrial stage did the Chinese agricultural civilization stay among the top of the world.

The ancient Europeans used to live along the southwestern coastline, hence forming animal husbandry as their main production mode. In addition, their constant migrations resulting from the small amount of land fit for farming increased the clash and amalgamation with other nations and therefore, gave profound influences to their culture. Furthermore, their convenient waterway transportation has also provided favorable conditions for their business development in the ancient and modern times.

Different social and historical environments:

Differences in geographical environment have led to those in production, and then to those in social and historical conditions. As an internal condition for culture, social and historical environment has played a decisive role in the formation of culture.

The historical characteristics of the ancient Chinese society can be summed up as follows:

First of all, self-sufficient agricultural economy was the economic basis of the ancient Chinese society. Due to its advantage in producing more in a certain amount of land, it had provided substantial conditions for the patriarchal clan system in ancient China. Accordingly, with the royal authority as its center, the ancient Chinese society was composed of individual families which were formed according to kinship.

Different from ancient China, the ancient European society has the following characteristics:

First, ancient Europe had advanced industry and commerce as well as agriculture and animal husbandry. By the end of the Middle Ages, its coastal business economy had reached a quite high level, and what's more, stock exchange began to

appear in 14th to 15th century.

Second, it had a social structure based on feudal manor economy, connected by laws and centered on thearchy. The traditional western social structure was based on its agricultural civilization and the industrial and commercial one. With manor economy as its base, the feudal hierarchical system was formed with the relationship between landlords and homagers according to their contracts and therefore the divided administrative and judicial authority.

(2) A Comparison in Value Orientation

The differences between eastern and western value orientations are mainly shown in the following aspects:

Kinship in Chinese culture & individual equality in western culture:

Due to the patriarchal clan system in Chinese society, kinship seems to be particularly important for Chinese people.

Compared with the Chinese society, the western society has put less importance on kinship due to the development of commercial civilization in ancient Greece. Instead, equal status and free decision rights as required in commercial exchange have promoted the formation and development of people's ideas in equality and freedom. Particularly in the modern times, the capitalist class proposes equality and freedom as its banners.

Ethics in Chinese culture & objective laws in western culture:

The structure of the Chinese society makes it important to think a lot about personal relationship and steady social orders. In ancient China, ethics and morality took a quite important position in Chinese culture.

It is different in western culture. As early as in ancient Greece, people began to explore the world from the perspective of nature instead of only personal relationship. They divided the whole world into man and nature, hence trying to find out reasons and sources from the objective world.

Harmony in Chinese culture & opposition in western culture:

It is also due to kinship in Chinese society that Chinese people follow the principle of "harmony" when dealing with all kinds of relationships. If family members don't get along well with each other, the whole family will run the risk of splitting up. Just like Confucius once said, politeness should be employed to keep harmonious relationship between each other. When it comes to arts, the unity between sentiment and scene is required.

In western culture, due to the division between the subjective world and the objective world, a sequence of oppositions come up, such as that between God and man, sensibility and reason, competition between individuals and wars between nations and so on.

(3) A Comparison in Philosophical Base

The unity as well as harmony between opposite sides is emphasized in Chinese philosophy. However, the differences between sensibility and reason, individuality and generality have been put importance on in western culture. When it comes to ideological approach, Chinese culture seems to be macroscopic and comprehensive with its emphasis on the inner experiences while western culture tends to be more scientific due to its analytical character.

According to the comprehensive character in philosophy, connections and unity among things are emphasized instead of their differences and quantitative analysis, hence resulting in undivided knowledge. Just because of this, Chinese culture seems to be lacking in logic, analytical theories and science despite of its highly developed literary arts and ethical ideology.

However, according to the analytical western philosophy, everything should be divided into two sides. For example, human knowledge should be divided into perpetual knowledge and rational one; the world should be divided into the subjective one and the objective one; the society should be divided into man and God and so on. Due to their emphasis on differences among things, quantitative analysis is widely used to give definite limitations to concepts and categories, hence resulting in clear knowledge. In this way, the precise scientific approach established in the western philosophy has laid the ground work for the scientific development of western arts.

References

- Liu, Wanming. (2001). *Chinese Painting Theories*. Tianjin Ancient Books Publishing House. (269).
- Wang, Liu. (1984). *On Art Characteristics*. Culture and Arts Press. (1-5).
- Wang, Songhua. Shen, Naiquan. Li, Fengchen. Wu, Zhaoshuang. Zhang, Jinhua. Xu, Xuelan. (2000). *Philosophy and Art*. Tianjin Social Science Institute Press. (1-12).



Problems That Lead to the Failure in Language Communication

Shenghua Yan

Foreign Languages School, Lanzhou University of Technology, Lanzhou 730050, China

E-mail: yanhua30@sina.com

Abstract

A language is the most important tool for communication, yet misunderstanding of language often occurs in our daily communication. This paper illustrates some problems that lead to the failure of language communication and points out that it is necessary to avoid such problems for an effective and clear communication.

Keywords: Communication, Language, Understanding, Vagueness, Ambiguity, Word

A language is defined as “a systematic means of communicating ideas or feelings by the use of conventionalized signs, sounds, gestures or marks having understood meanings.” (Webster’s, 654), and “is a tool for communication” (Emmet, 22). In most common use of language, these signs are the words which we employ in such a way that they may communicate ideas or feelings. Communication, that is, the conveyance of an idea or emotion from one to another, relies largely upon language, and rightly so, as it is a powerful tool when employed correctly. However, misunderstandings in communication occur when two people have a different understanding of their language, or they use language in such a way that it results in communication which is unclear or vague.

1. Vagueness in languages

Vagueness has been observed to occur widely in language use, but what is vague language? People have different beliefs about it. For example, Crystal and Day (1975) call vagueness as imprecision, and they state “lack of precision is one of the most important features of the vocabulary of informal conversation”. Vague language is prevalent in our daily life, but it was often neglected or misunderstood by people. In our daily life, we may notice that the use of vague language is also frequent. For example, when someone asks for our opinions about something, we may give a reply with “*it is fine. It is ok. It is not bad*” or “*it is pretty good*”. Here, “*fine, ok or not bad*” and “*pretty good*” are both typically vague expressions, since the reply can not be decoded quite clearly. With such vague replies, we response for some particular purposes, probably we don’t want to declare our positions, or it’s difficult for us to speak out our opinions, since we are not in favor of giving the negative opinions directly in “face to face” conversations. In this way, vague utterances appear.

Furthermore, vague language is widely used in newspapers, magazines, political statements, law documents, even advertisements. We may use vague language to mean different things or for different purposes, and vague language becomes an important tool in communicating thoughts and feelings to each other and it is also the important part of the language production of every speaker and writer, so in our lives we need not only precision but also vagueness. Vagueness and precision play the same important roles in our communications, just as Dr. Channell shows: ordinary language leaves room for people to be vague, to avoid precision and the commitment associated with it; in fact, if people did not have access to vague language, their range of communication would be severely restricted. Speaker makes an unhedged statement about a phenomenon of which his or her knowledge is vague. The speaker’s uncertainty is not explicitly encoded. On the other hand, problems of unclear understanding in communication, more often than not appear in vague language. The problem of communication which is unclear or vague is one which results from the use of words for which the “range of application is not clear” (Hospers, 22). One could also say that something which is vague is that which lacks precision. Expressions like *kind of, somewhat, more or less, about, around, roughly, and many more...* lead to vague language. This type of vagueness results from statements or words which are not quantifiable. For instance, the phrase “He is fairly heavy” does not communicate a precise weight or condition of the person. A person who weighs 80kg may be considered by some to be “fairly heavy”, yet to another, or even to the same person, one who weighs 120kg may fit the same description. Similarly, the words “very” and “quite” are not precise enough to convey a clear image to the listener. A more precise description would be “He weighs 120kg” or “He is unhealthily heavy”. One conveys a precise mass, the other, a condition. One could also say that words which are vague are those which have several criteria for application. In such a case, a word may be applied correctly (filling criterion A for instance), but yet the other criteria (B and C do not apply). For example, take the word ‘books’. One could set several possible criteria: 1. Paper bound together; 2. A textual narrative and 3. A major division of a literary work. If one was to say to another: “She is coloring in one of the books,” applying in this case criterion 1, they would be correct to do so, as there are bindings of paper, or books, intended for that purpose.. Yet, it will cause some surprise if one was to understand this as an application of either criterion 2 or 3. To be coloring in either of the other ‘books’

would seem absurd. Yet vagueness must not always be a problem - such words are often necessary. It is when words which are vague are used and understood as though they were precise that problems arise. In these cases, this characteristic of language can indeed hinder effective communication.

2. Ambiguity in languages

Another similar problem arises in the use of words. It is known as ambiguity. Ambiguity has traditionally been identified where a sentence or word has two or more competing but distinct meanings attached to it. This problem exploits the multiple definitions or meanings of words to cause a misunderstanding. Words often have both a descriptive and evaluative meaning which when confused; result in "an instance of the most common and most dangerous form of ambiguity." (Wilson, 37). If somebody says "That is a crooked man", it could be concluded that a) It is a man who has bad posture, such that it is not straight or b) It is a man of no morals. If one who uses the phrase intends the first meaning, but a listener understands the second, an unfortunate misunderstanding could take place. In cases of ambiguity, there is always confusion as to how the word is employed. However, words with multiple meanings do not always cause problems of communication - there isn't always confusion as to how the word has been employed. For instance, if one says it is "cold outside", one doesn't take the outdoors to be impersonal. Rather, most sensible people would comprehend that the temperature outside is low. Thus, ambiguity can cause problems of communication, but only when there is confusion about the use of the word.

3. Misunderstanding of languages

Communication, which is the "system of verbal gestures by which a speaker points out a reality to a listener" (Church, 126), requires that the two parties involved have a similar understanding of the language. Such a problem arises when two people speak a different language, but the same thing can occur on a smaller scale if people have a slightly different understanding of the same language. This is because we "tacitly assume that the other person (the listener) is identical to us" (Chomsky, 21) in their use of language. This often is as a result of a speaker and a listener (or writer and reader) who use certain words in a different manner. It is necessary, for communication not to be impeded, that the second individual has the same understanding of a word as the first. When this is not the case, communicating an idea as intended can be quite difficult. For instance, if the speaker is from the north, speaking to a listener from the south, and says "It is warm today", the listener could be quite surprised at the exact temperature. This statement is not only vague; the two parties involved also have a different impression of how the word 'warm' is to be used. One will "not succeed in communicating ... unless (they) have first made it quite clear exactly how (they) intend to use the words." (Emmet, 23). If such a declaration of intent is not made, the communicated information may not be clear and the impression which a listener receives could indeed be false.

4. Essential meaning of a word

One may ask why the meanings of words are so often left to question in communication. However, communication "does not require 'public meanings' any more than it requires 'public pronunciations'" (Chomsky, 21). This is known as the fallacy of essential meaning. It is not unusual for one to be concerned that they have not discovered the 'real' or 'essential' meaning of a word, and therefore have been using it improperly. They have not found it because none exists. The various ways in which a word is employed often have much in common, but that is not to say that there is a real meaning, it simply says that there is a "job we can employ this word to perform" (Emmet, 25) and which would be likely to be understood if someone were to employ the word. To say that no essential meaning exists does not mean that there are no guidelines for use of a word. Among those speaking the same language, there is likely to be some general, unspoken consensus as to how a word is used. This is what is most important. A dictionary definition may seem more official, but in the interests of clearer communication, one should employ the word in a manner that their audience would be most likely to understand.

5. Understanding the context of a word

One must understand the context, or background, in which a word is used to have a grasp on the meaning of the word itself. "The background elements are not explicitly perceived, but they play a part in shaping our experience of the situation." (Church, 110). To cite an example: A woman, upon going outside on a cloudy afternoon, exclaims, "It is dark outside." This darkness is quite unlike that which one would encounter upon entering a windowless room, yet upon entering, one would say nearly the same thing. Understanding the context of a word is nearly as important as an understanding of the word itself, as the situation controls to a degree how the word will be used. All of these problems are contained within language. Yet, language is our most important tool in communication and thus must be employed. If it were not, communication would be hindered, or even blocked, to a far greater degree than it is due to the problems presented. It should be the goal of everyone to, if possible, avoid these problems. The result would be language which is far more clear, precise, and less misleading, or bewitching. Language free of most problems would make it an even greater tool, effectively improving the communication between persons and developing better understanding and knowledge through this communication.

References

- Channell, J. (2000). *Vague Language*. Shanghai: Shanghai Foreign Language Education Press.
- Kempson R. (1979). *Ambiguity and Word Meaning*. London: Longman.
- Sperber, D. & D. Wilson. (1986/1995). *Relevance: Communication and Cognition*. Oxford



Advance Care Directives and the Position in Ireland: What lessons can Ireland Learn from the United Kingdom, the United States and Europe?

Laura Donnellan

Lecturer in Law

School of Law

University of Limerick

Ireland

E-mail: laura.donnellan@ul.ie

This article is based on a Paper given on "Advance Care Directives" at the 30th International Congress on Law and Mental Health (University of Padua 2007, June 25-30)

Abstract

An Advance care directive entitles a person to request in advance either the refusal of or consent to certain medical treatment if that person is not competent to consent or refuse at the time such refusal or consent is required. The 2003 Law Reform Commission's Consultation Paper on Law and the Elderly briefly mentioned advance directives. However, the Paper decided to leave the issue to a future Paper that would give a more comprehensive analysis. There is no Irish legislation on the matter and consequently the legal position is unclear. The English Mental Capacity Act 2005 has given recognition to advance directives under section 24. It is interesting to note that only refusal is covered by the Act. The 2005 Law Reform Commission Consultation Paper on Vulnerable Adults discusses the issue of advance directives in more detail. This Paper will examine the Irish position of advance directives. The British Mental Capacity Act and recent case law will provide a comparative analysis. The UN Convention on the Protection of the Rights and Dignity of Persons with Disabilities will also be examined.

Keywords: Advance care directives, Medical treatment, Position in Ireland, UK and US

1. Introduction

In 2003 the Irish Law Reform Commission (LRC) (Note 1) published a Consultation Paper on Law and the Elderly. The Paper noted the increased longevity and the rise in the numbers of people living to an advanced age. While the Paper acknowledged that this was a welcome development, it warned of potential problems associated with such longevity, including housing, health, financial support and personal social services. The Paper further examined legal mechanisms that were needed for the protection of vulnerably elderly people. Vulnerability is not just associated with elderly people, and with this assertion in mind, the Paper proposed that the issues involved could be adapted without much modification to apply to other vulnerable people such as those with disabilities or of young people (Note 2).

The Paper concentrated on the meaning of legal capacity and its discussion briefly mentioned advance care directives (Note 3). The Commission, however, decided to leave the issue of advance care directives to a future Paper that would give a more comprehensive analysis given the contentious moral, legal and ethical questions that surround the area. Although brief, the mention of advance care directives generated some academic debate.

This article will examine the position of advance care directives in Ireland. Recent case law has brought the issue before the Irish Courts. The case law indicates that the courts recognise advance care directives although there is no specific legislation in place that gives cognisance to such an assertion. The Irish Council for Bioethics released a Report in February 2007 entitled "Is it time for Advance Health Care Decisions?" The Report offered a background discussion and examined the position of advance care directives within Irish society. The Council hope that the Report will generate further discussion. This Report will be examined in more detail in the course of the article. As Ireland has a dearth of case law, a comparative analysis will be conducted. The United States offers an insightful illustration owing to its recognition of advance care

directives since the late 1960s. The United Kingdom will also be examined as a more recent exponent of advance care directives, under section 24 of the Mental Health Act 2005. The article will conclude with some recommendations and suggestions for reform.

No discussion of advance care directives is complete without first looking at the issue of legal capacity under Irish law. As there has been a dearth of case law on the matter in this jurisdiction, the position in England provides some guidelines.

2. Legal Capacity

Legal capacity has been described as ‘somewhat of a moveable feast’ (Note 4). As there is no universally agreed definition of legal capacity or incapacity, there are no agreed tests by which legal capacity can be adjudged. Irish law is somewhat confusing on the matter. Various terminology has been used to describe people who lack legal capacity. The Mental Health Act 2001 includes dementia and significant intellectual disability as a form of mental disorder. However, such a term is concerned more with psychiatric care and not legal capacity. The Enduring Powers of Attorney Regulations 1996 uses the term ‘mental incapacity’. The Criminal Law (Insanity) Act 2006 provides that unfitness to plead may be regarded as a form of legal incapacity. Thus Irish legislation does not provide a concrete definition of what constitutes legal incapacity. While mental incapacity or disorder does not mean a person is legally incapacitated, they do however provide convincing evidence of lack legal capacity. It would seem that the line between legal capacity and incapacity is not easy to define. One example where it is possible to identify an extreme stage of legal incapacity is if a person is in a coma. However legal incapacity cannot be ascribed in other situations which lack such exactitude where, for example, there are varying degrees of impaired, restricted or diminished responsibility and in these situations identifying legal incapacity becomes a more arduous task.

There has been no Irish case where capacity to medical treatment has been considered. The English case of *In Re MB* [1997] 2 FLR 426 provides some general principles for assessing capacity to medical treatment. Here the court held (at 437) that a “person lacks capacity if some impairment or disturbance of mental functioning renders that person unable to make a decision whether to consent to or refuse treatment”. Such an inability will arise when the person: “is unable to comprehend and retain the information which is material to the decision, especially as to the likely consequences of having or not having, the treatment in question”; and ‘the patient is unable to use the information and weigh it in the balance as part of the process of arriving at the decision’ (at 437). In relation to Ward of Courts, such a ward lacks the capacity to give consent to medical treatment by virtue of the status of ward. However, it would seem that if a ward were to challenge this, the issue could be decided on the basis of specific issue or functional approach (i.e. capacity in relation to the transaction in question) as seen in the case of *Masterman-Lister v Brutton & Co. and Jewell & Home Counties Dairies* [2002] EWCA Civ 1889 and consequently a different outcome may result. In the English case of *In Re C (Adult: Refusal of Treatment)* [1994] 1 ALL ER 819 the court held that although the person was a patient under the Mental Health Act 1983 he nevertheless had the required capacity to refuse the amputation of his gangrenous leg as C believed that he had an international medical career and during his time as a time as a doctor he had never lost a patient. The court (at 824) accepted that while the patient’s general capacity was impaired by schizophrenia, it had not been shown that he did not comprehend the nature, purpose and effect of the proposed amputation. C had been sentenced to prison for stabbing his girlfriend and had been diagnosed as a chronic paranoid schizophrenic. While in Dartmoor Prison, C received drugs and ECT, which improved his condition somewhat. In September 1993 he was moved to an NHS Hospital as he had gangrene in his right foot. The surgeon assessed the situation and believed that C would die if he did not have his leg below the knee amputated. The surgeon gave C a less than 15% chance of survival. C refused to consent to the amputation and instead opted for an alternative treatment, which was successful but there was likelihood that the gangrene would re-occur. Thorpe J. (at 824) found that in the course of proceedings C “seemed ordinarily engaged and concerned. His answers to questions seemed measured and generally sensible”.

3. Advance Care Directives and The Position in Ireland

Advance care directives or living wills provide for the wishes of the donor about future medical care. A donor may request that certain medical treatment be refused or should be given in certain circumstances if the donor is not competent to consent or refuse such medical treatment at the time. Advance care directives give an individual control over their health care decisions in the event of them becoming incompetent. There is no Irish legislation on the matter and consequently the legal position is unclear.

After the publication of the 2003 Paper, the Commission decided to hold a public seminar in November 2003. A number of submissions were made and on foot of this, and as a result the Commission were prompted to prepare and publish a second consultation paper which would broaden its terms of reference to encompass legal capacity issues relevant to all adults and not just older adults (Note 4). The Paper, entitled “Consultation Paper on Vulnerable Adults and the Law on Capacity”, was published in 2005. This Paper discussed advance care directives in more detail. The Commission proposed that capacity legislation be amended to provide the Minister for Health with the power to set up a working group to produce guidelines for medical professionals in relation to capacity issues relating to healthcare decisions. While a step in the right direction, the Paper did not elaborate further on the proposal.

In December 2006, the LRC published a Report on Vulnerable Adults and the Law. This Report formed part of the LRC’s *Second Programme of Law Reform 2000-2007* (Note 5). The Report includes the final recommendations of its two

previous papers, namely Law and the Elderly and Vulnerable Adults and the Law, and includes a draft scheme of a Mental Capacity and Guardianship Bill to give effect to these recommendations (Appendix, p.165). Under the heading of Vulnerability Groups and the Law, the Report was divided into two parts, the first dealing with older persons and the second part discussed persons with physical, mental or learning disabilities with the report looking at capacity, guardianship and the right to marry. On the issue of older persons, the Report examined capacity in relation to the transfer of assets and advance care directives. The Report (at paragraph 3.36) alluded to the impending Irish Council for Bioethics Report, which was subsequently published in February 2007. As this Report would be dealing comprehensively with advance care directives, the LRC decided not to propose any recommendations other than certain health care decisions being conferred using an enduring powers of attorney. This limited solution was proposed in light of the more comprehensive analysis contained in the Report of the Irish Council for Bioethics.

The Irish Council for Bioethics (ICB) conducted a public consultation on the legal and ethical issues surrounding advance care directives. A Report was duly prepared and published. The Report recognised the public interest in discussing advance care directives despite the lack of specific legislation. The Report highlighted the need for legislative intervention given that in the next 15 years the proportion of those over 65 will markedly rise. Consequently, end of life decisions will become increasingly important within Irish society. ICB, in taking a libertarian approach, contended that competent adults should have the right to prepare an advance care directive. In referring to patient autonomy and self-determination, the ICB cited the related rights of bodily integrity, privacy and dignity (Note 6). However, the ICB pointed out that these rights are not absolute and would have to be balanced against other principles such as justice and integrity.

As advance directives are not recognised under Irish legislation, the ICB highlighted the ambiguity that surrounds the issue. In referring to the LRC Paper on Law and the Elderly, the ICB suggested that advance care directives should be given legal status so long as the health care decisions within the directive are legal, for example, it would not be legally binding if the directive provided for euthanasia or assisted suicide.

The ICB acknowledged that advance care directives are not confined to end-of-life matters-patient making a decision about treatment or care that their child might receive future, also made by pregnant women. The Report emphasised that individuals should not be obliged to draft an advance care directive but if one wishes to do so there needs to be a legal framework in place to offer guidelines and safeguards. One possible solution proffered by the ICB was the use of the Powers of Attorney Act 1996 as a means of introducing legislative provisions. This would enable both proxies and those nominated under powers of attorney to make decisions on an individual's medical treatment. Although a limited solution, it would provide a framework through which future legislation could be implemented.

3.1 Recent Case Law in Ireland on Advance Care Directives

Recent case law indicates that Irish courts would uphold advance care directives. The first reference, albeit oblique, was in the case of *Re a Ward of Court*; [1996] 2 IR 73; [1995] 2 ILRM 401, where the Supreme Court upheld the High Court decision to allow the removal of artificial nutrition and hydration in the case of a patient who sustained irreversible brain damage as a result of cardiac arrest during a minor gynaecological treatment administered in 1972. In 1974 the High Court, on hearing a petition presented by her father, declared her to be of unsound mind and incapable of managing her person or property. Her father was appointed committee of the person and estate of the ward in May 1975. The ward's father died in 1988 and her sister became the appointed committee of the person and estate. She subsequently retired from the position and was replaced by her mother. Following this, her mother applied to the High Court to have the ward's nutrition and hydration withdrawn.

The Supreme Court recognised the ward's constitutional rights to life, privacy, bodily integrity, autonomy, dignity in life, and dignity in death. Grounded within the rights of privacy (Note 7), self determination, and bodily integrity, Hamilton CJ (at 126) held there to be "no doubt but that the ward, if she were mentally competent, had the right, if she so wished, to forego such treatment or, at any time, to direct that it be withdrawn even though such withdrawal would result in her death". To some academic commentators this aspect of the judgment was problematic as it was argued that court failed to take into account what the ward would have wanted prior to her becoming incompetent (Note 8). Hamilton CJ referred to the invasive procedures involved in the feeding of the ward, which in his mind could not be "regarded as normal means of nourishment". O' Flaherty J, obiter, found this approach somewhat unsettling. He found "it impossible to adapt the idea of the 'substituted judgment' to the circumstances of this case". The judge argued that it may only be appropriate to do so "where a person had the foresight to provide for future eventualities".

The case of *Re A Ward of Court* is, according to Campbell, "useful as it sets the foundation for the recognition of the validity of advance directives in Ireland". Madden argues that an Irish court would uphold the validity of an advance care directive "as long as the directive was lawful".

Re A Ward of Court was applied in the case of *JM v Board of Management of St. Vincent's Hospital* [2003] IR 321. Finnegan P. in the High Court endorsed the view of the Supreme Court in *Re A Ward of Court* and held that the court must have regard to the right of the person to determine treatment for themselves, provided that they were competent to make such a decision. JM concerned the prior refusal of a medical treatment. The party involved was African and upon marriage she

had adopted her husband's religion and had become a Jehovah Witness (Note 9). She became critically ill and was advised that a blood transfusion and liver transplant were needed to save her life. The hospital staff communicated this to the woman and left her to discuss the matter with her husband. She was lucid at the time. She decided to refuse the blood transfusion but the next day in a noticeable weaker state she consented and as a member of the transplant team returned ten minutes later with a consent form, the party had changed her mind once again.

Finnegan P. (at 325) took the view that the woman had refused treatment on the grounds of her cultural background and her desire to appease her husband. She had not made a clear final decision to have or not have the treatment. With only a 60% chance of survival, the judge ordered the blood transfusion and liver transplant. The judge was also influenced by the fact that the woman had a dependent child and a loving husband.

A similar factor influenced Abbott J. in the case of K in September 2006. This case is the first of its kind in the state and the judgment was delivered in September 2006. K, a Jehovah W's witness from the Democratic Republic of the Congo, suffered severe blood loss following complications arising from childbirth. The woman had suffered 80% blood loss. She was advised of the need for a blood transfusion, but refused in the knowledge that the refusal would result in death. The Coombe Women's Hospital applied to the court for an order directing the provision of the transfusion. Abbott J. acknowledged that K was competent but nevertheless ordered that the court should intervene to protect her and the welfare of her son. He made the point that K had no other family in the state and consequently there would be no next of kin to care for the child. Arguably, had the woman been an Irish national with family in the State, such an issue would not have been raised and thus the court would not have been able to order the provision of treatment on that ground.

3.2 Commentary

The K case has created more confusion. In *Re a Ward of Court*, the Supreme Court recognised the validity of the advance care directives so long as the patient competent and informed when the directive was created. In *JM v Board of Management of St. Vincent's Hospital* it was held that the court must have regard to the right of the person to determine treatment for themselves, provided that they were competent to make such a decision. Finnegan P. took the view that the woman had refused treatment on the grounds of her religion and to her desire to please her husband. She had not made a clear final decision to have or not have the treatment. However, in the case of K, Abbott J. acknowledged that the woman was competent but ordered the transfusion on grounds of her health and the welfare of her son.

Such ambiguity has highlighted the need for legislative intervention which would provide clear guidelines for both the courts and patients.

4. Advance Care Directives in the United States

The United States has long been a proponent of advance care directives. Since the late 1960s, the US courts have upheld the validity of these directives. Ireland can benefit from 40 years of experience from its American counterparts. The US provides a good starting point for the Irish legislature. Although there are fifty states with differing approaches, there are two seminal cases, namely *Re Quinlan* 355 A 2d 647, 97 ALR 3d 205 (S Ct. of New Jersey) and *Cruzan v Director, Missouri Department of Health* 110 S. Ct. 2841 (1990). These two cases encapsulate the US approach to advance care directives.

4.1 Quinlan and Cruzan

In 1967 a US attorney, Luis Kutner, created the first living will. Kutner was a human rights lawyer involved in a right to die organisation, and suggested the creation of a "living will" that would enable patients to give instructions for medical treatment at the end of life. By the 1960s there had been developments in medical equipment such as the development of artificial ventilators and cardiopulmonary resuscitation. This allowed doctors to prolong life in situations where the patient would have previously died. At the same time there was a new awareness of patient autonomy. In the early days advance directives were used for reassurance for family members when faced with a difficult medical decision (Campbell). In the following year the first living will legislation went before a Florida state legislature, a medical doctor by the name of Walter F. Sackett. Dr. Sackett introduced a Bill that would allow patients to make decisions regarding the future use of life-sustaining equipment. However, the bill was not passed and was reintroduced again in 1973 but was once again defeated. Similar developments were taking place in California by Barry Keene, who was elected to the California State senate in 1974. Keene subsequently endeavoured to introduce living will legislation, however this was defeated. He reintroduced the Bill in 1976 and was successful, as the California Natural Death Act was enacted. California became the first state in the US to recognise the validity of living wills. By 1977 43 states were in the process of considering living wills with 7 states passing the legislation. Originally advance directives were non-binding. By 1992 all 50 states had introduced some form of legislation that recognised living wills. Most states have statutes for both living wills and for durable powers of attorney for healthcare. However, the scope varies from state to state.

It is interesting to note that a number of professional organisations such as the American Medical Association and American Bar Association had reservations about giving advance care directives a legal basis. It was feared that financial reasons would force an individual to draft an advance care directive. At federal level, advance directives were given more support. In 1991, the House of Representative enacted the Patient Self-Determination Act. This Act provides that hospi-

tals and other healthcare organisations receiving state funding must inform patients at admission of their right under state law to make decisions about the medical care, including drafting advance care directives. The Act requires that the advance directive is included in the patient's medical record; it also provides that staff should receive education in relation to advance care directives; and perhaps more importantly the Act provides that the presence or absence of an advance care directive does not influence the provision of care.

4.1.2 Re Quinlan

Re Quinlan concerned a 21-year-old woman who suffered severe brain damage due to an unknown cause. She was left in a persistent vegetative state and her family wished to disconnect her respirator. The New Jersey Supreme Court granted her father judicial approval for the removal of the respirator. The Court held that the woman had a right to privacy grounded in the Federal Constitution to terminate treatment. Although Quinlan had become incapacitated, the Court argued that had she been competent she would have requested the removal of the respirator. The Court noted the state interest in the case and held that the "only practical way" to prevent the patient's right to privacy due to her incompetence was to allow her guardian and her family to make the decision to remove the respirator. The Court ordered the removal of the respirator. Quinlan continued to breathe on her own for a further nine years until her death.

4.1.3 The Cruzan Case

It was not until 1990 that the US Supreme Court finally gave a judgment on the legality of advance care directives. The Supreme Court had previously been reluctant to hear a case of this nature, as it believed that advance care directives should be regulated by the individual states. In the case of *Cruzan v Director, Missouri Department of Health*, 110 S. Ct. 2841 (1990), the Supreme Court was required to balance the right to die against the interests of the state. Cruzan was rendered incompetent following a car crash in 1983 and suffered severe injuries as a result of the accident. The accident left her lying in a Missouri hospital in a persistent vegetative state. Her family wanted to remove her feeding tube but Cruzan did not have an advance directive and consequently the Supreme Court of Missouri held that there was no clear and convincing evidence of Cruzan's desire to have life-sustaining treatment withdrawn. In the appeal to the Supreme Court, evidence was given by a housemate friend who recalled a conversation with Cruzan in which she stated that if she ever fell ill or injured she would not want to continue her life unless she could live at least halfway normally. This statement suggested that Cruzan would not wish to continue on with her nutrition and hydration in her current condition. The Supreme Court ordered that the patient's nutrition and hydration be removed. Cruzan died subsequently.

This case is important in a number of respects, most notably, the Supreme Court recognised that a patient's previous wishes in regard to future treatment could be used to direct a person's current treatment. The Supreme Court considered the constitutionality of a state requiring clear and convincing evidence of a person's expressed wishes to refuse treatment and while agreeing with the Missouri court, added that that no right is absolute and the right to refuse life-prolonging treatment can be restricted by the state.

The case raised a number of important ethical issues. The Missouri court held that "the right to refuse life-saving medical treatment continued to apply to Nancy Cruzan even though she had become legally incompetent" (Note 10). Cruzan had not drafted an advance care directive and under Missouri law the standard of proof is termed in negative terms in that the family had to prove that Cruzan would not have wanted to be sustained by artificial feeding. By using this standard, "the Supreme Court abandoned the search for accuracy in decision-making and simply made it much more difficult to assert the right refuse treatment for incompetent patients" (Note 11).

4.1.4 The Schiavo Case

Similar ethical concerns were raised in the *Schiavo* (Note 12) case. This case became, in the words of Lazzarini (at 148) a "national political and cultural spectacle" as it attracted the attention of various interest groups, the Florida State Legislature, the Governor of Florida and the President of the United States. With facts medical facts similar to Cruzan, the *Schiavo* case differed fundamentally as her parents challenged her husband's decision to remove feeding. The Florida Court of Appeals considered Schiavo to be incompetent and ordered the removal of her feeding tubes. Her parents considered the decision to be "judicial murder".

The *Schiavo* case has been attributed with the increase in the creation of living wills in the US. According to one source, in 2005 the number of living wills increased from 500 a day to 50,000. By 2006 the number had levelled off to about 2,500 day (Note 13). The case highlighted the struggle between individual autonomy and liberty and that of the interest of the state. Given the sensitive, highly emotive and ethical issues that arose in the case, its filtration into the political domain has received sharp criticism from some commentators, including Lazzarini. Individual decisions on the right to refuse medical treatment are not appropriate subjects for what Dworkin referred to in his works on euthanasia and abortion as "universal, theoretical, abstract judgment born in the stony halls where interest groups manoeuvre and political deals are done" (Note 14).

The United States has provided a rich tapestry of commentary and case law since the creation of advance care directives some 40 years ago. From its humble beginnings in the 1960s to the US Supreme Court decision in Cruzan, advance directives

now enjoy recognition and validity in all 50 states.

5. The Position in the United Kingdom

The UK, on the other hand, has recently enacted legislation. The Mental Capacity Act 2005 of England and Wales (which came into force during 2007) has created much debate on the issue. Although advance care directives are recognised under this Act, it does not mean that they are immune from challenge, for example by a patient's family. It is very difficult for a healthy young adult to make decisions on future health care (Note 15).

The Act gives recognition to advance care directives under section 24 (Note 16). Section 24 provides that a person, aged 18 and upward, who at time had capacity to do so, may make an advance decision to refuse treatment. It is interesting to note that only refusal is covered by the Act.

The 2005 Act expressly provides for advance decisions to refuse treatment and for lasting powers of attorney covering health care decisions (Note 17). A valid refusal of treatment is legally binding and decisions made by a person designated as a lasting power of attorney should carry the same weight as if those decisions had been made by the individual who prepared the power of attorney (See Chapter 9 of the Mental Capacity Act 2005).

Under the Act an individual has the right to make an advance request for certain medical treatments. This was considered in the appeal case of *R (on the application of Burke) v General Medical Council* [2005] EWCA Civ 1003. DRC and Others. The applicant suffered from a congenital degenerative brain condition known as spino-cerebellar ataxia, and confined to a wheelchair. He wanted reassurance that the GMC's guidance "*Withholding and Withdrawing Treatment*", a document published in 2002, did not allow or authorise doctors to withdraw life-prolonging artificial nutrition and hydration ("ANH") from him, as a competent patient, in breach of his expressed wish to receive such treatment.

The Court of Appeal concluded that Mr Burke's fears were already addressed by the common law in that there was a positive duty to care for the patient and there was nothing unlawful in the GMC guidance. The Court found while the competent patient has an absolute right to refuse treatment, there is no individual right to demand treatment that is not clinically indicated.

6. The European Approach

6.1 European Convention on Human Rights and Biomedicine

The Council of Europe Convention on Human Rights and Biomedicine was created in 1997. This Convention provides for advance care directives under Article 9 concerning previously expressed wishes relating to medical intervention. Article 9 states: "The previously expressed wishes relating to a medical intervention by a patient who is not, at the time of the intervention, in a state to express his or her wishes shall be taken into account". Twenty European states have signed the Convention; Ireland has yet to do so. However, it is important to note that while these European countries have signed the Convention, it does not mean that there is a legal endorsement of advance care directives. Some countries have enacted legislation, for example most recently Austria (Note 18).

6.1.2 UN Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities

The final draft of this Convention has been open for signatures at the United Nation's Headquarters in New York since the 30th of March 2007. Ireland was one of the first signatories to the Convention. During discussions on the final text of the Convention, a Seminar was held by the National Disability Authority where suggested the use of advance care directives as a mechanism for dealing with incompetence (Note 19). The final draft of the Convention does not mention advance care directives, it was interesting to note that such a suggestion came from the Seminar given that Ireland has no domestic legislation concerning advance care directives.

7. Conclusion

Ireland has yet to implement legislation that gives validity and recognition to advance care directives. The case law seems to indicate that the courts will respect an individual's right to self-determination in healthcare decision-making. However, while advance care directives have received judicial recognition, it is uncertain whether an advance care directive would have any legal standing in Ireland. There is a need for some form of legislation that would create a statutory framework for the protection of vulnerable adults. The Irish Council for Bioethics found that the many people within Irish society would like for advance care directives to be recognised and for legislation to be put in place that would provide safeguards. The Law Reform Commission has also brought the issue to the fore and will hopefully devote an entire Consultation Paper to advance care directives.

The right to self-determination and patient autonomy in healthcare decisions have made great progress over the past four decades in the United States. Advance care directives have been recognised since the late 1960s. As they are regulated at state level, the approach differs from state to state, but the overall framework is similar. However, the case law has shown that patient rights are not absolute and may be restricted under state law. Some commentators have argued that patient rights are denigrated in the interest of political agendas (Lazzarini, at 152).

The enactment of the Mental Capacity Act 2005 (Note 20) in the United Kingdom was not without controversy as the Act creates a lasting power of attorney thus replacing an enduring power of attorney. The lasting power of attorney will cover

decisions such as personal welfare; property; healthcare decisions, wills as well as advance care directives (sections 9-14 of the Act). More recently, The Lasting Powers of Attorney, Enduring Powers of Attorney and Public Guardian Regulations went before Parliament and came into force on the 1st October 2007. These Regulations set out in detail the procedures for creating a lasting power of attorney, thus augmenting the 2005 Act. Until the 1st of October 2007, lasting powers of attorney could not be registered.

The Council of Europe's Convention on Human Rights and Biomedicine 1997 gives cognisance to advance care directives under Article 9, however Ireland has not signed this Convention. Other European countries, such as Austria, the Netherlands and Denmark have enacted their own legislation. Austria enacted legislation in 2006, however it has an earlier Act, the Federal Hospital Law of 1957 (Bundeskrankenanstaltengesetz) which provides for the registration of an individual's medical record in which his or her wishes in relation to the refusal of treatment are stated in the event of later incapacity.

The wardship system is the current recognised system for healthcare decisions on behalf of incapacitated adults in Ireland. Originally the purpose of wardship was to protect and financial assets of the wards for their benefit and their dependants (if any), however the system evolved to provide personal protection (*Law and the Elderly* (LRC CP 23-2003) at paragraph 4.02). It has been argued that Ward of Court system is cumbersome and outdated (at paragraph 6.01). Given the misgivings associated with the wardship system, reform is needed. The legislature needs to introduce statutory protection for those who wish to make future decisions about medical treatment. With increasing public debate on the matter as highlighted by the Irish Council for Bioethics, there is more pressure on the legislature to address the obvious lacuna that exists within Irish law.

References

Books

Donnellan, L., The Law Reform Commission's Proposals on Law and Older People. (pp72-103) In E. O'Dell (Ed) *Older People in Modern Ireland Essays on Law and Policy*. pp72-103. (Dublin: FirstLaw, 2005)

Hockton, A., *The Law of Consent to Medical Treatment*. London: Sweet & Maxwell, 2002)

Madden, D. *Medicine, Ethics and the Law* (Dublin: Butterworths, 2002)

Papers and Reports

Law Reform Commission Consultation Paper *Law and the Elderly* (LRC CP 23-2003)

Law Reform Commission Consultation Paper on *Vulnerable Adults and the Law on Capacity* (LRC CP 37-2005)

Law Reform Commission Report on *Vulnerable Adults and the Law* (LRC 83-2006)

Law Reform Commission Seminar Paper on Consultation Paper: *Law and the Elderly* (LRC SP 2-2003) (November 2003).

The Report of the Irish Centre for Bioethics is available from: <http://www.bioethics.ie/pdfs/AdvanceDirectiveReport.pdf>

Journal Articles

Campbell, E. (2006). "The Case for Living Wills in Ireland." 12 (1) (2006) *Medico-Legal Journal of Ireland* Ireland. 12 (1) 5-21

Johnston, C. (2005). "End of Life Decisions". (2005) 155 (7174) *New Law Journal*. 155 (7174). 666-669

Lazzarini, Z., Arons, S. & , Wisnieski, A., (2006). Legal and policy lessons from the Schiavo case: Is our legal right to choose the medical care we want seriously at risk. *Palliative and Supportive Care* 4 145-153

Conventions

Convention for the Protection of Human Rights and Dignity of the Human Being with regard to the Application of Biology and Medicine: Convention on Human Rights and Biomedicine, Oviedo, 4.IV.1997. Available from <http://conventions.coe.int/Treaty/EN/Treaties/Html/164.htm>.

Convention on the Rights of Persons with Disabilities. Available from <http://www.un.org/disabilities/>

News Paper Articles

Costello, J. (2005). "Medics in legal bind on consent",. *Sunday Business Post*. , 16 January. 2005

Donnellan, E. (2006). 'Woman in court transfusion case recovering in hospital' . *Irish Times*, . 22 September 2006.

Internet Articles

Rickard-Clarke, P. (2003) Global Trends in Disability Law Reform Setting a Context for Irish Law Reform. [Online] Available from: <http://www.lawsociety.ie/newsite/documents/dispat1.pdf>

"The History of Advance Directives" . [Online] Available: Available from http://www.medicinenet.com/advance_medical_directives/page2.htm

Notes

Note 1. The Law Reform Commission was established by virtue of section 3 of the Law Reform Commission Act, 1975. It is

an independent statutory body whose main aim is to keep the law under review and to make practical proposals for its reform.

Note 2. The Paper addressed a number of important issues regarding legal capacity, the capacity to make a will, enduring powers of attorney, wards of court, protection against abuse, and new system for protecting vulnerable adults.

Note 3. Advance directives are usually presented in written form and differ from a living will. A living will sets out specific instructions in relation to the refusal of medical treatment in advance. Advance directives allow more flexibility as decisions are not confined to what is written in the directive

Note 4. In the 2003 Paper the Commission acknowledged that while “improvements we recommend are made with elderly people in mind, they are also relevant to other adults with decision making disabilities or who otherwise need protection. The Commission has not analyzed the issues involved for other adults but considers that the proposed system could be adapted to their needs without much modification”.

Note 5. *Second Programme for Examination of Certain Branches of the Law with a view to their reform 2000-2007*, approved by the government in December 2000 under the Law Reform Commission Act 1975

Note 6. Bodily integrity is an unenumerated right under Article 40.3.1° of the Constitution; see *Ryan v. Attorney General* [1965] IR 294. Privacy is also an unenumerated right developed by the courts; see *MaGee v. Attorney General* [1974] IR 274. For a reference to dignity see the Preamble and Article 45.1 of the Irish Constitution.

Note 7. The right to refuse medical treatment falls within the ambit of the right to privacy, which encompasses the right to be left alone. In the oft quoted passage from the case of *Schloendorff v Society of New York Hospital* 211 NY 125, 105 NE 92 (1914) Cardozo J. held that “Every human being of adult years and sound mind has the right to determine what shall be done to his own body”.

Note 8. This is a point made by Elizabeth Campbell

Note 9. According to Hockton there were 140, 000 Jehovah Witnesses residing in the UK and Ireland in 2002. While a Jehovah Witness may refuse a blood transfusion, organ transplants are permitted.

Note 10. Lazzarini, Z., Arons, S., Wisniewski, A., (2006) Legal and policy lessons from the Schiavo case: Is our legal right to choose the medical care we want seriously at risk. *Palliative and Supportive Care* 4 145-153, at 148.

Note 11. Lazzarini, Z., Arons, S., Wisniewski, A., (2006) Legal and policy lessons from the Schiavo case: Is our legal right to choose the medical care we want seriously at risk. *Palliative and Supportive Care* 4 145-153, at 148.

Note 12. *In re Schiavo*, 780 So. 2d 176, 177 (Fla. Dist. Ct. App. 2001), reh’g denied (Feb. 22, 2001), review denied, 789 So. 2d 348 (Fla. 2001).

Note 13. Stacy, Mitch, “Schiavo Case Prompts More Living Wills” available at <http://www.uslivingwillregistry.com/Schiavo.shtm>

Note 14. As cited by Lazzarini.. Dworkin, R. (1993) *Life’s Dominion: An Argument about Abortion and Euthanasia and Individual Freedom*. New York: Vintage at 213.

Note 15. Take for example; a 25-year-old unmarried man makes an advance care directive which provides that all life-sustaining treatment is to be refused in the event of him becoming mentally incompetent. However, in the intervening years, there are advances in medicine and by the time the woman reaches his seventies, he is married, has a supportive family and suffers from mild dementia. However, as the man is no longer deemed competent, he may no longer change her mind. Donnelly, M. (2002) *Consent Bridging the Gap between the Doctor and Patient*. Cork: Cork University Press, at 66. See also Section 24 (3) of the Mental Capacity Act 2005 which provides that a patient may withdraw or alter an advance decision at any time when he has capacity to do so. Again, capacity is the important factor.

Note 16. Advance wills had been recognised at common law, for example, in the case of *Re C (adult: refusal of treatment)* [1994] 1 All ER 819 and *Re T (adult: refusal of medical treatment)* [1992] 4 All ER 649.

Note 17. This can be contrasted with the Irish position where health care decisions cannot be taken under the Enduring Powers of Attorney Act 1996. See Chapter 9 of the 2005 Act, available at <http://www.opsi.gov.uk/acts/en2005/2005en09.htm>

Note 18. Federal Act on Living Wills (Patientenverfügungs-Gesetz - PatVG) 2006. *Federal Law Gazette of the Republic of Austria* 55 (1): 1-3. Finland has the *Act on the Status and Rights of Patients* 1992; Denmark has an Act entitled the *Law on Patients’ Legal Status* 1998 and the Netherlands enacted legislation in 1994, the *Medical Treatment Contracts Act* (WGBO) 1994.

Note 19. Capacity and the Convention: Report of National Disability Authority (NDA) seminar on the draft UN Convention on the Protection and Promotion of the Rights and Dignity of Persons with Disabilities 15 June 2006.

Note 20. See also the Safeguarding Vulnerable Adults Act which received Royal Assent on the 8th of November 2006



The Influence of SA8000 Standard on the Export Trade of China

Huimin Wang

Department of Economics and Trade, Beijing Institute of Economic Management

Beijing 100102, China

Tel: 86-10-64709718 E-mail: whm2000@yahoo.com

Abstract

Following ISO9000 and ISO14000, SA8000 standard is now attracting international attention and it exerts influence on the export trade of China, particularly on the export trade of labor-intensive products. Because Chinese enterprises lack understanding of this standard and the importance attached to this standard in the government's macro-administration is not sufficient, at this stage, only a small number of Chinese enterprises have passed the certification of SA8000. But in order to gain a trade environment of just competition and at the same time to raise the international competitiveness of Chinese enterprises, the government of China and Chinese enterprises shall treat this standard with active attitude and consider it to be the impetus to help enterprises to regulate their management, to improve their management levels and to become favorable enterprises.

Keywords: SA8000 standard, Certification, Export rampart

Economic globalization gradually and increasingly puts the export trade of China under the influence of international trade rules. At present, the developed countries, in order to protect their products from the impact of the low-cost products produced by developing countries, not only adopt the traditional measures, such as antidumping, countervailing and guarantee measures, but also lay some new trade ramparts in name of working environment and condition, respect of human right, and the concern on the labor status. SA8000 standard is a typical measure among them.

1. The basic contents of SA8000 standard

SA8000 is short for Social Accountability 8000. In October 1997, SA8000 international standard and the certification system for SA8000 management system were established, with the Accreditation Agency of Council on Economic Priorities of the USA as initiator and multinational enterprises of Europe and the USA and other international organizations as cooperators. SA8000 officially came into force in June 1998. In November, Social Accountability International issued the first amended edition of SA8000, which is SA8000:2001. Opposite to the certification standard of ISO9000 quality management system and the certification standard of ISO14000 environment management system, SA8000 is a certification system for social accountability standard, the first one in the world that can be applied in the certification of a third party.

SA8000 standard raises the lowest requirements from three aspects for enterprises to fulfill their social accountability and provides perfect operation modes for the management system. The contents of SA8000 include as follows.

Labor guarantee: the standard makes particular and detailed regulations from four aspects, namely, child labor, labor compensation, safety and health, and working hours.

Human right guarantee: the standard endows labors with the freedom to organize associations and the right to strive for their rights and interests by collective bargaining; prohibits forced labor and discrimination of workers; makes out clear regulations on the detailed formats of labor disciplines.

Management system: the standard makes out clear regulations for enterprises on the procedures, standards, and ways to make out, implement, examine, rectify and improve worker policies and raises requirements on the monitoring of suppliers and subcontractors.

The operation mode of SA8000 management system is similar to that of ISO9000 quality guarantee system and ISO14000 environment management system and it consists of four stages, namely, the planning stage, the implementation stage, the validation stage and the improvement stage.

It can be concluded that SA8000 management system is a systemized management system with fixed procedures and documents. The emergence of SA8000 international standard makes it realistic and probable for social accountability actions of enterprises to develop from internal regulations to external regulations, from industry regulations to general regulations, from regional regulations to global regulations, and from the second party certification to third party certification.

2. The practice of SA8000 standard in China

Since the time SA8000 came into existence, it has taken developing countries as its main aim to implement itself. In January 2001, the Accreditation Agency of Council on Economic Priorities Committee of the USA propagandized and introduced SA8000 standard in Guangzhou, after which SA8000 standard started to enter China. An American company named Altee Lansing Technologies, a factory of electronics in Dongguan, Guangzhou, first passed the certification of SA8000. In the following years, the main retailers in the world, multinational companies and trade companies enlarged their purchases in China in succession, and at the same time, they enhanced their examination and surveillance on social accountability of factories towards Chinese producers and suppliers. Some factories obtained more orders due to good performance, while some were deprived of goods supply qualifications because they did not improve social accountability status. For example, in July 2002, a factory with Taiwanese investment in Dongguan, Guangzhou, was once trapped in a very difficult condition where all of its orders were cancelled because a female worker was poisoned.

Judging from the realistic condition, at present, the main power that pushes the implementation of SA8000 in China is still the multinational companies who are engaged in comparatively big purchase business in China. Many multinational companies have publicly stated that they would adopt SA8000 standard and they encouraged suppliers and contractual factories to apply for SA8000 certification. Although Social Accountability International has not conferred any Chinese certification institute the right to handle the application of SA8000 certification, at this stage in China around 60 enterprises have passed SA8000 certification due to the active involvement of certification institutes with foreign investment and the representative branches of abroad certification institutes,

But under the influence of many factors, there still exist many problems in the process of the implementation of SA8000 in Chinese enterprises, such as the low social reorganization degree of SA8000 standard, the insufficient acknowledgement of the values of SA8000 standard, the low implementation force of enterprises, and the unclear aims in the implementation of SA8000 standard, and etc.

3. The influence of the implementation of SA8000 standard on Chinese enterprises engaged in export business

To see from the development trend of recent years, developed countries have started to lay higher and higher requirements on the “labor standard” in the production process of imported products, to urge the necessity to incorporate “labor standard” into various bilateral and multi-lateral trade systems, and to connect “labor standard” with international trade through various ways. Under this situation, it is imperative for Chinese enterprises engaged in export business to implement SA8000 standard. SA8000 standard has become a permit for Chinese export products to enter markets of developed countries, especially markets of Europe and the USA.

3.1 Positive influence

3.1.1 Decreasing the production costs for enterprises, optimizing operation and management modes of enterprises, and raising the economic profits for enterprises

Almost all labor disputes and production diseases arise from the defective management system and bad technology operation or production control. With a view to decreasing labor disputes, lowering the occurrence rate of occupational diseases and mitigating accidental losses, the standard, full-rounded and systematic SA8000 shall be implemented for enterprises or companies to fully and wholly control their production operations and for enterprises to establish effective management systems with continues improvement. The implementation of SA8000 standard will help enterprises to lower or even eliminate recourse waste and expenses on handling accidents and curing occupational diseases, which will ultimately lead to the decrease of production costs and the raise of economic profits for enterprises

The implementation of SA8000 standard will optimize the operation and management modes of enterprises so as to help enterprises to design production flows and production techniques in accordance with people oriented principle and it can help enterprises to save a great amount of management costs and to raise economic profits.

3.1.2 Raising the brand images of enterprises and improving the relationship of enterprises with other organizations

With the increasingly improvement of people’s life standard, the public’s requirements on life quality, civilized production and person and property safety gradually become stricter and stricter. An enterprise who cares about its own workers and social accountability will build up a good social image. Consumers think that an enterprise, which can combine its social accountability with commercial accountability, will put its social accountability awareness into its product design, production flow, product examination and product sale. What is more, in such a people oriented enterprise, workers work for the happiness of labor and the realization of personnel values, so the products and service provided by them are reliable. By this way, consumers will set up a sense of trust towards the enterprise’s brand. If an enterprise implemented SA8000 standard to raise its social accountability to the international level, it will create favorable conditions for it to build up good international image. An enterprise with good brand image would attract more talents from outside world and gain more chances to establish cooperation relationship and social and commercial relationship with others.

3.1.3 Avoiding trade friction and sanction and obtaining competitive advantage in export sales

In recent years, some developed countries have been implementing trade protectionism under the disguise of protecting the

rights and interests of labors and social accountability of enterprises and lowered the international competitiveness of Chinese export products by dint of doubts on the labor issues of China. Only through the implementation of SA8000 standard, can Chinese enterprises engaged in export trade gain reasonable and just trade rights in international markets, keep away from the trade ramparts laid by developed countries, and win the acknowledgement from consumers of international markets.

3.2 Negative influence

The direct influence of SA8000 is that in China many products will have no way to enter their target markets or will be forced to withdraw from their target markets because of labor factors. The export enterprises of labor-intensive processing and manufacturing industry may face stronger and stronger obstacles in export markets and more and more consumers will refuse to accept products from “blood and sweat covered factories”. Many small-sized enterprises have to withdraw from markets because they cannot bear the increased costs for improving the working conditions for workers. It can be seen that SA8000 standard will exert huge influence on the export of Chinese enterprises.

In addition, some multinational companies may be unwilling to invest in China for fear that their subcontractors cannot reach SA8000 standard, which will exert negative influence on China’s attraction of foreign investment.

4. Countermeasures and measures in the implementation of SA8000 standard

4.1 Countermeasures that the government shall adopt in dealing with SA8000 certification

4.1.1 To improve law and regulation system concerning the social accountability of enterprises as soon as possible

The State shall as soon as possible establish and improve laws and regulations concerning the social accountability of enterprises and reinforce the relevant law execution capacity, which is an important premise for enterprises to all-roundly execute the international standard of social accountability.

The social accountability of enterprises shall be incorporated into the range of the law adjustment of China’s labor relationship with a view to leading the social accountability of enterprises onto a road governed by law. We shall see that the law construction on the social accountability of enterprises in China has lagged behind. For example, compared with SA8000, up to now, the 22 labor protection international conventions approved by the government of China have not yet touched upon “labor discipline”(body punishment, forced actions on spirit or bodies, or language assault are not allowed). For another example, with regard to “provide health and safety education and provide cleaning facilities”, “the salary of workers must be enough to meet their basic need”, “employers must pay workers allowance and deduct the workers’ insurance fees”, “when choosing suppliers, their law execution conditions shall be examined” and many other aspects, China does not join in any international conventions and basically is in the stage almost without legislation in this respect. Consequently, the legislation organizations must quicken the establishment of relevant law system to direct enterprises to actively fulfill their social accountability. To call for social accountability does not simply mean to make out regulations in enterprise law; it also requires making detailed laws and regulations in various department laws to protect labors. China shall form an organic system with *Enterprise Law* as the core supplemented by the relevant department laws, such as *Labor Law*, *Hygiene Law* and *Law on the Protection of the Rights and Interests of Consumers* so as to effectively advance the realization of social accountability of enterprises.

After China acceded to WTO, it is objectively required that the domestic legislations including *Labor Law* be in line with the relevant international regulations, such as the lowest salary standard and income distribution policies.

4.1.2 To strengthen scientific instruction on enterprises for their implementation of SA8000 standard

Chinese government shall strengthen its scientific instruction on enterprises for their implementation of SA8000 standard through making out scientific management polices. Governments of various levels shall pay special attention to and correctly treat SA8000 certification jobs, enlarge the propaganda input in the certification of SA8000 standard, take the lead to start researches on the standardization of the certification of SA8000 standard as soon as possible, and boost the localization process of SA8000 standard. At the same time, the government shall as soon as possible set up early warning system for SA8000 to collect and track the relevant SA8000 measures taken by foreign countries, establish information centers and data bases, and actively take part in the discussions on trade, labor standard and economic globalization held by international labor organizations.

4.2 Countermeasures that shall be adopted by enterprises to face SA8000 certification

4.2.1 To correctly understand the strategic meanings of SA8000 certification for the long-term development of enterprises

The enterprises shall fully understand the important promotion functions of SA8000 on their long-term developments. SA8000 adopts the social accountability management concepts and measures internationally used, is the management requirements on enterprise actions, and can support enterprises to form a system that fulfills their social accountability. Labor issue is at this stage a sensitive issue in international trade activities. We should observe that the competition in international markets is not only the commercial competition, but also the competition of labor standard. In the near future, reasonable working condition and harmonious labor and capital relationship will become new competitions. It is certain that

the combination of SA8000 management system, quality standard system, and environment management standard system will before long become the basic requirement for enterprises to exist, develop and march to the world market. As a result, enterprises should take the social accountability management as a long-term strategy, incorporate the requirements of SA8000 standard into their management systems, and guarantee the smooth realization of social accountability management from the aspect of systems.

4.2.2 To abide by laws and regulations on labor protection and put the social accountability system into effect

We must keep in mind that the execution of labor regulations by many domestic enterprises is not satisfying. Many private enterprises, individually-run enterprises, and town and village run enterprises still employ child labors, pay very low payments and discriminate employers of their genders or their regions. This phenomenon severely influences the international images of Chinese enterprises and will exert unfavorable influence on China's export. Under this situation, to adopt SA8000 may be the realistic choice for domestic enterprises. Enterprises shall attach importance to social accountability management, put social accountability system into effect, continuously improve the working conditions and working environment for workers, and respect the rights and interests of labors so as to change the unfavorable international images of Chinese enterprises, that is "the low labor standard and insufficient protection on the rights and interests of labors". The human resource management personnel in enterprises shall strengthen their studies on the standards of international organizations, especially the regulations made out by international labor organizations, and the international labor conventions and suggestions approved by China, and their management practices shall be in line with international level.

4.2.3 To actively receive the examination of SA8000 certification

Chinese enterprises shall choose the right time to apply the certification based on their own qualifications and characteristics and participate in the certification activities systematically. Chinese enterprises shall pay attention to the product certification requirements of the countries with which they do trade business. The trade organizations in the USA, France, and Italy who import light industry products from China are now in discussion of a resolution that requires all Chinese enterprises that produce textile products, clothing, toys and shoes pass the certification of SA8000 standard, or else they will boycott import from China. Therefore, Chinese enterprises must incorporate social accountability management concept into their whole production and service processes and actively obtain the international certification of SA8000.

References

- Chen, Jian. (2000). International trade and labor standard-a discussion on the focus issue of WTO. *Journal of International Trade*. 2000(6)
- Chen, Qi & Hu, Rong. (2005). The influence of SA8000 on the export competitiveness of China and the countermeasures. *Science Technology and Industry*. 2005(4)
- Liu, Liyan. (2005). Analysis on SA8000 standard and its influence on the development strategies of enterprises. *Theory Monthly*. 2005(4)
- Wang, Faming, Mou, Ruiling & Yang, Haijun. (2005). The social accountability of enterprises, SA8000 and sustainable development. *Enterprise Economy*. 2005(6)
- Yi, Luxia. (2005). The influence of SA8000 standard on the foreign trade exports of China and our counter-measures. *Reformation & Strategies*. 2005(4)
- Yuan, Jianxin. (2004). The influence of SA8000 on the foreign trade of China and corresponding countermeasures. *World Economy*. 2004(12)



The Impact of Non-tariff Barriers on China's Textile and Clothing Exports and Relevant Strategies

Tingqin Zhang & Lihong Han

Applied Technical College, Daqing Petroleum Institute, Qinhuangdao 066004, China

Hebei University of Science and Technology, Shijiazhuang 050018, China

Abstract

The textile and clothing industry is a traditional pillar industry for China's economy. We have developed rapidly in international textile and clothing trading and have gained significant achievements in this field with reform and opening-up to the international market. China also expects to maintain this prevailing trend and to even increase the volume of exports with the gradual reduction of tariffs and the elimination of quotas. With these gains, however, a number of problems have arisen that may threaten the future of the Chinese textile and clothing industry.

World trade liberalization doesn't necessarily mean free markets. The industry is still facing great challenges and difficulties from non-tariff barriers which are playing an ever-greater role in the ability of governments to regulate imports from other countries. Known as "green trade barriers", new non-tariff barriers to trade, such as technical trade barriers and environmental trade barriers, have taken the place of traditional trade barriers, such as tariffs and quotas. By analyzing the background and current situation of China's textile and clothing industry, as well as the great impact on both sides of these new barriers, this paper puts forward an effective way to clarify what efforts should be made not only by trade companies, but also by the government to alleviate the effects of NTBs. Only through a well-coordinated joint-effort can manufacturers break through such non-tariff trade barriers and enhance the overall quantity and quality of clothing exports, so that China can maintain its current growth in the textile and clothing trade and also regain its reputation as the "kingdom of textiles".

Keywords: Non tariff barriers (NTBs), Textile and Clothing industry, Quota, WTO, Anti-dumping pre warning system

1. Introduction

China has been producing textiles for many thousands of years. Known around the world since the time of the Romans, Chinese silk was a prized item and traders traveled many thousands of miles to engage in purchases of such items for sale in Europe and the Middle East. In the past such international trade was limited given the difficulties in transportation which added substantially to the cost of goods. Navigating waterways in ancient times was extremely dangerous given the poor quality of ships. Even the famous "Silk Road" was littered with bandits and other hazards. One should note that Marco Polo's return to Italy from China took many years and by the time of his arrival in Venice he had been robbed of everything he had. The dangers involved in such trade increased the cost of the goods traded. There was also no silk production in the west and no local manufacturers were threatened by such trade.

Beginning in the 16th and 17th centuries, due to the industrialization of Western Europe, China's share of world trade fell behind many countries and was, for a long time, considered a small entity with few products of value. As silk production was introduced in the west, particularly in the Ottoman Empire, demand for Chinese silk declined dramatically and China's balance of trade was greatly harmed. As such, the Chinese government took steps to impose their own barriers to trade limiting foreign traders to the province of Guangdong. The British Navy fought a series of small wars with China to preserve this imbalance and the government was impoverished because of it. During the 20th century, China's market was largely closed both to imports and exports and lagged further and further behind in terms of industrialization.

China's declining share of international trade during the early part of the 20th century was contrasted by the increasing importance of international trade in Europe and North America. After the end of the Second World War, a number of countries formed what became known as the GATT or General Agreement on Tariffs and Trade. Founded in 1947, the GATT was to serve as a framework to standardize agreements on how countries could regulate trade with each other. The first participants of this new market were the developed countries in the West, though this would eventually change. In 1994, by general agreement, the GATT became what is known as the WTO or World Trade Organization. The WTO has become substantially larger, more diverse, and more ambitious, than what the GATT originally was in scope. Given its prestige, accession to the WTO is seen as a substantial milestone for developing countries.

Over the last twenty five years China has embarked on an unprecedented industrialization scheme using its abundant labor

to expand into a number of markets, textiles being one of them. China now produces an astonishingly wide range of textiles, comparable with any other country in the world. As technology has improved, the cost of international trade has decreased and is considerably cheaper now than in the past. As such, international trade and exports have constituted a substantial share of China's economic growth. While this was also the case with the so-called "Asian Tigers": Singapore, Korea, Hong Kong, and Taiwan, China's growth is unprecedented in its size and scope.

In 2001, China formally acceded to WTO, which was seen by many as a formal recognition of China's recent development. Prior to accession to the WTO, China's cost advantage in manufacturing was largely negated by high tariffs that were negotiated by bilateral treaties. With the drop in tariffs, there has been an explosion in the amount of exported textiles and an ever-increasing share of textile manufacturing has come to be dominated by Chinese companies. One important difference in present day international trade from past trade is the standardization of goods and services around the world. Products made in China, are easily made in any country anywhere in the world. As the reverse of this is also true, a substantial increase in Chinese exports would create pressure on manufacturers in other countries. With increases in technology and decreasing costs of international trade, relative advantages to trade such as low labor rates have greater influence on how competitive companies are. One unintended consequence of this growth has been foreign resistance to Chinese manufactured goods and the increased use of non-tariff barriers to trade.

After China's entrance into the World Trade Organization (WTO), and the subsequent elimination of quotas and reduction of tariffs, it would seem that manufacturers would have unprecedented access to the global market. Unfortunately, that has not been the case. Although there have been encouraging signs, many local companies have had difficulties entering the international market. In the future, more uncertainty is evident when it comes to non-tariff barriers. The chances of reaching the full potential of free trade in the textile and clothing sector would be slim if the use of non-tariff barriers is adopted to the extent that quotas and tariffs were once used.

1.1 Introduction and classification of Non Tariff Barriers

The Non-Tariff Barriers (NTBs) as defined by The General Agreement on Tariffs and Trade (GATT) allows an importing country to introduce measures which are necessary to protect human, animal or plant life or health. The WTO Agreement on Technical Barriers to Trade also allows for the imposition of technical requirements on products by an importing country. The principles of NTBs are those related to the below mentioned:

Environmental issues – One allowance to regulate imports is the concern that such product will have a detrimental affect on the environment of the importing country. As there is no international standard on what qualifies as harmful, countries are free to make up their own standards such as certain AZO-free fabrics, nickel-free buttons or zippers and so on. Exporters have been responsible for abiding by these requirements and as such have had to assume the cost. The cost of such regulations has proved more than many suppliers can handle. In 2001, one garment company in Jiangsu province was punished with USD \$160,000 by the Germany importing company, for a failure to abide by ecological standards. Another company in Zhejiang Province was informed that the buyer in Belgium would return 300,000 jackets because the jacket zippers contained a banned chemical content nickel that would have endangered the public health and environment.

Social issues — major concerns being focused on child labors, forced labors, health and safety, disciplinary practices, working hours and remuneration. These are currently being addressed in such voluntary standards/certification schemes as SA 8000, Worldwide Responsible Apparel Production (WRAP) certification scheme, and Compliance and Supply Chain Management (CSM) system. Attached 2 pages regarding the detail of SA8000 (appendix 1). According to the research done in the province of Guangdong, not one of the thousands of manufactures in Shanshui city would be qualified to produce such products in accordance with SA8000. This will result in substantial difficulties for manufacturers who wish to export to US and EU markets if they should require such a certification for export.

Anti-dumping actions. Dumping happens when a company sells a product in a aboard country at a price lower than the one in its own home market or under cost. To prove dumping a country needs to establish three things: (i) Dumping test: that imported goods are being sold at 'below the normal price'; (ii) Injury test: that a domestic firm is being injured by these exports; and (iii) Causality test: that dumping is causing injury. During the 1990's the number of anti-dumping regulations implemented against China increased by 10-20% each year, totaling 467 times by the end of April 2002. This is a 3000% increase from the number of cases in the early 1990's. China today is the subject of more anti-dumping legislation than any other country in the world.

Safeguard measures. While both safeguard and anti-dumping measures are aimed at import surges, safeguard measures act in a blanket non-discriminatory manner, whereas anti-dumping measure is against a specific company in the exporting country. When a safeguard measure is applied, the country applying the measure shall endeavor to maintain a substantially equivalent level of concession through mutual agreement with the country (ies) affected. As opposed to anti-dumping actions, no compensation is required.

Upon its accession, China agreed to two provisions that would allow the US and all other WTO members to invoke safeguard measures against its textile and clothing products. These are special textile safeguards and product-specific safeguards. The special textile safeguard will last until the end of 2008, and stipulates that the importing country can invoke

the restraints if imports from China cause market disruption. China will have no right to retaliate against these restraints.

The product-specific safeguard will be in effect for 12 years until December 2013. Similarly, the importing country can invoke restrictions if imports from China cause market disruption, but it will require a public hearing before the invocation of such safeguard. Both safeguards cannot be applied to the same product at the same time. In addition to these two safeguards, China will continue to be subject to simpler rules for invocation of anti-dumping restraints until 2016. These restrictions have been described as conditions of the “post quota era”, as garment companies still must deal with quotas for certain items, such as woven trousers, knitted wear, woven skirts,

Despite the foreseeable opportunities that the post-quota era would bring, these “China-specific” safeguards will certainly put limits on the predicted wider expansion of the textile industry. Even before full non-quota status had been reached, the US and EU textile manufacturers had already petitioned their governments to impose these safeguards on China.

One case in point is the US textile industry’s attempt to seek protection against Chinese imports. On 24 July 2003, the US textile industry coalition, including cotton, man-made fiber, yarn spinners and fabric manufacturers, submitted to the Committee for the Implementation of Textile Agreements (CITA) the first petitions under the special textile safeguard contained in China’s WTO accession agreement. This safeguard may be used to impose quotas on textiles and clothing products covered by the ATC, including those that have already been integrated into the GATT. The coalition wants the US government to impose quotas on Chinese knit fabric, dressing gowns, brassieres and gloves. A similar petition regarding socks is rumored to be the next target for safeguard request.

Preferential Rules of Origin: Preferential rules of origin under various free trade agreements and customs unions could be used by countries to discriminate between imports from different countries. They allow a country to deny the benefits of an agreement to countries that have not signed up to a treaty or agreement (e.g. NAFTA, CAFTA, EU, etc.). This discrimination can operate in a positive or negative manner; positive for countries that are members of an agreement or treaty, and negative if they are not. China is not a party to any of these trading blocks and there is little momentum in East Asia to build one.

1.2 Characteristics of Non Tariff Barriers

Compared with tariffs and quotas, NTBs have several advantages. With the development of the world economy and technology, NTBs tend to be more varied and unpredictable with the same result of tariffs and quotas.

NTBs are more flexible and pertinent: While tariff barrier settings must be agreed to by legislation, usually over a drawn-out period of time, NTBs can be carried out by an administrative process very quickly, and it is much more convenient in urgent cases where the importing country needs to take a quick action on one importing item from one certain country. For example, Tara Materials Inc. (Tara) US company, applied for an anti-dumping appeal to the United States Department of Commerce (DOC) and International Trade Commission (ITC) regarding painting fabric imported from China on 31st March 2005 with a request to levy an anti-dumping tariff on certain painting fabric made in China. ITC accepted the appeal from Tara on 21st April and judged the painting fabric from China injured the existing same industry in US, according to the progress; DOC launched an investigation and levied a 244% import tax (currently, it is only 6%). The entire process took only three weeks.

More efficient on limiting importing: Tariff barriers indirectly restrict importing by weakening the rival’s competition with higher tariff collection to increase the cost and price of importing product. At the same time, if an export country has tax refund for stimulation exports, such as China, or exporting country uses dumping sales strategies to decrease the cost and price, then high taxation will not have the desired effect. NTBs, however, can have an immediate effect on this situation.

More concealable: Tariffs, once set are not easily changed and are usually not difficult to understand. For NTBs however, prior notification is not required and given their arbitrary nature, it can be very difficult to understand what is being restricted. NTBs vary from year to year and from country to country and can often be quite contradictory making a concentrated response difficult and frustrating.

2. Impact of Non-tariff barriers on China’s textile and garment exports

While NTBs have increased the difficulties to international trade, it is important to note that NTBs has eliminated such trade. Everything is two-sided and NTBs is no exception. Some Chinese exporters have quickly noticed found ways to go around these barriers and some manufacturers have taken it upon themselves to try to adhere to the new restrictions. Some companies have found the new framework beneficial to dealing with international clients while others have struggled in this new environment.

2.1 The positive impact on textile and garment export

The most common result of the new barriers to trade is to raise the standards by which products are produced. For companies able to meet these new standards, the result is improved product quality that would help improve its reputation abroad. In 2005, Hangzhou Hengshen printing and dyeing Ltd. in Zhejiang province obtained OEKO-TEX100 certificate for ecological standards, allowing it access to the US and European market. For most textile and garment companies, this could be one of the best news and reward in future.

Requirements for innovation on fabric and material to support the textile and garment exports will allow companies to launch

new products to attract new customers while maintaining its original customer base. Hong Kong used to be one of the biggest exporters in textile and garment

2.2 The negative impact on textile and garment exports

Increase in production cost and competition: As requests for testing and regulation are increased, the cost of production increases as well weakening the competitiveness of manufacturers. One such inspection system is the SA8000 system. The SA8000 system, implemented by Social Accountability International based in New York in cooperation with the United Nations and the International Labor Organization. One requirement needed for SA8000 accreditation is the standardization of the workweek where workers would be limited to a 48-hour workweek with paid overtime and a mandatory day off. Standardized work hours in China have been difficult to implement due to the seasonal nature of the business. Production is needed in spurts with lulls in between. As such, for most textile and clothing companies, workers usually work more than eight hours per day, when in the busy season, and are often requested to work over twelve hours per day.

Inconvenience of market entrance- Given the technological gap between developed countries and developing countries, goods from developing countries will always have problems reaching the technological standards or environment standards in developed countries. This will put such goods at a competitive disadvantage. As mentioned before, the SA8000 system, if fully implemented would exclude virtually every manufacturer of textiles in China from entering the international market.

Unpredictability of the market, more risk for the both importers and exporters: As NTBs evolves according to environmental and technological changes, exporters have difficulty reacting and formulating a business strategy. They receive every order with big risk; the result could be a very huge financial loss, so they will gradually lose their interest in the market

3. Corresponding Strategies

“Don’t put all eggs in one basket” as the old saying goes, trading companies and manufactures should learn to share the risk, not producing single product or relying on one customer or one exporting market. It is also important for exporters to realize that the market demand along with international regulations is fluid and that changes have to be expected. Market research still composes a very small part of manufacturers’ budgets here and as companies have become accustomed to having foreign companies come to them with expected requirements, they have neglected the market and government needs that prompted those requirements in the first place. Only by attaining greater exposure to the outside world will manufacturers get a better idea of market and regulation trends and then be able to react accordingly. This flexibility will not be possible without greater efficiency from Chinese firms as well. Chinese manufacturers have not previously emphasized such efficiency because it was not necessary given their cost advantage due to low labor costs. As the cost of trade increases, manufacturers will have to boost efficiency to remain competitive. At the same time, most manufacturers should not forget the domestic market with 1.3 billion people which is regarded as the biggest potential market in the world. By learning how to cater to the local market, companies would be more used to the market changes in other countries. One knitted fabric company in Guangzhou gave us a good example of this point. Established in 1963 with a small scope, it is now becoming a medium size company with a thousand employees, their clients almost are largely market leaders.

References

- McCallum, Bennett. (1995). Two Fallacies Concerning Central Bank Independence. *American Economic Review Papers and Proceedings*. Vol. 85, No. 2 (May), pp. 207-211.
- Helliwell, J.F. (1998). How much do national borders matter? Washington D.C: The Brookings Institution.
- McCallum, John. (1995). National Borders Matter: Regional Trade Patterns in North America. *American Economic Review*. Jun 95, 85(3), pp. 615-623.
- Yang, Wu. (2002). The situation of Anti-dumping after China’s WTO Entry and Our Countermeasures. *Foreign Economic and Trade Practice*. 01:35-38 (in Chinese)
- Damien Neven etc. (1993). *Merger in Daylight*. London: Centre For Economic Policy Research.
- Liu, Bingyong. (2003). A Review of Adjustment of the value Objective in the American Antitrust Act. *Journal of Nanjing Normal University*. No.1 pp. 34-40.

A journal archived in Library and Archives Canada
A journal indexed in CANADIANA (The National Bibliography)
A journal indexed in AMICUS
A leading journal in social science research

Asian Social Science

Monthly

Publisher Canadian Center of Science and Education
Address PO Box 1087, Toronto, Ontario M3A 2Y7
Telephone (416) 585-8198
Fax (416) 585-7247
E-mail ass@ccsenet.org
Website www.ccsenet.org
Printer William Printing Inc.
Price CAD \$ 20.00

