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Human Factor on Automotive Component Manufacturing in Malaysia

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Abstract

The purpose of this study is to identify and describe the perceptions of experts on the characteristics of beltline moulding quality success factor. This study was done through questionnaire and interview with 14 experts in the roll forming process. From this study we found; first, the experts placed attributes such as salary satisfaction, training and skill requirement and workplace environment. Second, the study look at correlations between the independent variables which is we found five positive or negative significant whereby quality improvement awareness have strong positive significant (p -value = 0.001) with quality of beltline moulding for local automotive. From the study understanding what the experts want in their essential and satisfactory may enhance the probability of getting the high quality in beltline moulding product.

Keywords: Experts, Roll forming process, Beltline moulding, Interview

1. Introduction

A few research problems are usability and man-machine interface are among the pressing issues we are facing today in dependable systems. The Production process of dependable systems, from requirements specification to implementation, requires continuous interactions between the activities at the different stages with the validation and verification of each step. Challenging issues in validation of complex systems are design integration, composition, re-use and usability.

To produce goods and services requires resources. We call these the factor inputs available in the production process. Economic resources are scarce relative to the infinite needs and wants of people and businesses operating in the economy. It is important to use these resources efficiently in order to maximise the output that can be produced from them. Labour is the human input into the production process.

Human factors gave the dependability of a system is heavily influenced by the dependability of the man-machine interaction. It is necessary to introduce “human in the loop” as a design pre-requisite. Continuous interaction between user and system, as a consequence of two aspects of a new generation of interacting systems: ubiquity and invisibility. Human behaviour is more unpredictable than any conventional fault model. Is it better to adopt a defensive strategy that constrains what the user can do to perturb the operations or should one design around all foreseeable situations? It is difficult to constrain users to adopt a simplified behaviour that characterizes a state of technological awareness. There is a need for the systems to adapt to users, to be aware of their operating context, and to be able to take autonomous decisions to some extent.

Human dependency on the correct behaviour of systems in many (if not all) aspects of everyday life has a growing impact. In safety critical systems, it is important to extend formal techniques to explicitly consider human factors within

the design and assessment processes. Again, the concepts of usability and man-machine interface are central in this area and will be a leading research problem (A. Bondavalli et al., 2002).

2. Previous Studies On Industrial Workers

Whilst some research on industrial workers has been conducted, much of it has emphasized observing and reporting certain characteristics, but not on issues such as factors that can influence workers performance. In general, previous studies on industrial workers focused on observing and following three areas: a) demographic characteristics of industrial workers; b) industrial working environment; and c) phenomena from shift work.

The survey of the industrial workers literature suggests that many of previous study mainly emphasized observing and reporting the demographic characteristics of industrial workers such as marital status, age and shift work. Past study found that marital status was strongly linked to the taking of sick leave. Age, work schedule, and duration of work in the factory were significant confounders only in certain cases. While, parts assembly workers also faced significantly higher odds of taking sick leave (HL Chee & KG Rampal, 2003)

Similarly, past studies on industrial workers also examined and described the problems and constraints of their working environment. Most of these studies agreed about the common problems and constraints faced about heat, ventilation and lighting. Heat was found to be a problem primarily in the moulding processes as well as in the burn-in testing areas; while radiation was contained in a few specific areas. Poor ventilation and lighting was noticeable only in very few areas, primarily in the smaller plants (HL Chee & KG Rampal, 2003).

A study by (Smith, L. et al., 1998) tested nurses and industrial workers and recommended matching shift work to human circadian rhythms in order to prevent sleep loss when not working. Meanwhile, (Smith, L. et al., 1998) developed a process model of adaptation to shift work, which looked at sleep, social, and domestic disturbances for both nurses and a sample of industrial workers. The model specifically proposes that individual differences in personality, age and situational workload variables will negatively influence sleep, family, and social life. This model was tested with self-report data. (Smith, L. et al., 1998) measured 8 and 12 hour shifts to determine the optimal length of a shift. They found no significant differences between the two shifts except as they may affect specific individuals, although their results were somewhat equivocal.

Moreover, Fletcher, A. and Dawson, D. (2001a) found a significant main effect for predicted fatigue scores and start or end of shift, shift duration and time of day. Fatigue scores were significantly higher at the end than beginning of shift and fatigue scores were greater for longer shifts. They also found that fatigue scores were highest for shifts beginning between 0000 and 0800, next highest for beginning between 0800 and 1600, and the lowest were for shifts beginning between 1600 and 2400. They concluded that "shift duration should always be interpreted relative to the time-of day that it is occurring".

3. Methodology

The survey reported here was carried out using personal contacting the respondents' survey methodology. The questionnaire was sent to selected respondents' with direct to the respondents at the roll forming process plant. Respondents were asked to complete each of the six sections and submit the responses through researcher.

3.1 Survey Development

The questionnaire was developed based on the responses to the questions in the pilot survey and discussions within the assistant manager and supervisor which involve in roll forming process. The two overriding concerns raised were the survey length and the suitable questions in obtaining appropriate data for the research questions. The survey question selection process led to a reduction in the number of questions relating to the respondents' personal and working information and helped identify a reduced set of issue specific questions that would not only meet the survey requirements, but the overall project objective as well. In the end, the final survey was reduced in size considerably to a four pages document, which minimized the effort required by respondents (Hair, JF et al., 1998)

3.2 Sample Size

The exploratory nature of the study and the lack of empirical data to establish the effect size resulted in the adoption of a convenience sampling approach (Diane Bone and Rick Griggs. 1989). This approach involves collecting information about the population from a sample that is able to provide it. Questionnaires were distributed to 14 experts from Roll Forming Department in the industry. The respondents were practitioners who had the responsibility of enhancing performance through the quality and number of production for roll forming process.

3.3 Analysis Methodology

A preliminary analysis plan was prepared with the research objectives in mind and based on the pilot survey and discussion analysis. This ensured appropriate data was collected, particularly when considering likely differential

factors. Development of the analysis plan also helped in limiting the questions asked thus reducing the burden on the respondents.

The response types were generally ordinal or nominal. However, the category scales used were chosen to allow responses to be treated as interval (continuous) data, thus enabling use the more powerful statistical tests to be carried out, where deemed useful. Both parametric and non-parametric tests were carried out on most question responses to check that the analysis results weren't spurious. Parametric tests are more statistically powerful than their non-parametric counterparts; however, for them reliable, certain underlying assumptions need to be met. The responses were tested to determine how well they met the basic underlying assumptions of normally distributed responses and equal variance. For normally, the data was subjected to Chi-squared test of normality were used.

A total 14 experts from Roll Forming Department in the company participated in the study. Each of these respondents was presented with a set of questionnaire containing a list of relationship between roll forming production operator with beltline moulding quality. The respondents were surveyed using a structured questionnaire made up of six parts. Part 1 measures the respondent's demography. All question for this part in nominal variable. Part 2 measures the respondent's satisfaction on current salary. Part 3 asked to respondent about training and skill enhancement requirement for them. Part 4 questions on workplace environment and Part 5 measures the level of respondent's awareness to beltline moulding quality. All question for Part 2 to Part 5 in ordinal variables. We used Likert scale as a tool for measurement. Likert Scales are considered a misnomer by some, as their ordinality refers only to an ordinal relationship of values within a single item. We used Likert scales in our survey because that scales are by far the most common type of survey item, in which we design response categories are "strongly agree", "agree", "disagree", and "strongly disagree". These values are ordinal within any given Likert item but sets of Likert items are not necessarily ordinal with respect to each other. Meanwhile, Part 6 we design interview questionnaire asked to respondents about their overall perspective about roll forming process in the company.

Descriptive statistics in the form of frequency and univariate analysis were performed to describe the response data. Measures of association used predominately correlation analysis. Spearman's Rho, which is a measure of the correlation of the ranks of the data rather than the values. While, Somers'd, which is a measures of association between two ordinal variables that ranges from -1 to 1. Like correlation analysis, values close to an absolute value of 1 indicate a strong relationship between the two variables, and value close to 0 indicate little or no relationship between the variables with a positive statistic indicating a positive relationship. Measures of differences used predominately Chi-squared tests. These tests are non-parametric tests. The significance level for the tests was nominally at the 0.05 level. All tests were two-tailed, looking for any difference in the statistic concerned. The statistical analysis was carried out using SPSS statistical analysis package together with Microsoft Excel.

3.4 Data

Prior to analysis, the survey data was put through a process of data cleansing where every question was checked to ensure the response was of the appropriate type or consistency. On the other hand, all relevant questions were completed and duplications were identified which is after verification it's removed. Missing values were ignored rather than imputed and only valid answers to a question were analysed. That meant the sample size differed between questions and it might be difficult to draw inferential conclusions about the population. The data was then coded for analytical purpose.

3.5 Validity and reliability considerations

Reliability analysis of the items measuring job satisfaction, working environment and quality awareness were performed to evaluate the Cronbach's Alpha value, which shows a value 0.66. The reliability test results in this study show alpha values exceeding 0.60 to 0.70 recommended by Hair,JF, Anderson et al (1995) as the lower limit of acceptability. This ensures that the items grouping is reliable under the conditions of the local survey.

4. Findings of the Study

4.1 Respondent Profile

This section looks at the respondent profile. Knowledge of respondent profile allows the identification of categories for further analysis. To gain the required respondent demography the four areas were investigated through survey are respondent's gender, age, marital status and education. In all 14 respondents from roll forming experts registered and completed the survey. This represents a response rate of 100%, which is considered all the experts response for this survey. Each respondent was asked to complete contact details for the purpose of response verification if required. This information was also used to identify the respondent's gender. The all respondents were men and no have any women. Secondly, respondents were asked to indicate the age level. Of those who responded, 50% had age from 26 to 30 years old, age less than 25 years old (36%) and range age from 31 to 35 years old with 14%. Third, discuss to marital status shows the majority (64%) of respondents were married and rest of them still single. Finally, respondents were asked to

indicate the highest level of education completed from a defined list of response. Only one respondent had skill certificate and 79% had some form of tertiary qualification.

4.2 Respondent Work Profile

In this section of the questionnaire the respondents were asked about their work shift they were involve which is we found the largest proportion (86%) of respondents had work in three work shift. Respondents were asked to indicate how long in hours they have been working for overtime in their present position everyday. Half of respondents had one hour working for overtime in everyday and 36% had take overtime for everyday. Respondents were asked to indicate their salary per month which is the majority (86%) of respondents earn between RM501 to RM1,000 a month and 14% respondents earn RM1,001 to RM1,500. In terms of the respondents' overtime's allowance, of those who indicated their overtime's allowance, 86% earn less than RM500 a month while 14% earn between RM501 to RM1,000 a month. For the final question in this part, respondents were asked to indicate supposing that had any part time job after working hours. All the respondents said they not have any part time job after working.

5. Results and Discussions

5.1 Survey analysis results

A pilot study was conducted to test the structured questionnaire adopted in the study. By using the structured questionnaires, the data were gathered through face-to-face interviews with 14 experts of the company's selected. Responses were scored as positive or negative values. Null responses were regarded as negative values. A database was created using SPSS package and EXCEL to analyze the data. In addition to proportions and percentages used to describe the data, chi-squared significance, Fisher exact and Spearman rho correlation coefficient tests were used for analysis, with $P < 0.05$ considered statistically significant.

Completed questionnaires were received from 14 experts which scores for 25 questions and five questions in interview are shown in Table 1.

The correlation coefficients between both the independent variables in the group such as respondent's demography (variables D1-D8), respondent's satisfaction on current salary (I1-I5), respondent about training and skill enhancement requirement (W1-W4), workplace environment (E1-E4) and respondent's awareness to beltline moulding quality (Q1-Q4) are tabulated in Table 1. From the table, it can be seen that each variables are positively and negatively correlated to some variables. When we select variables have significantly at $p < 0.005$ we found some observations are presented in table 2 as shown below.

Table 2. Summary of Significant (2-tailed), $p < 0.005$

	D2	D6	I1	I5	Q1
D6	-0.786** (0.001)				
W3				0.730** (0.003)	
E1			0.732** (0.003)		
Q2					0.800** (0.001)
Q3		0.731** (0.003)			

Note: ** Significant at $p < 0.005$

The summary of the result analysis is depicted in Table 2 represents as:

- (1) Respondent's age (D2) significantly leads to negative impact on respondent's monthly salary (D6).
- (2) Respondent's monthly income (D6) significantly leads to positive impact on low material quality for beltline moulding production cause high rejection number (Q3).
- (3) Respondent's income enough for their expenses (I1) significantly leads to positive impact on comfortable in workplace (E1).
- (4) Respondent's argument that salary from this company higher compared others company (I5) significantly leads to positive impact on respondent's skill necessary for handling roll forming equipment (W5).

(5) Strong positive significant between respondent's comments about company not aware about beltline moulding quality improvement (Q1) with quality of beltline moulding for local automotive lowers compared for foreign automotive (Q4).

6. Conclusions

Having identified the aforementioned experts view towards roll forming process in overall perspective, it is hoped that this study could assist us to explain to some extent how to the company increase product quality and able to reach their full potential. The results of the study indicate that the main difficulties factors to find consistency parameter setting from the raw material failure. In an analysis of the most critical parameters for control the die to find the best finishing on the roll forming process. Meanwhile, the greatest contributors to the finishing in beltline moulding process who undertook the data collection are PVC. Besides that operator's training addressing that suggestions very important for increase product quality. This information suggests that owner and manager of this company need to further and better equip themselves through various programmes such as training and skill enhancement. By doing so, the owner and manager would be able to capture the best training programme that can help them focus on quality product for beltline moulding, creating growth, reducing costs from product defect and increasing profits from reducing time setting.

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Table 1. Nonparametric Correlations Spearman's rho

		D1	D2	D3	D4	D6	D8	I1	I5
D2	Correlation Coefficient	-.555(*)							
	Sig. (2-tailed)	.039							
	N	14							
D3	Correlation Coefficient	.580(*)							
	Sig. (2-tailed)	.030							
	N	14							
D6	Correlation Coefficient	.704(**)	-.786(**)						
	Sig. (2-tailed)	.005	.001						
	N	14	14						
I3	Correlation Coefficient				.622(*)			.592(*)	
	Sig. (2-tailed)				.018			.026	
	N				14			14	
I4	Correlation							.656(*)	

	Coefficient							
	Sig. (2-tailed)							.011
	N							14
W1	Correlation Coefficient		-.596(*)					-.605(*)
	Sig. (2-tailed)		.024					.022
	N		14					14
W3	Correlation Coefficient					.631(*)		.730(**)
	Sig. (2-tailed)					.016		.003
	N					14		14
W4	Correlation Coefficient	.534(*)		.597(*)		.570(*)		
	Sig. (2-tailed)	.049		.024		.033		
	N	14		14		14		
E1	Correlation Coefficient							.732(**)
	Sig. (2-tailed)							.003
	N							14

		D2	D4	D5	D6	I1	I4
E2	Correlation Coefficient					.607(*)	
	Sig. (2-tailed)					.021	
	N					14	
E3	Correlation Coefficient						.706(**)
	Sig. (2-tailed)						.005
	N						14
Q3	Correlation Coefficient		-.705(**)	.559(*)	.731(**)		
	Sig. (2-tailed)		.005	.038	.003		
	N		14	14	14		
Q4	Correlation Coefficient	-.555(*)					
	Sig. (2-tailed)	.039					
	N	14					

		W1	W2	W3	E1	Q1	Q2
W2	Correlation Coefficient	.536(*)					
	Sig. (2-tailed)	.048					

	N	14					
W4	Correlation Coefficient		.567(*)	.571(*)			
	Sig. (2-tailed)		.035	.033			
	N		14	14			
E2	Correlation Coefficient				.599(*)		
	Sig. (2-tailed)				.024		
	N				14		
E4	Correlation Coefficient				.559(*)		
	Sig. (2-tailed)				.038		
	N				14		
Q2	Correlation Coefficient					.800(**)	
	Sig. (2-tailed)					.001	
	N					14	
Q4	Correlation Coefficient						-.534(*)
	Sig. (2-tailed)						.049
	N						14

* Correlation is significant at the 0.05 level (2-tailed).

** Correlation is significant at the 0.01 level (2-tailed).



Exclusion or Inclusion: The Minority Culture Protection

Inheritance and Development in the Festival Economy

A Case Study of “San Yue Jie” Festival of Bai Nationality, Dali

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Abstract

The thesis based on the case study of “San Yue Jie” Festival of Bai Nationality, revealed the history, developing process and current situation of “San Yue Jie” Festival. Considered that the festival acted as an important role in the minority culture, the festival economy was a key to develop the minority culture. Further more, the thesis disclosed the positive influences, formation and features of festival economy. Discussed that how to transform the traditional festival into an festival economy successfully. The festival economy would be provide an model to protect, inheritance and develop the traditional minority culture.

Keywords: Festival economy, Bai nationality, Feature, Traditional minority culture protection

Bai Nationality is a minority mainly living in southwest China. This nationality has long history and unique features with “San Yue Jie” as its most important traditional festival, which is also the largest scaled fair in China. This fair, held below the Diancang Hill of Dali City, begins on March 15 of lunar year and lasts 5 to 7 days. The study on “San Yue Jie” is an important key to discovering the culture of Bai Nationality, and helpful for exploring the past of Bai, present situation of the festival and promoting the development of this festival, helpful for exploring the join of tradition and modern.

1. History of “San Yue Jie”

1.1 Legend of “San Yue Jie”

Since “San Yue Jie” has been the most important traditional festival of Bai, the origin of this festival has been controversial for a long time. The earliest document on “San Yue Jie” showed up in Ming Dynasty and was widely spread in Qing Dynasty.

The widely spread story is as follows. Dali, also called Yeyuze, was swamp long ago. At end of Sui Dynasty and beginning of Tang, devil Luosha occupied Dali, taking out human eyes and eating flesh, and the civilians suffered from him a lot. During the ruling of Emperor Yonghui (AC 650-655), Kwan-yin came to Zhonghe Hill of Dali and seized Luosha. The people there gathered there on March 15 every year to sacrifice Kwan-yin in order to express appreciation. Later people did business there and it slowly became present “San Yue Jie” (Note 1). This story reflects that the origin is closely related to religion and the fighting between Kwan-yin and Luosha reflects the conflict between Buddhism and local religion.

Actually, the civilians prefer another legend. Once upon a time, a young fisherman near Er Sea married Third Princess of Dragon King. On March 15, the moon was round and bright. The Princess looked at the moon, and remembered the Yue Jie held by Chang E. Therefore, she and her husband went to Yue Jie by riding a dragon. She liked all the goods on the moon, but she couldn't buy them. The couple made up their mind to hold a Yue Jie of their own at the foot of Diancang Hill, so that the civilians could buy anything they liked. Subsequently, they planted a tree on the slope of Zhonghe Hill and the fair was held on every March 15. This is the origin of today's “San Yue Jie”. This story is more humane and consequently is widely accepted by Bai people.

Till now, “San Yue Jie” has become a kind of economic event from a religious activity. It also sees the process of

unification of various nationalities and has been turned into a carrier for Bai's traditional culture and economic development.

1.2 Developing process of "San Yue Jie"

First Stage: at the early stage, "San Yue Jie" was a typical religious sacrifice to memorize Kwan-yin, and it was Buddhist temple fair at first.

Second Stage: in the middle of the developmental process, namely in Ming and Qing Dynasty, economic factor has been added to temple fair and it has become local exchange fair. The fair covers Yunan, Sichuan, Jiangxi, Guangdong, Zhejiang, Hunan, Guangxi, Shanxi, Guizhou, Tibet, Burma, etc. The civilians trade horses, drugs, tea, cotton, wood, magnet, copper, tin and so on.

Third Stage: at the latest stage, namely after Dali Bai Autonomous Prefecture made "San Yue Jie" national festival, it has become the legal festival for Bai people and important material exchange center of southwest China.

From the above, we know that Kwan-yin's coming to Dali was just a legend, and it was an important center of Road of Silk of southwest China. The need of social and economic development and local advantage are the main reason why "San Yue Jie" keeps prosperous for more than one thousand years.

2. The Current Situation of "San Yue Jie"

In 1991, Dali Bai Autonomous Prefecture made "San Yue Jie" national festival. This festival was approved by the government because it can protect traditional culture and festival and promote regional development. At the latest stage, cultural exchange facilitates economic development. Based on Bai's unique culture, ancient "San Yue Jie" rejuvenates and speed economic growth, strengthens national unification, increases trade and enhances foreign relations.

With development of the commercial economy, the scale of "San Yue Jie" is more and more big. In 1995, some people from more than 20 provinces, cities, the autonomous region, and some foreign friends from several dozens national attended this grand meeting. The present population surpasses 1 million people, and the total of the trade nearly 10 million. In 1997, both guests from the whole nation of more than 20 provinces, cities and autonomous regions, and the entire province of 16 places, states, cities, and friends and the compatriots from Hong Kong and Macao from more than 30 countries presence in the world, and plus various races populace from each place of the whole state came in and attended the meeting. During the whole festival, the amount of the population reached more than 1 million people. The so large-scale grand meeting that national minority interflowing of commodities, happens rarely in Yunnan and even the whole nation.

Not only the scale becomes more and more big, but also the festival content of "San Yue Jie" is also more richly colorful. Besides the economics and trade of bazaar, there have traditional literary arts activities (E.g. singing Dabenqu, hitting Bawangbian, etc.) And national sports performance or the competition (E.g. horse racing, matching dragon boat, archery, and track and fielded.) According to the announcement which "San Yue Jie" national festival working committee promulgates in 2007, "San Yue Jie" will on the basis of keeping the previous trait of activities hold the grand scale horse racing congress, the traditional Chinese medicine selling, the Dali special famous flowers that camellia is important buying and selling, local special and excellent commodities buying and selling, the economics and trade discussion, the economical technical cooperation, the traveling recommendation and the colorful populace national culture activity. It will form a large-scale festival which integrates native product, the economics and trade discussion, the technical cooperation, the cultural activity.

In the new developing process, "San Yue Jie" added the new content increasingly, and attracted the interest of the domestic and foreign guests, among it the quite value raising is organizing the science and technology displaying and communicating meeting in 1984. The science and technology displaying and communicating meeting limited much to publicize the science and technology knowledge, and the technical consultation. After the integration the science and technology displaying and communicating meeting with "San Yue Jie" closely since 1991 together, it not only has enriched the active content of "San Yue Jie", but also makes the science and technology displaying and communicating meeting be able to obtain a better development platform. In 1999, the science and technology displaying and communicating meeting holding in the same period of "San Yue Jie", it altogether has 9 cities and counties in the state, and 42 units and the individuals from 6 provinces, cities in the whole nation participating in the trade and displaying 20 kinds of new product, 100 items of new technical, and the deal amount amounting to 2.07 million Yuan. Thus, it realized the double wins of the aspects of nationality, festival, culture, science and technology, economy and so on.

In the "San Yue Jie" festival, the most noticeable naturally is the active prosperity of economics and trade market and the remarkable result of attracting business and leading expenses. From 1990 to 1998, in statistical figure of the "San Yue Jie" commodities and trade bargaining' total amount, we can see the prosperous present situation. (See Table 1)

The economical cooperation working also leapt the new stair. In 1991 when the first session of national festival, the amount of the commodity cooperating in and out is 56.39 million Yuan, but in 1997 the total amount of economical

cooperation reaches 390 million Yuan.

3. The Modern Inspiration of “San Yue Jie”

3.1 The Positive Influences of “San Yue Jie”

Till now, we can say that “San Yue Jie” has a huge change on the forms and contents. This influence represents not only the festival itself, but also some aspects relating to festival. There are three influences in the following:

Firstly, traditional festival form is reserved. The “San Yue Jie” can be saved till today. Its direct influence is that “San Yue Jie” taking as Bai Nationality traditional festival have been handed down and inherited.

Secondly, many traditional cultures can be spread out and carried on, which are existed relying on festival. It can be described as the indirect influence of causing by “San Yue Jie”. Compared modern “San Yue Jie” with its primary formation, it has been changed greatly. Moreover, there is much information adding in it continuously. Those are the important reasons of “San Yue Jie” which can continue in developing and keeping vital force and energy. There are many contents relating closely to “San Yue Jie” together, such as, civilian athletic sports (horse-racing, swing, etc.); national clothes and custom; original text (folklore, story, etc.). Especially, taking as the national consciousness and national cohesion of thought level can mark and intensify (show and enhance) in annual “San Yue Jie”. The influence of “San Yue Jie” also extends increasingly. Not only Dali Bai nationality, but also Kunming , Yuxi(Yunnan), Beijing (capital city), Sangzhi (Hunan), Bijie (Guizhou),and so on, all together enjoy the biggest national festival of Bai nationality in the meantime. In addition, not only Baizu people enjoy the national festival, but the compatriot of Yizu, Miaozu, Huiizu, Zangzu, Lisuzu in Dali Baizu Autonomous Prefecture, also actively take part in the festival. So, “San Yue Jie” has already become a grand festival activity that the people of all ethnic groups to solidify greatly.

Finally, the good benefits of economy forms a benign cycle. “San Yue Jie” experienced an upheaval, but the unchangeable core among them is that the national religion feelings and the commercial activity of goods exchange. Especially, the economical coloring in the festival is particularly more and more strong, becoming the key which promotes the festival progress and decides the rise and fall or success and failure of the festival.

3.2 The Formation of Festival Economy

In the progress of the national economical development, we can see that, some places emphasize one-sided the economical development, neglect and even deny the protecting and handing down of the national culture, and think that the traditional is feudalistic and the ancient is falling behind; by contrast, others only emphasize the tradition, not the development, and think that traditional culture can not be changed a little and the more original, the better, limiting the development of the minorities. These standpoints that are two kinds of entirely different represent an extremity. And it reflects the mutual confuse which is how carry on the double wins of tradition and modern and how develop national economy on the premise of keeping national culture. Obviously, we never only pursuit short-term economical interests, neglecting the unrebirthing of national history and culture, nor persistently emphasize protecting traditional culture, consecrating the traditional culture, or represent as the primary development of anthropology, which hope the native nation the more flourishing, the better, and the investigated object the more backward and original, the better. Here, the successful developmental model of “San Yue Jie”, that is, the developmental model of festival economy provides a better answer for tackling this problem.

3.3 The Feature of Festival Economy

The following discussed are the characteristics of “San Yue Jie”, that is, the success of “San Yue Jie”, and also, some successful inspiration which festival economy facing with the confusion of titration and modern gives us.

“San Yue Jie” developed from the original religious activities to business market, and finally obtains official approval and has had the legal strict significant. This developing progress represents as follows:

3.3.1 The national characteristic of festival economy. Namely the mass foundation and the degree of welcoming by the populace.

In practice of the national development, the people gradually recognized that the self-closed nation does not have the developmental future. Under the objective condition, the self- seal also cannot be realized, because any a nation, a country or an area all are unable to close the gate to do the construction, and have closely to do with the surrounding person, the matter, the thing. Therefore, the idea of “the more national, the more global.” manifests the bigger existing space of the nation. As to festival economy, because of the festival having the thick national color, it receives this nation’ high attention, then widely accepts for other nationalities, and becomes the activity which gets many people’ participation. So, one of national characteristic’ implications is, the mass character, namely has the mass quantity of people to participate in the festival, either the appreciation or the performance, either buying or selling, which receives the general populace’s welcome; the other national characteristic implication is, any kinds of holiday, it relates to any a specific nation in the aspects of the history, the culture, spreading out and so on. Moreover, this nationality often is mainly inhabitation, protection, carrying forward, the dissemination and the impetus of this kind of holiday. Although the festival is during the development and also can accept together by other nationalities or the regions, but its main

impetus possibly is only some specific nationality. This demonstrates just like in development of “San Yue Jie”, which history, culture, and even the national festival of the official determination. This developing process connects closely with Bai nationality together. While the urgent national characteristic, the mass foundation of festival and its thick national culture charm can vanish, the holiday economy can be overshadowed.

3.3.2 The recreation of festival economy

Taking as any kind of festival, recreation is its basic general character. Especially, in the ancient Chinese times, when the entertainment is extremely deficient in countryside, the entertainment status of the festival cannot be substituted. This is the important reason why many national festivals is prosperous. Until now, although there appeared more entertainment facility and the medium, the festival having the simple and honorable entertainment function still received people's favor.

3.3.3 The plasticity of festival economy

In the transition from the pure holiday to the festival economy, the holiday also must be transformed and have strong compatibility. One kind of festival, if is eternal, will lack the containing and absorption of foreign culture, will be unable to adapt the new changing situation, and will finally becomes the ossified historical memory. On the other hand, one kind of festival if is extremely indefinite, will lose the true colors and the direction in long-term changes and will finally become another kind of festival content which be changed beyond recognition. Therefore, rising to the festival economy, the holiday also must have the relatively stable kernel, and simultaneously have the very great self-adjustment and the ability of adapting different culture and different time demanding.

3.3.4 The synthesis of the festival economy

As one kind of festival economy, it also must have the comprehensive characteristic. If the festival only limits such a culture content (E.g. diet, clothing, custom, horse racing, swing and so on ,as the sole cultural element), or such a domain (politics, economy, culture, religion ,etc.), to a great extent it will affect the festival' spreading scope and the degree which will accept. But “San Yue Jie” precisely synthesizes the horse racing congress, the traditional Chinese medicine displaying and selling, the flowers and plants displaying and selling, the place famous specialty superior commodity sells, the economics and trade discussion, the economical technical cooperation, the tour recommendation and the colorful populace national culture activity, and has glowed the vitality in the new time.

Each above discussed points are the key of deciding whether the festival could transform to the festival economy, also are the focus of holiday taking as dealing with the confusion of tradition and modern, even are the modern enlightenment which manifests in “San Yue Jie” that the special Bai nationality festival economy, and finally has realized successfully the double wins of the tradition and the modern and achieves satisfactory results of the "art to blossom, economy to bear fruit". This indicates that the traditional fair trade function of national festival once to meet with the modernization commodity economy, can insert the biplane wing of culture and economy, and surpass the pure economical trade. This model of festival economy relating closely to traditional national culture has very strongly pointed, and can be loved by the national populace, creating and developing independently, which its applied prospect is extremely broad.

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Notes

Note 1. This story came from “The History of Bai Country”. Chengdou: Bashu Press, 1998. It also could be seen in the book of Li Lin Can, “*The Synthetic Study of Nanzhao Dali Country New Material*”.Taipei: Ethnology Research Institute in The Centre Academic, 1967.

Note 2. The following data requotes from Duan Jihua, Tiejun, “*Initial Research Changes of the Yunnan Dali Bai ‘San Yue Jie’*”. “Beijing Second Foreign language Institute Journal”, 2000 (3).

Table 1. The Previous Years “San Yue Jie” Business Trade Bargaining Datasheet (Note 2)

Time(Year)	1990	1991	1992	1993	1994	1995	1996	1997	1998
Total Amount of Business Trade Bargaining (ten thousand Yuan)	35127	40251	69291	77241	73702	80640	77569	82600	72247



Thoughts on China's Growth of Economy and Inflation

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Abstract

In China, the constantly increasing CPI (Consumer Price Index) has become a prominent signal that indicates an overheated macro economy. An overheated economy and future surplus productivity will lead to a prediction of inflation, which will sustain the inflation in an evil circulation driven by costs and pulled by demand. As a result, it will cause severe financial instability. Therefore, applying a tight monetary policy, adopting a package of control measures, optimizing the structure of economy, and improving the quality of economic growth can help to achieve a fast and healthy development of national economy.

Keywords: China, Economy, Growth, Inflation, Thoughts

The economic blue book, *Analyze and Predict China's Economy in 2008*, composed by China Academy of Social Sciences, points out that the constantly increasing CPI (Consumer Price Index) has become a prominent signal that indicates an overheated macro economy. Affected by the increasing prices of pork and edible oil, China CPI break through the warning line 3% in March and kept on increasing. And in August and October it reached the new highest 6.5% in ten years (China Academy of Social Sciences, 2007).

This year, national economy stays on a high position and growth of economy is fast. The troika of the growth of economy, especially the investment and the export, kept on a fast increase. Prices of consumables and assets achieved a significant rise. More pressures come from resources and environment. All these facts indicate an overheated economy in China. Some people may connect present price rises with the fast growth of China economy, because it is common that the fast growth of economy is accompanied with inflation. For example, the rise of Japan's economy after the World War II and the growth of Korea's economy are all accompanied with inflation in a sense, especially the price rises of foods. Before the economy bubble cracked in Japan, the price of food had rise to an unbelievable degree. At that time, the prominent feature of Japan economy is the severe distortion of prices. All goods in domestic market were rising crazily. But goods for exports were staying relatively lower prices.

At present, the situations in China are similar to Japan in 80s and 90s in a sense. The foreign exchange rises fast. Liquidity surplus is severe. Domestic currency faces more appreciating pressure. Since the exchange reform in July, 2005, the accumulated appreciation of RMB exchange rate to American dollar has been close to 8%. It means China's exported goods become more expensive in the world market. But on the other hand, the purchasing power of RMB is decreasing in domestic market. In other words, RMB is depreciating in China's domestic market.

The outside appreciation of RMB will lead to the decrease of export, which can counteract the increasing trade surplus and help to solve trade conflicts to certain degree. However, the outside appreciation of RMB also means a shrink of China's exchange reserve. Theoretically, RMB appreciation can make imported goods become cheaper in domestic market. Chinese can exchange RMB for more American dollars and invest them in foreign countries. But under present situations, the benefits generated from the RMB outside appreciation are limited.

The inside depreciation of RMB means a decrease of people's disposal income. In other words, it means fewer goods that can be bought by same income. The real income becomes less. Therefore, although we can not predict the effects generated by the outside appreciation of RMB, the inside depreciation and the outside appreciation of RMB at the same time deserve more attentions indeed.

Comparing with the fast increasing potential and real output, the increase of domestic demand is still insufficient instead of being overheated. In 2006, the contribution rate of net exports to China's economy growth is from 3% to 4%. Besides, China's domestic demand may fail to support the growth rate of economy 9%. In 2007, China's net exports

will exceed 300 billion American dollars. If China can not sustain the exports, China's economy growth may decrease significantly due to the output surplus. In other words, although China's economy is overheated at present, the overheated economy will turn into deflation. Because the high investment ratio and the high fixed assets' investment ratio are features of China's economy growth, present overheated economy caused by excessive investment will lead to deflation in future that is originated from surplus productivity (Rudiger Dornbusch., Stanley Fischer & Richard Startz, 2007).

At present, China faces an overheated economy at present and surplus productivity in future. Anyway, present inflation has already threatened the stability of economy. Firstly, it causes the prediction for inflation, which will sustain the inflation in an evil circulation driven by costs and pulled by demand. Secondly, inflation and asset bubbles will exert effects on each other, which may lead to severe financial instability. Presently, the most dangerous feature of China's economy is the intergrowth of inflation and asset bubbles.

According to information issued by The Central Economic Work Conference closed on 5th, December, 2007, the moderate monetary policy that has already applied for ten years will be turned into the tight monetary policy. The conference establishes the general goal of economic work in next year. Follow the spirit of 17th CPC National Congress and hold the flag of China's socialism. Take Xiaoping Deng's theories and the "three representatives" as the guidance. Apply the idea of scientific development. Change the development mode of economy. Perfect the socialist market system. Enhance and improve the macro control. Support the reform and open policy, and self-innovation. Lay stresses on optimizing economic structure and improving the quality of economic growth. Emphasize on saving energy and reducing emission and ecological environment protection. Focus on improving people's livelihood and try to achieve a social harmonious. Push the national economy toward fast and healthy development (Xinhua News, 2007).

The tight monetary policy proposed by the central government is different from the moderate tight policy, which is not common in recent years in China. Deleting the word "moderate" indicates the strengths of policy. In general, along with the deepening macro control, China's structural adjustment shows kind of positive changes. The troika, namely the investment, the export, and the consumption, contributes to the growth of economy together. However, although the contribution ratio of consumption to the growth of economy increases to certain degree, the proportion of consumption to investment is still unbalance. During the first three seasons, the contribution ratio of consumption to economic growth is 37%, but that of investment 41.6% (WWW.CE.CN, 2007). In order to solve the demand structure conflict in present economic growth, it is a must to adopt a package of adjustment and control measures. There into, the principal measure is to apply a protective and suppressive industrial policy, controlling the irrational investment demand and export demand. At the same time, it is necessary to reform the income allocation system and perfect the social security system. Besides, pay attention to avoid the inflation and its effect on low-income people's basic consumption ability.

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A Discussion on the Prominent Effect of the Re-development of Township Economy on the Construction of New Countryside

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Abstract

The construction of new socialist countryside provides historic re-development opportunity for the development of China's township economy and the re-development of township economy will provide huge power for the construction of new countryside. Because of history and reality, the development of township economy is still confronted with many problems, such as the deficiency of the development of countryside economy, the faultiness of the fundamental management system of agriculture, the weakness of the development capacities of enterprises, and the outer environment desiderating improvement. The re-development of township economy shall emphasize system innovation and capacity promotion, where the government shall take initiative to push the system innovation and township enterprises shall endeavor to promote their capacities.

Keywords: Township economy, The construction of new countryside, System innovation, Enterprise promotion

1. The construction of new socialist countryside: the opportunity for the re-development of township economy (enterprises)

The construction of new countryside is the historic task faced by socialist modernization construction. The Fifth Plenary Session of the Sixteenth Central Committee of the Communist Party of China raised the construction of new socialist countryside up to a higher level, the construction of harmonious society. The Secretary General Hu Jintao at the Seventeenth Communist Party of China National Congress again emphasized, from the principle of scientific development, the importance of making overall plans for the development of towns and villages and advancing the construction of new countryside. From the social economy development process of China, it can be seen that the construction of new countryside has become a necessary requirement in the sustainable development of society. The relevant data have shown that, in 2004, the per capita gross national product of China was three times of that in 1989; the financial income reached RMB2600 billion; the ratio of the first industry in Gross Domestic Product decreased from 25% to 12.5%; the ratio of the population residing in countryside decreased from 73.79% to 58.24% (Reading book in learning the construction of new socialist countryside, 2006). Therefore, making overall plans for the development of towns and villages and advancing the construction of new socialist countryside have become the objective requirements and urgent tasks of economy and society development of China at the current stage.

The Central Committee of the Communist Party of China put forward in the Eleventh Five-year Plan for national economy and society development a blueprint for the construction of new socialist countryside, "the development of production, better-off life, civilized village customs, clean and tidy village, and democratic management". "The development of production" is the core in the construction of new countryside and is the new impetus for the sustainable development of economy. The key of "the development of production" is "the increase of the output of grains, the increase of the efficiency of agriculture, the increase of the incomes of farmers" (hereinafter referred to as the "three increases"). To realize the "three increases", we have to implement the "three strategies", "transformation, exploitation, and promotion"; to put it in detail, the economy growth ways of agriculture and countryside shall be transformed, agricultural production chains and industrial systems shall be constructed by way of exploiting the fields and ways of agricultural development, the self-innovation capacity and guarantee capacity of agriculture shall be promoted to push the development and competition development of agriculture.

One significant element in the development of countryside economy is the development of township economy. Township economy has distinct agriculture (industry), countryside (enterprises), and farmer (employment) feature. In 1970s, township enterprises came into being and gradually developed. After going through various policies and years of zigzag development, now, the size of township enterprises is basically formed. According to statistics, during the Tenth Five-year Plan, the increase speed and quality of township enterprises improved remarkably, which is mainly shown as follows:

1.1 The rapid development of gross economy and the sizes of enterprises

At the end of 2005, there were more than 180 thousand enterprises that had reached beyond considerable sizes, 1 times more than that in 2000. The increased value amounted to RMB4700 billion, 1.72 times of that in 2000, with the annual increase rate being 12.15%. The business income amounted to RMB18700 billion, 1.73 times of that in 2000, with the annual increase rate being 11.6%.

1.2 The considerable improvement of capital and industrial structure

The enterprise reform with industry and right system as the core gradually deepens and the capital and industrial structure of enterprises has undergone evident changes. At the end of 2005, among the more than 1950 thousand township collectivism enterprises, 69.8% of them were changed into private enterprises. The countryside self-employed private enterprises became the main body force in the development of township enterprises. 17.6% of them realized the diversified investment bodies and were changed into mixed ownership enterprises. The civilian capital accounted for 84.9% in the national capital of township enterprises and accounted for 76% in fixed asset investment of enterprises. The ratio of the three industries of township enterprises in 2005 was 1.35:76.76: 21.89, while in 2000 the ratio was 1.15: 78.89: 19.96. The leading industries, such as food, clothes, machines, electrical machines, chemical industry, and materials had developed rapidly. The increased value of agricultural products processing accounted for 31.2% in township industries that have reached or are beyond considerable sizes. The values of export cargo accounted for 13.7% of the gross industrial output. The foreign investment actually utilized amounted to USD74.4 billion, 1.96 times of that in 2000.

1.3 The constant improvement of the level and capacity of science and technology

In 2005, more than 65% of the enterprises whose business incomes exceeded RMB 10 million set up research and development institutes. The increased value depending on science and technology accounted for 38.6%. The research and development capitals of enterprises that have reached or are beyond considerable size accounted for around 1% of the sale income, 0.5 % higher than that in 2000. The fixed asset investment reached RMB 5200 billion, 40.6% of which were used to change techniques. At the end of 2005, in township enterprises of China, 913 were high technology enterprises that were accredited by national and provincial science and technology departments; in the employees of township enterprises, 11200 thousand were of education level at or higher than secondary specialized education, 73% more than that in 2000.

1.4 The development of township enterprises has played key role in increasing the incomes of farmers.

In 2005, the increased value of township enterprises across the country accounted for 31.1% of Gross Domestic Product, the tax payment accounted for 20% of national tax income, the gross profit and tax paid respectively reached RMB1120 billion and 420 RMB billion, which was respectively 1.73 times and 2.07 times of those in 2000, and the number of employees of township enterprises was 0.14 billion. 40% of the increased net incomes of per capita farmers came from township enterprises. The salary incomes that the farmers gained from township enterprises increased from RMB 760 in 2000 to RMB 1100 in 2005, with the annual increase rate being 7.68%, and the proportion of the salary incomes that the farmers gained from township enterprises increased from 33.7% to 35%.

The above data show that township enterprises play a significant role in the construction of new countryside. It can be said that the development of township enterprises in the past 30 years laid a strong economic foundation for the construction of new countryside. The implementation of the "three increases" and the "three strategies" in the construction of new countryside provides historic opportunity for the development of township enterprises. The re-development of township enterprises provides new constant impetus for the construction of new countryside and becomes the innovation sources for the construction of new countryside.

2. The innovation of township enterprises: the new task confronted by the construction of new countryside

Since the reform and opening up system was executed, the industrialization process of China has gradually quickened. It is estimated that China has entered into the middle stage of industrialization process and is now at the transition period when the relationship between industry and agriculture is adjusting. To adjust the relationship between industry and agriculture, a new countryside must be constructed; to construct new countryside, the problem on development modes of economy shall be solved; to solve the problem on development modes of economy, the innovation of township enterprises must be advanced; to advance the innovation of township enterprises, the self-innovation and self-development of township enterprises must be sustained. Therefore, the new task of the construction of new countryside is to energetically develop new type township enterprises.

From the course and experience of the development of township enterprises in China, it can be known that township enterprises in China are confronted with the following problems:

2.1 The disproportion of economy development in cities and towns puts a higher pressure on the development of countryside economy, where township enterprises have become the main shoulder of the pressure.

With the development of the economy of China, the proportion of agriculture in national economy decreased from 30%

in 1980s to below 15%. The data show that in 2007 the ratio between the output of processing industry of agricultural products and output of agriculture was 0.79:1, while in developed countries, the ratio has reached between 3:1 to 4:1 (China statistics year book, 1998, 1999), which shows that when the proportion of agricultural economy in national economy was decreasing, the quality of agricultural economy is still at a rather low level. An austere and realistic problem is that with the extension of the disproportion of economy development between cities and towns, the development of countryside is not fundamentally changed from system. The way out is the industrialization, specialization and market. With the quickening of the industrialization of agriculture, market and management risks drop up. In the interlink of countryside with market, we must further develop corresponding organizations or contract forms to help farmers and agricultural products enter into the market, participate in the competition, realize values, and share profits of the increased value gained from primary products' coming into the second and third industries. Therefore, to ease up the pressure of the development of countryside economy, we must rely on the development and innovation of township enterprises.

2.2 The deficiency of the innovation of basic management system of agriculture blocks further development of township enterprises.

With the deepening of countryside taxes, the exemption of agricultural tax promotes the reform and adjustment of the re-distribution pattern of national income, whose core is to encourage countryside to follow the road of enterprise-oriented, size-oriented and marketization. The existing basic management pattern of agriculture in China is mainly the small-sized and part time farm households, while the development of specialization and industrialization is still at the initiative stage. The township enterprises are small in size, weak in enterprise-oriented capacity, low in industrial degree and poor in marketization operation, so they cannot develop rapidly to bring fortune, nor can they stand against risks. The ultimate result must be that the difference between cities and towns and between industry and agriculture continue to enlarge. Therefore, the basis management system of agriculture is confronted with problems in innovation. The essential of innovation is the production ways of agricultural products; to put it in detail, it is how to lead the capacity of agricultural products production and processing and the capacity of conduction matching production for industry to develop from family and cooperation organizations to sized enterprises. The agriculture development of many developed countries had just followed this road: to gradually develop from family agricultural management to enterprise agricultural management and to form enterprises pattern in production, supply and sale, from which the re-development of Chinese township enterprises shall learn.

2.3 The deficiency of self-development of township enterprises desiderates improvement

The prominent embodiment is that enterprise and industry groups have not been formed yet and most of the township enterprises are still single-sized with prominent structural contradiction. Although high technology enterprises gradually increase, most of township enterprises are engaged in agriculture and just a few are engaged in new emerged industries. In many industries, many township enterprises fight against each other, resulting in severe overmuch of production capacity and the disproportion of resources consumption and income returns. The product structure is not rationale; too many are products with others' brands; the rate of self-production is low; the possessing rate of self property right is less than 20%. The whole makings of enterprises are not high, and the strength is not strong. Especially, enterprises engaged in agricultural produces processing are "low in production, small in size, and dispersed in scale." Only a few enterprises are of big size and high level. Not more than 20% of the enterprises are with registered capital higher than 1 million Yuan. Because the enterprises are small in size, low in accumulation, and weak in the capacity of self-flowing development, the development, market projects and industrialized management of the enterprises meet huge difficulty (The Talks of relevant responsible persons of Township Enterprise Bureau of the Ministry of Agriculture, 2005). The fundamental source for the problem of system is weakness in management and administration of modern enterprises under the influence of family management, the lack of technology talents and the weakness of technology innovation and self-innovation, and the restriction of capital and market on the development of enterprises.

2.4 The poor outer environment for the development of township enterprises fortifies the difficulties in development.

The said outer environment refers to the capital, market, technology and policy corners in the development of township enterprises. The capital corner means that the difficulty in capital encountered by the development of township enterprises is higher than that by enterprises of other types. Most of middle and small sized township enterprises do not have external liabilities (except those inside families and enterprise problems), which is not a normal phenomenon. On the contrary, it can only indicate that its outer financing environment needs to be improved. The said market corner means that because of small size, the limitation in industry and the lack of management concepts of common township enterprises, the competitive capacity of their products is deficient, their products are of lower end, their markets are dispersed, and they do not have the right to fix price in the markets and the right of initiative competition. Technology corner means that due to the limitation of capital and market, it is hard for township enterprises to form and develop core technology and self-innovated technology, resulting in the difficulty in technology input and innovation. Policy corner refers to that under the background of the differences between cities and towns, between industry and agriculture,

of prices, of geology, and of management and administration consciousness, it is hard for the policy privilege to be transformed into market privilege. A simple fact is that although in geology, township enterprises are near the “resources”, in resource distribution, technology obtaining, and industry management, they are the farthest from “policy”. The difference between township enterprises and state-owned enterprises and urban enterprises is obvious.

To sum up, how to solve the problems and corners encountered in the development of township enterprises is important in the development and innovation of township enterprises, is the historic task of the construction of new countryside, and is the new choice of social and economical development.

3. The re-development of township enterprises: energy, innovation and promotion

Without any doubt, the re-development of township enterprises will become the key action in the construction of new countryside. The main task of the construction of new countryside is to develop modernized agriculture, increase the incomes of farmers, increase agriculture and countryside inputs, and deepen the reforms of countryside, for which township enterprises should shoulder the responsibility. The development of township enterprises will emit immense energy in the construction of new countryside. The detailed is as follows:

3.1 In developing modernized agriculture

Township enterprises play significant role in the construction and improvement of agriculture system and agriculture circulation system. Facts indicate that businesses in specialized cooperation economy organizations, agricultural products wholesale markets and agricultural products circulation field in the countryside are completed by township enterprises as the leading force. The leading position of township enterprises in the industrialization and agriculture will exert great influence on pushing the adjustment of industry structure of agriculture, product structure, and regional layout structure.

3.2 In increasing the incomes of farmers

The function of township enterprises in increasing the incomes of farmers will be more evident. No matter what it is, to exploit the potential of income increasing in agriculture, or to increase non-agricultural industry incomes, is closely connected with township enterprises. The processing of agricultural by-products extends the agriculture production chain, which will enable farmers to gain more profits in the exploitation of agriculture functions. To develop the processing, fresh food keeping, storage and other services of agricultural products, to cultivate leading enterprises, to set up common profit sharing and risk bearing system between enterprises and households, are the privileges of township enterprises. To increase non-agricultural incomes, we must push the system innovation and structure adjustment of township enterprises, guide township enterprises to centralize in towns suitable and in medium and small sized cities, lay importance on the development of labor-intensive and service industries which can provide more jobs, and guide labors to divert to non-agricultural industries and towns so as to increase the incomes of farmers. This is the duty of township enterprises and is the expectation of the construction of new countryside.

3.3 In improving the outlook of countryside and developing fundamental facilities and public careers in countryside

There is a great space for township enterprises to search in improving the outlook of countryside and developing fundamental facilities and public careers in countryside. It is unrealistic for the security and the road construction of countryside to totally depend on national finance investment. In fact, township enterprises have contributed greatly in improving the outlook of countryside and developing the fundamental facilities in countryside. At the time the township enterprises are developing, they are also developing and improving the environment they are in. The outcome of this kind of development is the new change of the new countryside.

3.4 In quickening the development of education, technique training, and cultural career in countryside and in cultivating new type farmers with knowledge, mastering techniques and good at management

The functions township enterprises in quickening the development of education, technique training, and cultural career in countryside and in cultivating new type farmers with knowledge, mastering techniques and good at management cannot be neglected. One of the fundamental tasks of township enterprises is to divert and absorb the overmuch labor in countryside. Township enterprises have exerted irreplaceable function in cultivating new type farmers. In the construction of new countryside in the future, the function of township enterprises will be fortified.

3.5 In increasing agriculture and countryside input and deepening the reforms of countryside

The function of township enterprises in increasing agriculture and countryside input and deepening the reforms of countryside is irreplaceable. The establishment of the long-effect system where industry pushes the development of agriculture and enterprises advance the development of towns and villages is actually the effect of the development of township enterprises. The increase of agriculture and countryside incomes cannot totally depend on the nation. The capital input of township enterprises on supporting agriculture and constructing countryside is the legal obligation of township enterprises as prescribed by *Law of Township Enterprises*.

Overall, the development of township enterprises plays an irreplaceable role in enlarging countryside economy, enriching agriculture population and constructing new countryside. The energy of township enterprises is waiting to show itself. Meanwhile, the development of township enterprises will also push to reduce the difference between urban and countryside and between industry and agriculture, whose function cannot be underestimated. The status of township enterprises in advancing the increase of the gross social economy and the transformation of the economy increase modes is strengthening gradually.

At present, besides the further improvement of policies and systems, the re-development of township enterprises should also attach importance on solving problems in innovation and promotion based on their own realities.

With regard to innovation, the first should be the cultivation and promotion of self-innovation capacity of township enterprises. The production scale and technology capacity of township enterprises are both of lower level and their management and administration levels and efficiency are low too, which requires that township enterprises encourage technology innovation, especially the innovation of self-technology. In this aspect, the government should take township enterprises as a kind of enterprise mode to render special support. The government can, for example, in innovation funds, technology support and technology reconstructing, render clear preferential policies and support. Township enterprises should also try their best in capitals and investment distribution.

The second is that the system innovation also needs the support of government because it is a long process for township enterprises if they just rely on themselves to deal with change, to pay the cost, to sum up experience and then to march in to the road of enterprise combination. The history of industry development indicates that this process can totally be optimized and avoided. The method is the guide and boosting of government in the system innovation of enterprises. The basic content of the system innovation of township enterprises is that under the guide and help of government policies, township enterprises shall develop the combination of township enterprises and build up development environment and industrial atmosphere for township enterprises, and the township enterprises, specially leading enterprises with the industrialization of agriculture, shall be incorporated, packed, protected and supported, where the function of government is irreplaceable.

The third is the innovation of sustaining system mainly for financing and market environment. The two choke points in the development of medium and small sized enterprises in China are the difficulty of financing and the difficulty of entering into the market. For township enterprises, the two choke points are even harsher. Therefore, to solve the problems in financing system, market entrance permission and logistics organizations for township enterprises are the system problem that shall be solved as soon as possible for the government in advancing the development of township enterprises. To certain meaning, these two problems are at this stage the most realist and importance ones.

The promotion mainly refers to the promotion of the management and administration concepts of township enterprises and the promotion of technology talents. Because the development of township enterprises is mostly depending on their own primary accumulation, they lag behind enterprises in cities in thoughts and concepts, methods and conducts, and technology renewing and system innovation. The gap is the fatal wound for the development of township enterprises. Therefore, besides to solve the external and internal environment problems by innovation, what is more important is that the thoughts and consciousness of the administrators of township enterprises shall be promoted. They should gradually change from the workshop, flowing and small sized management to face big market and big industry. They should set up market, efficiency and competition awareness. They should change family administration mode and concept into depending on teams and organizations to construct and develop enterprises and change from depending on individual skills and single production management modes to depending on technology teams, high technology and mature techniques to manage and administrate enterprises. Although township enterprises will pay the cost of all of the changes, the changes are necessary. The changes are the must ridges for township enterprises to overcome. Besides, the government and society shall also actively push the promotion of enterprises from outside. For example, they can actively guide and help township enterprises in industry policies, industry requirements, technology training and enterprise standard.

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The 2008 Olympic Games

Leveraging a “Best Ever” Games to Benefit Beijing

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Abstract

This paper undertakes a leverage analysis of mega-events in the context of the 2008 Beijing Olympic Games. A leverage analysis apparently different from an impact analysis; it focuses on how to maximize the potential positive impacts and minimize the negative impacts for an event that will be held in the future. To analyze the circumstance of the Beijing Olympics that are amendable to leveraging, the research methodology employed is empirical with method of semi-structured in-depth interviews with the government officials, tourism industry people and the local community members in Beijing. This research conducted a leveraging analysis from three perspectives: environmental, socio-cultural, and tourism/economic perspectives. From each perspective, four angles would be investigated: identifying the potential impacts of 2008 Olympics; determining the leveraging activities for the potential impacts; uncovering the opportunities for leveraging the potential impacts, and exploring the challenges in leveraging the potential impacts. Because there is not any existing theory on a leverage analysis in the context of Beijing Olympic Games, this research was conducted with the guidance of “grounded theory”. The research indicated that the government aims to take use of the opportunity of hosting the “Green Olympics” to reap the ambition of making Beijing into a “greener” city, but how long would the policies last when the games are over is essential for the effectiveness. Similarly, the socio-culture would be leveraged by implementing the “People’s Olympic” theme. Finally, the tourism in Beijing would be leveraged by a series of leveraging activities derived from the Olympic Games. The findings of this research will contribute to the event studies and the leveraging studies.

Keywords: Beijing Olympic Games, Tourism, Leveraging analysis

1. Introduction

On 13 July 2001, Beijing’s application convinced the members of the 112th International Olympic Committee (IOC) Session held in Moscow, and won the right to host the Summer Games of the XXIX Olympiad in 2008. Upon hearing the news, the entire capital and, indeed, the whole of China was permeated with a festival atmosphere. Many, in a jubilant mood, spontaneously celebrated the Olympic triumph. Obviously, the passing of six years has done nothing to dim their memories of that exciting moment. But why were they so excited about Beijing’s successful bid to host the 2008 Summer Olympic Games? Besides the significance this event has in terms of world peace and friendship, will the hosting of the Olympic Games bring any practical or tangible benefits to Beijing and its local community? How can these benefits be leveraged? What are the challenges and opportunities in leveraging? This research intends to answer these questions.

1.1 The 2008 olympic games

The votes were presumably cast in line with the recommendation of the IOC Evaluation Commission that “a Beijing Games would leave a unique legacy (as distinct from sport stadiums and gold medals) to China and to sports”. The Commission made it clear that members had confidence that Beijing could organize “an excellent Games” (Olympics 2005). Anticipating the Games to be a positive showcase of a rising China, in both economic and political terms, the 2008 Olympic Games’ organizers upgraded the expectations of the IOC Evaluation Commission from an “excellent” to the “best ever” Games (BOCOG 2003: p2). It was to be further specified as a “green Olympics”, a “people’s Olympics” and a “hi-tech Olympics” (Blair 2003), which would be the three themes of the 2008 Olympic Games (BOCOG 2003: p1)

1.1.1 BOCOG

On December 13th, 2001, five months after the successful bid, the Beijing Organizing Committee for the Games of the 29th Olympiad (BOCOG) was established (Beijing-2008 2001). The Committee consists of 15 departments, looking

after everything from venue planning to environmental management. BOCOG is expected to gradually expand its departments and staff in line with the demands of the Olympic preparations. By the year 2008, there will be more than 30 departments and 4,000 staff under BOCOG umbrella. The officials and staff in BOCOG include: officials from the Beijing Municipal Government; officials from the State General Administration of Sports; the Central Committee of the Communist Party and the State Council; officials from the China Committee of Olympic Affairs, delegates of athletes, representatives from educational and cultural circles, entrepreneurs, and noted public figures. They are supposedly specialized enough to deal with every aspect of the Games. BOCOG thus oversees all the preparation work for the Games, from policy making to every logistical detail.

1.1.2 Beijing 2008 Olympic Games

BOCOG has made it clear that the “best-ever Olympic Games in history” will be evaluated along three themes: “green”, “people’s” and “hi-tech” (BOCOG 2003: p1). The definitions of the three terms are therefore important for the process leading to the “best-ever” goal and the assessment of the final results. According to the Action Plan (BOCOG 2003: p2), to achieve a “Green Olympics”, efforts will be devoted to three areas of work. Firstly, priority will be given to environmental protection (EP) in the planning, designing and construction of the Olympic venues and facilities. In this regard strict ecological standards and systematic supporting mechanisms will be established. Secondly, EP technologies and EP means will be extensively used in waste treatment, forestation and beautification of urban and rural areas. Finally, investment in public education will be increased to raise the environmental awareness of the general population and encourage the public to adjust their life styles to less wasteful consumption and to actively join in programs aimed at improving the environment. In line with the “Green Olympics”, the “Hi-tech” part is defined as incorporating the most up-to-date national and international scientific and technological innovations in creating an ecologically- and sports-friendly environment for the Games (BOCOG 2003: p1).

With regard to the “People’s Olympics”, BOCOG (2003: p1) wants to use the Games as an opportunity to popularize the Olympic spirit, promote traditional Chinese culture, and showcase the history and development of Beijing as well as the friendliness and hospitality of its citizens. The Beijing Olympic Games is also expected to support China’s claim that its rise is peaceful, and demonstrate this to a crowd that represents most countries in the world. Yet, the needs of the athletes and their demand for favorable natural and cultural environments and quality services will always be the first priority. In order to stage the “best ever” Olympic Games, BOCOG also encourages the widest participation of Beijing residents in the preparation for the Games. The Committee is especially keen to involve the younger generation, through sponsoring various cultural and educational programs that appeal to youngsters’ tastes.

Beyond the short-term goal of running a successful Olympic Games, Beijing also wants to reap long-term benefits in terms of improving its dreadful environmental situation, in showcasing its hi-tech achievements and innovative capacity, in promoting public participation in sports, and in enhancing social cohesion. Yet, how do they reach the goals and leverage the benefits?

1.1.3 Leverage

The words “leverage” and “leveraging” are in the title, the research questions and the objectives of this research. They are also the essence of this research. The dictionary definition of “leverage” is “increased power from accomplishing some purpose” or “conditional power” (Oxford 1997: p854). In its most common sense, “leveraging” is an investment term defined as “the process through which the benefits of investments are maximized” (Boulton *et al* 2000: p29; Slywotzky & Shapiro 1993: 97). Chalip (2001: p80) seems to have been the first person to apply this term to sports events and says, “leveraging divides into those activities that need to be undertaken around the event itself, and those which seek to maximize the long-term benefits from events”. In this paper, the operational definition of “leveraging” is “the activities that need to be undertaken to maximize the environmental, socio-cultural, and tourism potential tourism benefits, and to minimize any potential negative benefits from the Olympic Games”. Moreover, “leverage” refers to “the enhanced reputation of Beijing from hosting the Olympics Games”. In this research, there are three parties related to leverage: “leverager” — who conducts the leverage; “leveraging activities” — what the “leveragers” do; “leveragees” — who responds to the “leverage activities”.

1.2 General background of Beijing

In this section, the background of Beijing will be introduced in order to set up the research context. This will include four perspectives, namely, the environmental situation, the socio-cultural environment, the tourism situation, and the political environment. The aim of this section is to provide the general context of Beijing in relation to the analysis in the following sections.

The environmental outlook for Beijing is not optimistic, even though efforts have been made in recent years to make Beijing “greener”. From the water supply perspective, Beijing is among the driest cities in the world. From the energy supply perspective, although a change in the energy structure is in progress, “China is still dependent on coal” (Hewitt 2000), with 75% of its energy from that source. From the air pollution perspective, Beijing is ranked among

the most polluted capitals in the world (Hewitt 2000). To put it bluntly, Beijing is a city with a poor environmental reputation. However, it has been improved to some extent in recent years.

Beijing's population will hit 15 million (CRI 2004) in 2008, and the scale of infrastructure construction will be expanded in the coming years. The majority of the city's population is from the Han ethnic group (btmbeijing 2004), therefore, the regional pride in Beijing is very strong. Beijing's traffic system has a poor reputation, especially during rush hour. However, Beijing has a reasonably stable social order, a reliable fire fighting system, and reasonably safe medical and health structures, especially after SARS (BOCOG 2003). As for history, Beijing has been a city more than three thousand years—since the Shang Dynasty and has been the capital of China since the Ming Dynasty, 700 years ago. Therefore, Beijing has a rich cultural heritage, with such sites as the Great Wall, and the Forbidden City (BJTA 2005).

The tourism industry is an important part of Beijing's economy. As is reported on the Beijing Satiation Information Net (BJSTATS 2002), since 2001, 2,860,000 international tourists and 100 million domestic tourists has visited the capital every year. The tourism industry generates an income of 1,133 million RMB, or 140 million US dollars. After SARS in 2003, from 2004, tourist number increased dramatically compared with the same period in 2003, with a 71.2% increase in domestic tourists and a 66.9% increase in international tourists (BJTA 2005)

China has been undergoing the transition from a centrally-planned economy to a market economy (Chen 2004). In the centrally-planned economic system, the government has comprehensive power to control every facet of the economy. In the new market economy, the government should not directly interfere with economic activities, but guide them with policies, laws and regulations. In the transitional stage, the Chinese government has given up much of the day-to-day administration of economic and commercial operations. Yet China's is not yet a market economy, and therefore the government still has considerable influence over resource mobilization and allocation (Qu & Ennew, 2004).

1.3 Overview of the literature

This research focuses on special events. A special event, as Jago and Shaw (1998: p21) proposed, is “a one-time or frequently occurring event of limited duration that provides the consumer with a leisure and social opportunity beyond everyday experience”. The emergence of research on special events began with the study of sports tourism. In 1966, Athony wrote a paper entitled “Sports and Tourism” for the Central Council of the Physical Recreation in the UK (Athony 1966). Reviewing the role sports played in holiday tourism; it appears to be one of the earliest works on the link between sports and tourism and is an important landmark in the development of the study of sports tourism. Special events, including sports events, are increasingly seen as unique tourist attractions and as destination image-makers.

The term “event tourism”, formalizing the link between events and tourism, was coined in the 1980s (Getz 1997). Event tourism, which is not a recent phenomenon, has been defined as “the systematic planning, development of festival and special events as tourist attractions, catalyst and image builders” (Getz & Wicks 1993: p1). To date, most of the research associated with special events has focused on events' economic impacts, because, as Mules (1998: p25) indicates, the fact that “many events require assistance from government in order to be staged, and justification for assistance is often required in economic terms”. Unfortunately, the majority of them have a short-term focus on the impact of staging events, rather than a longer-term focus on their capacity to raise awareness of a region for future tourism (Mules & Faulkner 1996).

Given that a vast number of works in the literature have been written on the positive, and usually economic, impacts of sporting events (e.g. Mihalic & Simonetta 1999; Ritchie 1984; Syme et al 1989), a surprisingly small amount of research has paid attention to the overall impacts of events (Hall 1997). The impacts of previous Olympic Games on host cities have been explored by a number of researchers (e.g. Burgan & Mules 1992; Daniels et al 2004; Jones 2001). In general, impacts can be grouped into three categories: economic (e.g. Kasimati 2003); socio-cultural (e.g. Fredline & Faulkner 2000); and environmental (e.g. Kearins & Pavlovich 2002). Tourism impacts are often included in the analyses of economic impacts (e.g. Burgan & Mules 1992).

Current host cities estimate potential impacts from the experience of previous host cities of Olympic Games. Events sometimes fail to reach the anticipated scope or magnitude of impacts (Chalip 2004). Some authors have been concerned about the ways that economic impacts of events can be enhanced (Browns, 2000; Chalip & Leyns, 2002). Chalip (2001) went further and developed an “event leverage model”, aimed at to using “leveraging” to conceptualize “those activities that need to be undertaken around the event itself, and those which seek to maximize the long-term benefits from events”. His model, however, still focuses on economic benefits.

1.4 Problem statement

There is a general belief that hosting mega-events, such as the Olympic Games, could bring a variety of benefits to the host city (Burgan & Mules 1992; Daniels et al 2004; Mihalic & Simonetta 1999; Ritchie 1984; Syme et al 1989). Most of the published research is about the measurement to evaluate the economic benefits (Hall 1997). There are

some papers about how to maximize these economic benefits (e.g. Chalip 2001), for example the “leverage model” mentioned above. However, there seem to be gaps in the research on how to leverage socio-cultural and environmental benefits, and how to maximize opportunities and meet the challenges in leveraging the benefits. This research, in the context of the Beijing 2008 Olympic Games, aims to bridge these gaps. In other words, this research is designed to answer the question “what are the major opportunities and challenges in leveraging the potential impacts of hosting the Olympics in Beijing?”

As discussed earlier, the leveraged benefits are said to be three-fold, i.e. environmental, socio-cultural and economic. Because of the obvious importance of tourism, its benefits will be used as the main indicator of economic benefits in this research. The conceptual framework developed for this study is shown in Figure 1.

According to the conceptual framework, the 2008 Olympic Games themselves are the “leveragable resources” (Chalip 2004: p80) that could be used to leverage the benefits for Beijing. The leveraging components consist of leveraging activities and opportunities and challenges around the leveraging activities. The benefits leveraged by hosting the 2008 Olympic Games, will be analyzed from environmental, the socio-cultural, and tourism perspectives.

Accordingly, the specific objectives of this research are:

From the environmental perspective:

- a. to identify the potential impacts on Beijing to be leveraged by the Olympic Games;
- b. to determine the leveraging activities for the potential environmental impacts;
- c. to find out the opportunities for leveraging the potential environmental impacts;
- d. to explore the challenges in leveraging the potential environmental impacts;

From the socio-cultural perspective:

- a. to identify the potential socio-cultural impacts on Beijing to be leveraged by hosting the Olympic Games ;
- b. to determine the leveraging activities for the potential socio-cultural impacts;
- c. to find opportunities for leveraging the potential socio-cultural impacts;
- d. to explore the challenges in leveraging the potential socio-cultural impacts;

From the tourism/economic perspective:

- a. to identify the potential tourism/economic impacts on Beijing to be leveraged by hosting the Olympic Games;
- b. to determine the leveraging activities for the potential tourism/economic impacts;
- c. to find opportunities for leveraging the potential tourism/economic impacts;
- d. to explore the challenges in leveraging the potential tourism/economic impacts.

In integrating these objectives, Figure 2 — a leveraging matrix —, aims to show what will be discussed in this research. There are three rows and four columns in this matrix. The rows, “Environmental”, “Socio-cultural”, and “Tourism”, indicate the three perspectives of how hosting the 2008 Olympic Games will benefit Beijing i.e. environmental, the socio-cultural and the tourism perspectives. In analyzing each perspective, four parts will be considered: the potential impacts to be leveraged; the leveraging activities necessary for this; and the opportunities and challenges involved in leveraging the potential impacts. Through such analysis, the cells in Figure 2 will be filled. The practical analysis process occurs step by step; that is, the second column is filled based on the result of the first column, the third column is filled based on the second column, etc. In analyzing each of the three perspectives, the sequence will proceed as follows: first of all, the potential impacts will be identified based on previous research; secondly, the leveraging activities will be based on how to best leverage the potential benefits; and finally, the opportunities and the challenges behind the leveraging activities will be explored.

1.5 Methodology

This research belongs to the empirical paradigm. The analysis will be a “theory testing” process, intended to ascertain whether Western theories and analytical models suit the Beijing context. The data for the empirical study were collected through semi-structured interviews conducted in Beijing in 2005. The interviewees came from government agencies (including the Beijing Municipal Government, the Beijing Tourism Administration, BOCOG, and the Beijing Municipal Environment Protection Bureau), the tourism industry (hotels, travel agencies, shops, attractions, and food providers), and the local community (taxi drivers and residents in the neighborhoods close to the designated Olympic venues).

The interview process was snowball sampling. Specifically, the interview question design was an ongoing process. I first tried my interview questions with a sample group in the tourism industry and local communities. After analyzing their responses, I revised some of the questions and worked out different approaches to accommodate different

situations. Upon completing the interviews in these two groups, I outlined the questions for government interviewees, incorporating issues raised by the first two groups.

The data analysis includes four steps in order to achieve the objectives outlined above and to fill in the cells in the leveraging matrix. The first step is to identify the potential impacts for Beijing in hosting the Olympic Games. The next three focus on determining the “leveraging activities” for realizing the benefits, and the opportunities and challenges involved in carrying them through.

2. Data analysis

2.1 Introduction

In order to meet the research objectives, relevant Western theories and background information about the Beijing 2008 Olympic Games have thus far been summarized. Beijing appears determined to host “best-ever” Olympic Games. Here, the meaning of the “best-ever” is a key issue. As mentioned in the earlier section, the *Action Plan* jointly proposed by BOCOG and the Beijing government in 2002 defines the “best ever” as to mean “Green”, “Hi-tech” and the “People’s” Olympics”. Whether these are adequate for Beijing to claim that the 2008 event is the “best ever”, they are significant indicators of successful Games. But how are the three themes to be implemented? What are their potential positive impacts on Beijing? These questions will be investigated in this section following the sequence shown in the columns of the matrix in Figure 2.1. Compared with Figure 2, the cells in the matrix have been filled in the Figure 2.1. Trying to fill these cells is the job of this data analysis section. Accordingly, the first part of this section will focus on whether Beijing organizers are prepared to leverage the impacts, i.e., realize the positive ones and avoid the negative ones. The impact analysis theories will provide a conceptual guide. The next part will focus on the analysis of officially promoted leveraging activities, the leveragers and the leveragees. The section will then proceed to discuss opportunities for reaping the anticipated benefits for Beijing from hosting the event.

Finally, major challenges in carrying out the leveraging activities will be explored in line with the unique characteristics of Beijing and China. This analysis will be based on field data gathered in the context of the 2008 Beijing Olympic Games.

2.2 Leveraging indicators

In order to answer the question “What are the challenges and opportunities in leveraging the Olympics for the benefit of Beijing?”, we may have to first find the answer to “What will be the major potential impacts on Beijing of hosting the 2008 Olympic Games?”. The investigation process will involve analyzing both the secondary data on background and the primary data collected from interviews done in Beijing in 2005. The impacts will be divided into (1) environmental, (2) socio-cultural, and (3) tourism (representing economic). The potential impacts will be conceptualized as leveraging indicators. For the positive impacts, the goal of “leveraging” is to maximize them, and for the negative ones, to avoid them. In identifying the impacts, the western theories studied will be applied, if suitable, as to their suitability to the Beijing context by using the interview data and published secondary data collected for this research.

2.2.1 Environmental impacts

Western literature on the environmental impacts of hosting mega-events seems to present a pessimistic picture. There are three commonly identified negative impacts regarding the environment, the facilities, and the host city. “Leveraging” in this context means to avoid them. The data collected for this research indicate that the Beijing organizers are aware of them and have issued policies and taken action to minimize these impacts.

One frequently discussed problem is that games-induced facilities and infrastructure may degrade the natural environment surrounding the host cities. In this regard, BOCOG has likely initiated the concept of “Green Olympics” in order to eliminate, or at least minimize, the potential for serious negative environmental impacts. In other words, the *Action Plan* covers environmental and ecological concerns in the planning, design and construction of the venues and facilities. The plan also implies the organizers’ awareness of the problems and their endeavor to embed protection measures into every link of the hardware development process. But the interviews done in the neighborhoods in areas close to the Games venues reveal that they have been negatively affected—in terms of elevated noise and dust levels—by construction work on the venues. Most of these interviewees, however, emphasized that they understood that the inconvenience would be temporary and that efforts were being made to improve the sound- and dust-proof seals of the constructional sites.

Another potential negative impact to Beijing, as shown in the literature on other Olympics, concerns the long-term value of the games-induced facilities and infrastructure. It remains an issue whether a one-off event can bring post-games benefits. Beijing faces the same challenge. Both BOCOG documents and interviews reveal that the matter of post-Games utility has been on the minds of many in the city. The interviewees from travel agencies, for example, were all enthusiastic about including major Olympics venues into their tour itineraries. Based on their

positive experiences after the Asian Games Village since 1990 when the event was held in Beijing, they were confident that the Olympics venues would attract more public interest in the domestic tourism market. The Beijing Tourism Administration officials interviewed also avowed that the venues and facilities would continue serving the needs of major international, national and municipal sports events. They further visualized using some venues for concerts and exhibitions and using others as convention centers. Similarly, the surrounding neighborhoods had plans for using the gardens outside the stadiums as grounds for public exercise programs and community social gatherings. The “post-Games” usage of the venues therefore does not seem much of an issue in the Beijing context.

Hosting a major international event like the Olympic Games will undoubtedly impact on the city in question. By putting forward the “Green Olympics” concept, the Beijing organizers apparently intend to take advantage of the popular appeal of the event to increase the public awareness of the environment, conservation and energy/resource efficiency. Residents in Beijing have responded positively to the government scheme. The tourism operators in travel agencies, hotels, shopping destinations and sightseeing attractions who were interviewed all believe that the “Green Olympics” policies, if enforced, will make Beijing a “greener” city. A more pleasant environment will add a great deal to the cultural attraction base. Considering the population size and the domino effect of the capital on other cities in China, they think a successful “Green Olympic Games” will have an enormous positive impact on the Mother Country. This inviting potential has many in local communities feeling concerned above whether the “Green Olympics” policies will last and how they will be implemented.

2.2.2 Socio-cultural impacts

The *Action Plan* developed by BOCOG and the Beijing government defines the social-cultural environment that should be developed for and through hosting the Games as including “security, health care and sanitation”, “legal environment development”, and “public participation”. All the interviewees from the three groups in this research noted that a successful “Green Olympics” scheme would improve the health care situation in Beijing and reduce, in particular, the number of cases when an epidemic hits (e.g. SARS). A BOCOG officer who was interviewed, emphasized a positive correlation between increased public environmental awareness and improved public health.

Traffic, while not listed in the *Action Plan*, is considered by many interviewees as a part of the social environment. They think it should receive as much attention as health care. As mentioned in the previous section, improvement in traffic management on Beijing roads is a primary task of hosting a “Green Olympics”. While road construction to solve traffic congestion is still on-going, interviewees from one neighborhood have already begun taking advantage of new roads built for the venues to be set up there. Many were, however, not optimistic that the “Green” and “Hi-tech” Olympics would eventually solve traffic problems once and for all. One interviewee from the food provider industry illustrated this opinion by saying that “if the three themes set for the 2008 Olympic Games are realized and traffic in Beijing is improved, more tourists will be attracted to Beijing. More people mean more vehicles and traffic congestion again”. They admitted, however, that they could not think of a better solution.

Among the anticipated socio-cultural impacts of hosting the Games, increased national or regional pride is recognized by many studies in the literature (e.g. Burns *et al* 1986) and those interviewed for this research also saw it as a positive factor. This was illustrated in the stories told by the interviewees about their reactions when they heard that Beijing had won the bid on 13th July 2001. One interviewee from a travel agency described at length how happy she had been to notice, when taking tours to European countries, that the visibility of Beijing and knowledge about China among European locals had already been enhanced by winning the bid. The interviewees from the Beijing Tourism Administration and BOCOG confirmed that a large amount of government funds had been invested since Beijing won the bid to promote worldwide, the 2008 Olympic Games and Beijing as a friendly host.

Another positive social-cultural impact is a wider participation in sports (Crockett 1994). Indeed, in line with the theme of the “People’s Olympics”, many nationwide, citywide, community- and institution-sponsored sports events have been or are planned to be held to encourage popular participation in physical excises. Some interviewees from local communities and the tourism industry, for example, mentioned that many people they knew were encouraged by the fact that Beijing would host the Olympic Games and exercised more regularly now. They noted that bodybuilding, long-distance running, or ping-pong, badminton, basketball, taichi and social/folk dances were more popular than before. In line with the findings in the literature on sports events like the Olympic Games improving the infrastructure of host cities (e.g. Humphreys & Plummer 1993; Horne 2000), the interviewees were in general pleased that Sports Administration at the city, district and neighborhood levels had been putting up facilities in residential areas to meet the needs of popular exercise.

2.2.3 Economic/tourism impacts

According to the literature on the links between the Olympic Games and tourism, there are five positive and two negative impacts. The positive ones include (1) games-induced travel, (2) stimulus tourism through infrastructure improvement, (3) destination promotion, (4) convention and incentive market promotion, and (5) pre- and post-games

tour itineraries. The two obvious negative impacts are over crowding and the disruption of daily local life. In the following sections, these issues will be discussed in the Beijing context.

2.2.3.1 Positive Impacts

The Beijing Tourism Administration (BJTA) anticipates (Tang 2004) that by winning the bid for the Games and hosting it later, international tourist arrivals will go up by 7% to 8% each year from 2005 to 2008. The projected growth momentum is believed to continue at least until 2010, two years after the Games. BJTA further anticipates a 13% surge in the year 2008. In other words, during the Games (July – August 2008), Beijing expects to host 800,000 overseas tourists. Of these, 250,000 will be Games-induced. Besides overseas visitors, BJTA estimates that 550,000 domestic tourists will head to the capital during the Games. The domestic tourists will likely contribute RMB 122.5 (about \$15.4) billion to Beijing's tourism income that year. Additionally, 490,000 Beijing residents have been anticipated to take short trips around the city.

In order to accommodate this anticipated huge crowd, new hospitality facilities are being built and existing ones renovated throughout the city. BJTA has promised to have 800 star-ranked hotels and 130,000 guest rooms ready by the beginning of 2008. This translates into a seven percent increase of guest rooms per annum between 2002 and 2007. According to an official from the Beijing Municipal Government interviewed in early 2005, about 24 hotels and 10,000 rooms were under construction. By the year of 2007, that would bring the numbers of hotels and hotel rooms to 637 and 110,000 respectively. The same official was confident that the hotel capacity would by and large meet the demand of the peak period in 2008. In case the accommodation supply still falls short of demand, cities (e.g. Tianjin, Shijiazhuang) near the capital will be ready to make up the difference. Another interview from the hotel sector noted that in addition to hotels and other "hardware" facilities, the government and the tourism industry have also increased investment in improving the "software", particularly the training of the existing staff and new recruits in tourism-related services.

The argument that Games-induced travel is a positive impact may be misleading. Anticipation of this phenomenon, for example, may lead to overdevelopment and therefore a waste of resources. The aforementioned official from the Beijing Municipal Government revealed that the average occupancy rate of three- to five-star hotels in Beijing was 65%, and was 45% for one-star hotels. He was concerned that the rhetoric about the growth in tourist numbers might fuel irrational and speculative investments in hotel development and worsen the excess capacity problem in the aftermath of the Games. To avoid the "profitless volume" problem in the hotel and hospitality sector, the BJTA, noted the same official, would thoroughly inventory the accommodation capacity of the city and provide interested developers with the information necessary for making informed or educated decisions about investments. Another potential problem related to the increasing number of tourists is the pressure on the environment. Yet the interviewees all maintained that the "Green Olympics" scheme should be able to address this issue.

It is commonly acknowledged that better infrastructure of a destination is conducive to the development of tourism in that region. According to a BOCOG official interviewed, the investment in new infrastructure for the Beijing Games will amount to 1.625 billion US dollars. The Beijing International Airport upgrade is already underway, which will increase both its capacity and efficiency. Other major construction projects include the principal stadium, related sports facilities and athletes' accommodation. The central venues of the Games in North Beijing are expected by many in the tourism industry to be added to the list of tourist attractions in the city. These facilities will also strengthen Beijing's position to bid for hosting other international sports events in the future. The marketing resources associated with these facilities will increase their visibility among potential visitors and add to the combined critical mass and value of the city as a preferred destination.

The "promotional effect" of the 2008 Olympic Games on Beijing as a tourist destination was a term mentioned most frequently by the interviewees in this research. Those from the tourism industry thought that being associated with the Games would enhance the reputation of Beijing internationally. This, in turn, would help attract more inbound arrivals to watch the event in 2008 and tour around Beijing. They further maintained that the well-organized Games, modern and environmentally-friendly facilities, good hospitality and tasty food should positively impress those who would come to watch or broadcast the Games. These visitors should then report back favorably on Beijing and their trips. Their descriptions and photos would thus serve the function of indirectly promoting Beijing.

The interviewees who manage tourist attractions such as the Great Wall could not emphasize enough the positive effect of promoting Beijing to each country attending the 2008 Olympic Games. They anticipated regular appearances of major attractions in Beijing in the advertisements, and hence increased knowledge of and curiosity about the city. The interviewees from Quanjude Peking Duck Restaurant and Liulichang, a shopping district for traditional cultural artifacts, thought that such a promotional effect was in the spirit of the "People's Olympics" concept. They believed that the exposure of Beijing would generate more international attention and rekindle domestic interest in Chinese culture, arts and traditions.

The BJTA and Beijing government officials interviewed shared the optimistic expectations for the promotional effect of the Olympic Games. Yet they did not think that the Beijing organizers, the tourism industry and the public should take positive impacts of mega events for granted. They illustrated their caution with the recent Athens example, which did not result in a surge, but a decrease in international tourist arrivals in the 2004 Olympic year. For these officials, hosting the Olympic Games has provided Beijing with a golden opportunity to show off its ancient, but also vibrantly modern image. Yet to effectuate the opportunity, Beijing should have its own promotional strategies and appropriate leveraging policies and activities. Indeed, BJTA has begun enthusiastically promoting Beijing and the 2008 Games throughout the world since the city won the bid in 2001. It sponsored a grand song and dance show in Athens during the 2004 Games. It also developed a market promotion theme for each year up to 2008.

When asked about the specifics of the promotional effect of the Games, interviewees from the hotel sector emphasized developing the conference, exhibition and other incentive (MICE) markets. These interviewees and those from BJTA maintained that the media exposure of Beijing would likely encourage more overseas organizations to choose star-rated hotels in Beijing as their function venues. They noted that quite a few hotels, such as Beijing Hotel and Beijing Crown Plaza Hotel, had already enjoyed a visible increase in conferences and other functions since 2001. Furthermore, they believed that press coverage of the Games should also give people the idea of using the hi-tech stadium or related facilities for non-sport functions. These interviewees understood that conventions, exhibitions and other functions would have a positive post-Games effect on other sectors of the tourism industry as well, including food providers, tourist attractions, and shopping destinations. The spill-over effect might also reach other cities in China through the dispersion of convention/incentive travelers by pre- and post-Games itineraries.

While there is little evidence from the Atlanta Games to suggest that pre- and post-Games tourist itineraries benefited other regions in the U. S., the Beijing organizers expect that the tourism impact of the 2008 Games will go beyond the host city and be more widely spread. Their main rationale is that China is a long-haul destination, and international travelers will be more inclined to maximize the return on their investment by seeking to include other parts of China in their itineraries. Conscious efforts have also been attached to promoting cities adjacent to Beijing. An interviewee from BJTA mentioned, for example, that most Olympics-related marketing campaigns included Tianjin, a seaport municipality 120 kilometers away from Beijing, and other attractions close to the capital. An interviewee from the Beijing Taihe Travel Agency thought the tourism industry had no problem with this promotion strategy and that it should make use of all opportunities occasioned by the hosting of the Olympics Games to promote tourism in North China with Beijing as the center.

2.2.3.2 Negative Impacts

The most commonly heard complaints in Beijing in relation to the 2008 Games focus on the potential problem of overcrowding. Both taxi drivers and members of the local neighborhoods interviewed; they were anxious about the potential that flocks of international and domestic visitors would flood the parks and other public places Beijing residents liked to frequent. Some of them stated that they had shied away from many famous destinations in Beijing for several years already because there were already too many tourists. That hundreds of thousands more people would gather in Beijing all at the same time had many taxi drivers worried about their income in June and July of 2008. They expected more traffic congestions in those months even with the road improvement. The more serious the congestion, the less money they will make. The interviewees living in the neighborhoods close to the Games venues expressed concerns about the potential disruption of their daily lives. Some anticipated that martial law would be declared around the venues for security concerns. That would likely interfere with the routines of their lives. They were contemplating plans for staying away from home or even leaving Beijing during the peak Games season.

2.3 Leveraging activities

Having recognized the potential impacts of hosting the Olympic Games on Beijing, the organizers and others who are involved have to next propose and carry through the leveraging activities needed to maximize the positive impacts and minimize the negative ones. In this section, major, officially proposed, and publicly initiated leveraging activities will be discussed from the same three perspectives, i.e., environment, socio-cultural and tourism.

2.3.1 Environmental activities

The "Green Olympics" is one of the three themes of the 2008 Beijing Olympic Games. Before this, environmental protection and improvement issues were central in the entire preparation process leading to the bidding presentations. To convince the IOC judges that Beijing was environmentally fit for hosting the 2008 Games, the Beijing and central governments promised to take measures so that the number of days when the air quality in Beijing met the international standard would exceed two-thirds of the year. One of the proposed measures was to upgrade the quality of the gasoline used in public transport and to increase the energy efficiency of most (more than 90%) public buses. Another measure was for the City to make public transport more convenient and efficient by increasing rail and rapid transit services and raising the average speed limit of the transit vehicles. All these measures were aimed at having the

vehicle exhaust index meet Euro III standard (Chen 2004). An engineer at the Beijing Municipal Environmental Protection Bureau noted during an interview that control of air, water, solid waste pollution, and ecosystem conservation would be central tasks in the seven-year (2001 – 2008) preparation period for the Games.

A BOCOG official interviewed stated that one important leveraging activity to make Beijing “greener” was the decision to relocate the Shougang Iron and Steel Group from Beijing to Tangshan in Hebei Province. According to him, many in the Beijing Municipal Government had mixed feelings about the move. On the one hand, the iron and steel giant was one of the most important contributors to the city’s tax revenues—approximately 35.8 million RMB a year—and was a major source of job opportunities (Xinhuanet 2006). On the other hand, it was also a major cause of pollution. But for a “greener” Beijing, the Municipal Government finally decided to let go of this “cash cow”. According to the relocation plan, the Group’s headquarters, R&D division and other non-production departments will remain in Beijing, and the rest will be moved out. The National Development and Reform Commission has carefully reviewed the plan and is satisfied with the detailed procedures listed for upgrading the production line and the technological process to avoid transferring environmental problems to another city.

Another leveraging activity for realizing the goal of running a “Green Olympics”, noted a BOCOG interviewee, has been to enhance the environmental awareness of society as a whole. Schools, public institutions, enterprises, professional associations, neighborhoods, the media are urged to promote environment-friendly life styles. Environment-conscious life styles are specified to mean “economizing on water use”, “economizing on power use”, “economizing on natural-resource use”, “recycling” and “cutting down cost”. Businesses and individuals are encouraged to use their creativity to minimize waste. Local residents have responded positively to the appeal for a “Green Olympics” and a “greener” Beijing. Many in the hotel and retail sectors, for example, agreed with the government directive to increase the in-door temperature by 1 °C so as to decrease air conditioners’ energy consumption. Many organizations now photocopy on both sides of the paper. Food providers have their own ways to be resource economical. More and more restaurants have given up the disposable chopsticks and replaced them with reusable, sterilized ones. Employees in these restaurants believe that the change may help save many trees. Many individuals also eagerly participate in the “economizing” campaigns and offer their tips on saving electricity and water on TV and the radio.

Building a Beijing Olympic Park is another major leveraging activity. Named the “Olympic Green”, the park will house key venues for the Games and athletes’ village. As introduced by a BOCOG interviewee, the planned area of the park covers 1,135 hectares, 680 of which will be for a “forestry park” and the remaining 405 hectares for the Olympic Center. The BJTA official interviewed described the Olympic Park, which will be located on the north-south central axis of Beijing, as the “lungs” of the city. He stated that the “Olympic Green” would not only serve the Games, but would also likely become an environmental legacy of the Olympics.

If the Beijing organizers are successful in delivering a “Green Olympic Games” through reducing pollution, better ecological conservation, more vigorous waste recycling programs and enhanced public environmental awareness, the 2008 really may become an Olympic legacy. Furthermore, the “Green Olympics” may serve as a catalyst for a more sustainable and balanced economic development in China. In carrying through these leveraging activities, the “leveragers” are mainly relevant government divisions (e.g. BJTA), which either initiate or appeal for activities conducive to a “Green Olympics”. The “leveragees” may be both the individual and the government. For example, government energy conservation policies or appeals are for the individual to act upon. But the government itself must also take actions to create an environment, which encourages the individual to do so. For projects such as improving the sewerage treatment or air quality, the government’s efforts will be essential.

2.3.2 Socio-cultural activities

In proposing the “People’s Olympics” concept, the Beijing organizers intend to use the 2008 Games as a window for the world to better understand China’s cultural heritage (Beijing-2008 2004a). Therefore, a series of high-profile cultural activities have been launched. The series was inaugurated with an eight-minute performance put on by 130 Chinese artists at the closing ceremony of the 2004 Athens Olympic Games. The director of the show, Zhang Yimou, who also directed the well-known Chinese film *Red Sorghum*, told reporters “The world gave me eight minutes and I would give the world a surprise....The show is mainly dancing and movements that everyone will be able to understand. My aim was to show the world that Chinese culture is also international” (Beijing-2008 2004b). During the Athens Games, the Beijing government also sponsored the “Emperor’s City – Beijing Cultural Relics Exhibition” in Greece’s National Art Gallery. Since then, Beijing has celebrated the second “Beijing 2008 Olympic Cultural Festival”, the “International Olympic Day”, the “International Teens’ Carnival”, the “World’s Chinese Choruses Meeting under the Olympic Flag”, the “Beijing International Incentive Tourism Trade Fair”, and the “Planting Commemorative Evergreen Forest for Olympic Games” (BJTA 2004). All these activities have been open to the public, and the list will continue to grow in the years leading to the 2008 Games.

Another important purpose of promoting the “People’s Olympics” and putting on substantial cultural activities, is to revive the interest of the average Chinese, especially among the younger generation, in China’s time-honored culture and traditions. Many interviewees were concerned that with the opening up of China, more and more Chinese traditions and modes of artistic expression were losing ground to Western cultural practices. The interviewees from the shops that sell Olympics souvenirs all commended BOCOG’s effort to involve the public in designing the emblem and the mascots of the 2008 Games. They thought that the process of publicly seeking and evaluating designs not only verified the “People’s Olympics” concept, but also inspired many Chinese to rediscover Chinese history, traditions and culture, and their national pride. Echoing the Zhang Yimo’s comment mentioned above, the interviewee from Liulichang, a shopping district specializing in cultural artifacts, stated that the Olympics-related cultural activities would also help to show the Chinese that Chinese and Western cultures were not necessarily in conflict with one another, but share mutual, complementary interests.

Since the public concerns over the potential negative social impacts of Beijing hosting the Olympic Games focuses on overcrowding and traffic jams, new roads are being constructed and existing ones upgraded. The interviewees from the Beijing Municipal Government and BOCOG emphasized that building roads enjoyed solid public support in China. They all quoted a popular Chinese saying “If you want to become rich, you have to first build roads”. According to an official from the Beijing Municipal Government, a main reason for the severe traffic congestion in Beijing is that while the annual increase of purchased automobiles is 15%, the annual increase of roads is only 5%. In addition to building more roads, the Beijing government has also invested in modernizing the traffic management system and improving the safety, convenience and efficiency of the public transportation services. The immediate tasks, as stated by a BOCOG interviewee, include finishing the urban rail transportation network, building new expressways from Beijing to other cities in China, the urban street networks, the Beijing International Airport upgrade and expansion, building more public parking facilities, and unifying the names of new roads.

2.3.3 Tourism activities

According to the *Action Plan* (2003), the tourism industry will benefit most directly from the 2008 Olympics. The interviewee from BOCOG noted that the BJTA had already developed the *Beijing Olympic Tourism Action Plan* and begun putting it into action. The plan focuses on developing the image of “an Ancient Capital in the East and the Homeland of the Great Wall” as the visual attraction for the Olympic tours. The *Plan* attaches importance to the conservation of tourism sites, the development of tourism products and the expansion of tourism marketing. The *Plan* emphasizes industry-wide concerted efforts to make Beijing a first-class city in the world and the top tourism city in China. The *Plan* also calls for caution over the potential profit-less volume problem to ensure that the growth of tourism revenues is commensurate with the increase of tourist arrivals.

As indicated above, the Beijing Tourism Administration anticipates that hosting the Olympic Games will result in 7-8% more international visitors every year between 2005 and 2008, and 13 % more in the year 2008. Responding to the increase, Beijing has been steadily building up its accommodation capacity. The interviewees from both BOCOG and BJTA advised that hotel rooms had been increasing by 7% annually. At this rate, there should not be much problem to accommodate the visitors who come for the 2008 Olympic Games. Moreover, seven hotels including the Beijing Hotel, the China World Hotel, the Grand Hotel Beijing, the Hong Kong Macau Center Swissotel, the Beijing International Hotel, the Kunlun Hotel and the Crown Plaza Park View Wuzhou Beijing, have all signed the Olympic Lodging Agreement with BOCOG to first serve the accommodation needs of the Games in 2008. According to the interviewee from BJTA, 800 other hotels in Beijing will be upgraded to meet the toughened environmental standards for the 2008 Beijing Olympic Games. Once the upgrade is done, they will save US\$ 1.2 billion in energy consumption. Many of these hotels, as noted by an interviewee from the sector, have developed in-house training programs as well to improve the service quality of their employees.

As mentioned earlier, BJTA, by pushing for the concept of the “People’s Olympics”, hopes to use the Games as a lens for the world to view China’s historical heritage (Beijing-2008 2004a). In addition to the aforementioned series of high-profile cultural festivals and exhibitions, which were sponsored by various governmental cultural departments and aimed at promoting the knowledge of Chinese traditions and culture and of Beijing as a tourist destination and an attractive place for conferences, BJTA has organized its own functions, including the Beijing International Incentive Tourism Trade Fair, the International Teens’ Carnival, the “World’s Chinese Choruses Meeting under the Olympic Flag” and the “Planting the Commemorative Evergreen Forest for the Olympic Games”. Furthermore, BJTA made 2005 an official “pre-Olympic travel year” in preparation for 2008, with its theme focusing on Chinese culture. New scenic spots were opened to public, including part of Zhongnanhai next to the Imperial Palace, the Forbidden City. Zhongnanhai, which may be translated as the Central and Southern Seas, is also known as the Sea Palaces. It forms the southern precinct of a chain of lakes and a garden-palace complex in central Beijing. It has been the official residence of the central government of nearly all the regimes since the turn of the 20th Century. Since 1949 it has been home to the highest-ranking government officials including Mao Zedong, Deng Xiaoping and currently Hu Jintao and it

also could be called the “contemporary Forbidden City”. Offices of the Central Committee of the Communist Party, the State Council, the Central People's Government and the Military Commission of the Party Central Committee are also located here. It was thus off limits to the public until 2005. This change has indicated the determination of both the Beijing and central governments to attract more tourists. Furthermore, BJTA has been doing all it can to streamline the visa application process to make it easier and more convenient to visit Beijing.

Reflecting the “People’s Olympics” theme, BOCOG and BJTA have also heavily invested in publicizing Beijing through major Western media networks. According to the interviewees from both organizations, arrangements have been made with CNN and some European TV stations to run intensive documentary programs from 2004 to 2008, featuring Beijing’s cultural and sightseeing attractions. BJTA has further negotiated a deal with ten well-known international media groups to jointly run a worldwide 2008 Beijing Olympic Games quiz. It will also host a photography show on “Why the Olympics Picked Beijing?” to help foreigners “discover” the “new Beijing” and the “new Olympics”. Moreover, BJTA will host a tree-planting function, in association with the International Olympic Committee (IOC) and BOCOG, to break ground for the Olympic Friendship Forest at the Beijing Olympic Park. BJTA has also set aside funds in its budget for bringing junior orchestras from previous Olympic host cities to give performances at the Great Wall or the Forbidden City. Finally, it will sponsor a special session on Beijing Olympic tourism at the Beijing International Tourism Expo.

It is obvious from the discussion above; the activities for leveraging the potential tourism benefits are initiated and carried out mainly by the government. As with the socio-cultural activities, the government is, again, both the “leverager” and “leveragee”. The tourism industry, such as hotels and travel agencies, is another major “leveragee” to help make the activities successful and effective.

2.4 Opportunities for carrying through the leveraging activities

All host cities of the Olympic Games have their eyes on the potential benefits brought by this arguably most important mega sports event. Beijing is not an exceptional. Like most other cities, Beijing government officials do not take the anticipated profits for granted either. They have made many conscious efforts to assure that it will reap the benefits and avoid major pitfalls. But will they be able to carry through the leveraging activities discussed in the earlier section and make them effective? This will be the focus of the following discussion. The major leveraging activities are high-profile and pricey. The analysis will thus center on the role of the state government and the response of the public. The investigation of the opportunities will then be divided into the same three themes as the activities, i.e., the environment, socio-culture and tourism.

2.4.1 The role of the government

Unlike other host countries, China is in transition from a centrally planned economy to a market economy. The government has given up much of the day-to-day administrative and operational duties in the economic life of the country, but it still has much more power than its counterparts in mature market economies (Qu & Ennew, 2004). Government involvement or intervention will be more direct when it thinks that the national interest, pride, or reputation may be on the line. In recent years, the Olympic Games have become an important window on the hosting country’s comprehensive national strength and capacity. It is thus only natural that not only the Beijing government but also Chinese central authorities should pay high attention to the 2008 Olympic Games (Ma 2004). According to Ma (2004) President Hu Jintao has pledged financial and policy support from the central government for every facet of the preparation work.

The interviewees from the Beijing Municipal Government and BJTA all accentuated the essential role of this support in making it possible for them to initiate and run the leveraging activities mentioned above. For example, the Beijing Municipal Government has for years wanted to relocate residents in some areas for its road or other development projects. Hosting the 2008 Olympic Games has given it a good and convincing excuse. Yet to make it possible, the Beijing government has to compensate these residents financially. This will be an enormous burden for the already thinly-stretched budget for the Games. Thanks to the financial support from the Central Government, as noted by an interviewee from the Municipal government, most relocated residents have been compensated at the market value for their dwellings. This has greatly smoothed the relocation process.

The relocation of the Shougang Iron and Steel Group is another example. The Beijing government had contemplated moving it for decades because of the environmental problems it caused the capital. Yet concerns about the tax revenue had made it put off making the final decision until it won the Olympic bid. Furthermore, hosting the Olympic Games has also given the city the ability to apply for financial support from the central government for the costly relocation of this huge enterprise complex. A third example given by the interviewee also concerns environmental protection. Beijing has had a poor reputation in terms of its environmental quality (BBC 2004a; Hewitt 2000). To improve it necessitates massive action and requires astronomical sums of money. Without a serious commitment to environmental protection, Beijing could not have won the bid let alone host the Games. The Beijing government has

noticed that it is not very difficult to ask the central government and non-governmental organizations to dig deep into their pockets and help Beijing implement its environment policies.

2.4.2 The public response

Most people in China were genuinely thrilled to hear the news that Beijing had won the bid to host the 2008 Olympic Games. A BC (2004b) report hit the nail on the head when it said that “hosting the 2008 Olympics Games is a dream for all the 1.3 billion Chinese people”. It is thus not difficult to understand why the Chairmen of BOCOG had no qualms about declaring “We will set a record for the highest public involvement in Olympic history” and “In every step of the preparation especially the designs of the mascots and the slogan” (Zhang 2004).

Why has the public responded to the Olympics Games so positively and energetically? Literally all interviewees mentioned the national humiliation China felt, in the 19th Century, when referred to as the ‘sick man of East Asia’ by Westerners. Because of that, they have emphasized, in China’s recent history, especially since 1949, that sports have never simply been a matter of individual hobbies or fame, but always related with building up peoples’ health and increasing national pride. The solid social base of sports, as noted by the interviewees, can be verified by the fact that international sports champions and medalists were often treated as national heroes and elected into senior Party or national administrative positions. Hosting a major international sports event is perhaps even more significant for many Chinese because they think it shows the world that China is no longer a “sick man” but a giant. Therefore, they not only pay close attention to how Chinese sportsmen perform, but also try to contribute to the success of the hosting. One example mentioned in the interviews is that when Beijing hosted the Asian Games in 1990—the first major international sports event of the city—schools, institutions, businesses, enterprises and neighborhoods were advised by relevant government departments to “beautify” their premises and present the “best” image of Beijing. Some primary schools encouraged their students to bring flowers from home to build flowerbeds. In the end there were too many plants, and the unused ones were returned to their owners. Those students all felt bad and guilty that they had failed to contribute to the Asian Games.

The Beijing organizers of the 2008 event have full knowledge of the importance of sports in general, and the popular support for hosting the Olympic Games in particular. They understand that the public desire to do something for the Olympic Games is a resource of enormous potential, but satisfying the public may become a great challenge. Thus, the widely publicized *Action Plan* (BOCOG 2003: P3) includes measures for facilitating the public involvement. It reads:

“it is a common desire of the Chinese people to support and work for the Olympic Games. Their enthusiasm shall be well encouraged and protected. Events and activities centering on the Olympic Games will be planned and organized for them, in accordance with the related regulations in the IOC Host City Contract”.

Many of the facilitating efforts have been centered on national sports and other campaigns for popular participation, such as the “national fitness campaign” and the “national tree-planting campaign”. A clear message, sent out through these campaigns, is that by participating in them, residents in Beijing are helping create an environment for hosting the “best-ever” Games, and people in other places are supporting the residents of Beijing to host the “best-ever Games”.

2.4.3 Opportunities for leveraging environmental activities

Many leveraging activities for achieving the goal of a “Green Olympics” involve projects that only the government has the power and resources to initiate and carry out. As mentioned earlier, China’s is a transitional economy in which the government still has the final say in many aspects of economic and social life. This works for the better of the Games-related environmental efforts. A typical example is the building of the Olympic Park, the “Olympic Green”, which is anticipated to become part of the environmental legacy of the 2008 Olympic Games. It will take up a large area in Beijing, whose land value has skyrocketed since the mid-1990s. The interviewee from the Beijing government revealed that such a large project could only be proposed in the first place because the Beijing government had set aside this piece of land decades ago for the Olympic Park. He noted that many developers had tried for years to persuade government officials to sell them the rights to use the land. (Land is state owned in China and cannot be sold). The government, however, had never considered their arguments or lucrative offers because it had never doubted that one day Beijing would host an Olympic Games.

To tackle the problems of increasing demand for private vehicles, decreasing energy resources and serious air pollution, China has been working on cleaner fuels for vehicles and alternative sources of power. The interviewees from the Beijing government believe that electric vehicles will likely become the most important means of transportation in the 21st century. They are aware that the technology of battery-powered and hybrid electric vehicles is reaching maturity in major Western countries. They admit that China lags the world’s pacesetters in the field of vehicles driven by internal combustion engines, by about twenty years in terms of the vehicle emission standard. But in the field of electric vehicles, they think that the gap is only 4-5 years. They hope that hosting the 2008 Olympic Games will also inspire China to leap frog the international competition in developing the most energy-efficient and environmentally friendly vehicles. The Ministry of Science and Technology and the Beijing government have set up a special fund for

“Science & Technology Olympics” to support innovative transportation and electric vehicle projects. Fuelled by the immense demand of the “Green” and “Hi-tech Olympics”, the R&D of environment-friendly vehicles has become a new hotspot for China's automobile industry. At present, there are more than 100 car makers and scientific research institutions working on environment-friendly vehicles in China. Guangzhou Suijing Bus Co., Ltd. has developed an LPG hybrid electric vehicle, with an exhaust index exceeding the Europe III standard. Its price/performance ratio also suits China's reality, and it is performing well in the Hong Kong and Japanese markets (Chen 2004). The company is confident that it can serve the environmental ambitions of the 2008 Olympics organizers.

2.4.4 Opportunities for socio-cultural activities

According to the *Action Plan*, the socio-cultural situation includes culture, security, health care and sanitation, legal environment, and public participation. As discussed earlier, the popular desire to contribute to the Games provides the organizers with an invaluable opportunity for carrying out the leveraging activities, which will reap the potential socio-cultural benefits, and avoid negative impacts. Besides the public enthusiasm, the rich and colorful cultural heritage has set up an excellent stage for the organizers to demonstrate their creativity in initiating and sponsoring socio-cultural activities to promote the 2008 Games and Beijing. The Great Wall, the Summer Palace, the acrobatic shows, the Peking Duck, and many other unique artistic expressions of the civilization of this ancient city provide a rich source for any promotional activities one can possibly imagine (Usembassy-china 2002). The recent incorporation of Western cultures has provided new opportunities to showcase Beijing as a vibrantly modern city.

2.4.5 Opportunities for tourism-related activities

Beijing has always been a tourist destination, not only because it is the capital city but also because of its rich cultural heritage. There are six UNESCO- endorsed world cultural heritage sites in Beijing. They are the Forbidden City, the Great Wall, the Ming Tombs, the Temple of Heaven, the Summer Palace and the Peking Man site. The tour operators interviewed noted that they were the main components of all travel itineraries for both overseas and domestic tourists, and that interest in them was not waning.

Since most tourist activities center on sightseeing out of doors, the air quality and the environmental situation have become issues in having a memorable trip. The quality of the physical environment is therefore important for the tourism industry. The responses of the interviewees from the industry indicate that they are not satisfied with the current environmental situation. However, they do not think that this has become a barrier preventing tourists from visiting Beijing. According to them, Beijing is lucky for three reasons. First, tourists stay in Beijing only for a short period, and its environmental problems are not enough to create serious health issues. Second, most of Beijing's tourist attractions are known for their cultural values rather than their natural appearance. Finally, because Beijing does not have a good reputation for its environmental quality, tourists do not have high expectations. Many even find it better than that they anticipated or imagined. When they return home, they even manage to say something nice about Beijing's physical environment, which helps encourage more people to come to Beijing.

The interviewee from BJTA did not have this happy-go-lucky attitude. According to him, the Beijing government and BJTA are very serious about the environmental problems. For them, the environmental situation has an impact on the long-term development of the tourism industry. They think that Beijing's natural environment is the “pillar bearer” of its splendid cultural heritage. Problems in the former will shake the foundation of the latter. If that happens, the tourism industry will be among the first to suffer the consequences.

2.5 Challenges for effective leveraging

Opportunities always come with challenges. While there are good opportunities for carrying out the leveraging activities for realizing the benefits of hosting the Olympic Games, it remains a question whether these activities will be effective. This section will focus on some immediate challenges faced by the government in running the show and other major challenges faced in leveraging the long-term benefits of the Games-related activities.

2.5.1 Challenges in the government playing the dominant role

The national government is in the best position to mobilize the resources necessary for running a mega event like the Olympic Games within the six or seven years that are usually allowed a host city. It is also true that only the government can afford to act out the belief that pride and image matter more than money. Yet when the government controls every facet of the show, there is the danger of irrational decisions being made. For example, the original design of a major stadium was overly splendid and would need about 136,000 tons of steel to build, four times the average for a conventional building. Some engineers argued against the unnecessary extravagance and the waste of resources. But at first their voices were too weak to be heard. They insisted and eventually convinced the governmental departments in charge to redesign the stadium. That change saved \$336 million (China Daily 2004).

2.5.2 Challenges in achieving long-term effects of the leveraging activities

Perhaps few Chinese would challenge the BBC description of Beijing as one of the world's most polluted capitals (BBC 2004). The city is thus faced with daunting challenges in addressing its environmental and transportation problems.

Underlying them is the issue of population. Despite an array of controlling measures adopted by the Beijing government, the population of the city is still increasing. In 2008, the total population is expected to hit 15 million, including a floating population of 3 million. Correspondingly, the total transport volume (including passenger transport and freight) is also on the rise, and its growth rate outstrips that of the population. For example, the total number of vehicles is rising quickly. From 2003 to 2008, the number of taxis will climb from 60,000 to 80,000, that of buses from 12,000 to 18,000, and that of private and institution-owned cars will increase even faster. Such large quantities of vehicles are described by the interviewees from the local communities as a “dark snake”, consuming already scanty energy resources and aggravating environmental pollution.

Currently, the major problems facing Beijing include: the proliferation of private cars, aggravating traffic congestion; the building of parking lots lacks good planning and lagging behind demand; in some areas, like government agencies, hospitals, shopping centers and school entrances bottlenecks and traffic jams are being caused by the illegally parked cars. Meanwhile, issues such as low quality fuels, inadequate emission detection technology and limited financial support have made it difficult to implement the Euro III standard. The marketing of pure electric vehicles is constrained by storage battery technology. It is also difficult to popularize battery-powered electric vehicles quickly due to technology and price constraints.

The 2008 Olympics offer an excellent opportunity to resolve transportation and environmental issues in Beijing. According to the interviewee from the Beijing Environmental Protection Bureau (BJEPB), many experts have responded enthusiastically to the appeal by the Beijing government for the proposal of solutions. Their recommendations may be summarized as follows. First, a specialized agency should be set up to develop a strategy and a detailed plan for implementing the Euro III Standard. The agency should be made up of representatives from BJEPB, oil companies, public transportation corporations, the automobile industry association and car makers. Second, it is necessary to try hybrid electric technology in buses. R&D agencies and manufacturers should be invited to bid for the project. Third, it is essential to press ahead with the planning, technical standard setting and progress of parking lot construction.

While more roads, better vehicles and cleaner fuels may alleviate existing pressure on the environment, they may never catch up with the demands from the ever-expanding population and individual material desires. The interviewees from the tourism industry all agreed that while Beijing was too dusty most days of the year, and too noisy in the urban areas, the situation was getting better year by year. An interviewee from the Wangfujing Shopping Street, a major commercial district in central Beijing even became poetic when asked about the improvement and used the terms “blue sky” and “white cloud” to describe Beijing. Yet none of them seemed sure if Beijing would ever become a highly livable city in terms of its natural environment. The interviewees from the local communities held similar opinions about traffic congestion. They acknowledged the government efforts to improve roads and the public transportation system so as to run a good Games and not disturb the normal life of the locals too much. Yet they felt it was difficult to imagine that the improvement would be able to alleviate existing problems and at the same accommodating the demands of hundreds of thousands more visitors to the Games. Furthermore, while they had no doubt that security would be a problem during the Olympic Games, they did not think the event-related measures would have a long-term impact on the problem of rising criminal activities such as robberies. In fact, they expected more cases as the population increased.

Yet a greater challenge facing Beijing, and China for that matter, is the attitude that environmental and some social problems are part of the development package. The interviewee from BJEPB, for example, acknowledged that environmental problems were serious in Beijing. Yet he maintained that those problems should be viewed from a developmental perspective. In other words,

“Every other nation, such as the United Kingdom and Japan, has experienced the ‘poor – underdeveloped – developed’ process accompanied by the environmentally ‘clean – somewhat polluted – seriously polluted – improved’ process. Beijing is going through similar developmental stages, and it is therefore almost natural for the city to have environmental problems in some phases”.

The attitude that environmental problems are unavoidable “tuition” for economic development was shared by many other interviewees. This perhaps is the biggest challenge facing Beijing’s effort to deal with its environmental problems.

A major challenge facing the tourism industry is that many visitors to the Games may be budget conscious and would like to have the option of staying in non-star ranked but safe, clean and conveniently-located facilities, such as youth hostels and backpackers. Yet developers in Beijing have paid little attention to this demand. The situation does not seem to have changed much in the accommodation planned and built for the 2008 Olympic Games. According to the BJTA interviewee, there will be only 16 youth hostels in Beijing. It is hard to imagine that this number will be able to satisfy the potential demand for this type of accommodation. Too many upper star-ranked hotels may also run into low occupancy problems after the Games. The Olympic sites will likely attract mainly domestic visitors who will come to

experience some of the glory. How many will be able to afford or willing to pay for expensive hotels is a question few interviewees addressed.

But all the hotels are running training courses to improve their service and their staff's foreign language proficiency. The interviewees noted that the entire city of Beijing seemed to feel the urge to learn English in order to "help overseas visitors feel at home". How effective these efforts have been will only be known in 2008.

3. Key research findings

In Section 1, a leveraging matrix (Figure 2) is developed in accordance with the research objectives. The research goal was to fill in the cells with answers satisfying the objectives. The complete leveraging matrix was given in Figure 2.1. As indicated, there were three main groups of potential impacts on Beijing: environmental; socio-cultural; economic/tourism. Through the analysis of the collected primary and secondary data, the findings of the research on previous Games seem to suggest that their environmental impacts are, in general, negative. Nevertheless, actions, or "leveraging activities", may still be taken to minimize these negative impacts and therefore produce a more positive result. The research data indicate that the Beijing organizers have been working towards this goal. The potential socio-cultural impacts include "increasing community pride", "encouraging popular participation in sports for fitness" and "providing local residents with more advanced infrastructure", and on the negative side, "disturbing the local people's daily life". For tourism, hosting the Olympic Games may significantly impact the industry in the city. The most often quoted examples include "games-induced travel", "better infrastructure-induced travel", "destination promotion", "promoting conference and incentive markets" and "pre- and post- Games itineraries", but "overcrowded".

In Beijing's case, the leveraging activities, together with the city's unique cultural characteristics, add to the opportunities for reaping more benefits and experiencing fewer negative consequences. The research findings indicate that the current economic system in China should contribute to the leveraging efforts of the Beijing organizers. The transitional economy, in which the government still has a great deal of power in resource allocation, makes it possible for the organizers to muster what is needed (e.g. land, money) to attempt the "best-ever" Games. The government's willingness to show the world, at almost any cost, China's vigorous but "peaceful" rise through the window of the Olympics is compounded by dozens of policies which shine the "green light" to literally any Games-related activity. Moreover, the official effort to run a successful Olympics event has met with profound and widespread public support. All this has formed a close to ideal environment for the organizers to realize their ambition for the Olympics. The involvement of the state government and the enthusiastic public involvement provide common leveraging opportunities for all the three perspectives of the potential impacts, and for each of the perspectives, specific leveraging opportunities have been investigated. Taking the example of the environmental perspective, there are three other opportunities found here: (1) Beijing's natural environment has been improving in recent years; (2) the implementation of the "Green Olympic" policies; (3) the construction of the "Olympic Green". As for the socio-cultural perspective, the rich and colorful cultural heritage of Beijing and China provide an opportunity to reap the benefits. This heritage also provides opportunities from the economic/tourism perspective. Besides this, the increased tourists, and the reputation of Beijing as a sound tourist destination are other opportunities to leverage the potential tourism impacts.

However, opportunities always come with challenges. The government's dominant position may result in it worrying too much about national pride and image and overlooking the long-term effects of their decisions. Transparency may be another problem. Environmental improvement and protection will require decades of effort, especially when the problem is as serious as Beijing's. There are only two years to the opening of the 2008 Olympic Games. Whether the leveraging activities in this regard will improve the environmental and traffic situation remains to be seen. The challenges facing the tourism industry include the imbalance in types of the accommodation, the post-Games usage of the increased accommodation capacity, and the service quality, including the foreign language proficiency. Among these, the lack of variety in accommodation options may prove a serious problem for both the Games and the aftermath. The decades-long focus on star-rated hotels in Beijing, particularly four-star and five-star hotels, is at the expense of the development of budget accommodation, such as backpackers and youth hostels. The latter remain popular among international budget conscious travelers, who are not necessarily a minority, and are increasingly recognized by young domestic travelers.

3.1 Management implications

This research, aims to answer the question "What are the opportunities and challenges in leveraging the anticipated benefits of hosting the Olympics in Beijing?". The answers have been listed out by discussing the collected secondary and primary data. However, there are some points, which have emerged during the analyzing process, which could be called "management implications" for Beijing and future host cities of mega-events.

3.1.1 "Government" or "no government"

The research findings reveal that the overwhelming role of the government in preparing for a mega-event like the Olympic Games is understandably significant, especially in a transitional economy like China's. The support from

both the central and host city governments is essential in running a successful event. In that regard, the Atlanta Olympic Games serves as a negative example in which the governments did not get too involved, but left the preparation and staging of the Games to the private sector. That was believed by many to be the cause of the problems that occurred during the event in transportation, security, communication and accommodation (Zhong 2001). However, to what extent the government should be involved and how the government and the market should negotiate are important questions worth the attention of the Beijing organizers and the public. As has been discussed in this research, both the government and the market should play certain roles in hosting such large-scale events. Nevertheless, if the government is in the dominant role, the other aspects (e.g. money, human resource) may give way to the building of national pride, such as the “venue design” issue argued in this research. However, when the market is in a dominant position, profit would be the overwhelming focus, and there would be a danger of turning the events into pure “money makers”. To this extent, the government must negotiate with the market to guarantee the balance of every facet of the Games to ensure they go smoothly.

3.1.2 “Short-term” or “long-term”

The organizers of the 2008 Beijing Olympic Games intend for the event to also become a nationwide educational campaign. Their short-term objective is to get the public involved in the effort of hosting the “best-ever” Games. Their long-term goal is to enhance public environmental awareness so that Beijing residents will become more proactive in making the city oriented more towards sustainable and balanced development, and living a more eco-friendly life style. It is thus necessary for the government to turn more attention to the implementation phase of the policy/law-making process. Concerted and coordinated efforts are essential in putting into effect many good policies and laws. This is especially true of decisions with long-term impacts, such as those related to the environmental benefits. For a policy to be implemented, the government should pro-actively encourage the public participation in the policy process. For example, in organizing the “best-ever” Olympic Games, the participation of the tourism industry and the local communities is of crucial importance.

3.1.3 “Public” or “not public”

One characteristic of the Beijing Olympic Games is the enthusiastic public support and desire to do contribution for it. This has provided the government with an opportunity to push for policies or social behaviors that will have a long-term positive effect on society as a whole. A good example lies in the fact that the government has for years urged businesses and individuals to be more environmentally conscious in their work and daily lives. It has also adopted many compulsory rules. Yet the effect was not satisfactory until Beijing won the bid. There is an obvious public eagerness to present the best possible image of Beijing. According to the majority of the interviewees, Beijing residents have responded to the government’s ambition to organize a “Green Olympic Games” with unprecedented enthusiasm. It is up to the government to work out feasible measures to transfer these valuable, intangible resources into tangible public goods.

3.2 Conclusion

Hosting a “best-ever” Olympic Games is not simply a slogan to be mouthed, but also needs a comprehensive effort to turn it into a reality. As discussed above, hosting the 2008 Olympic Games is a job for the whole nation of the People’s Republic of China. Therefore, it is hoped that the efforts of 1.3 billion people would be rewarded to host a “best-ever”, or, at least, a successful Olympic Games.

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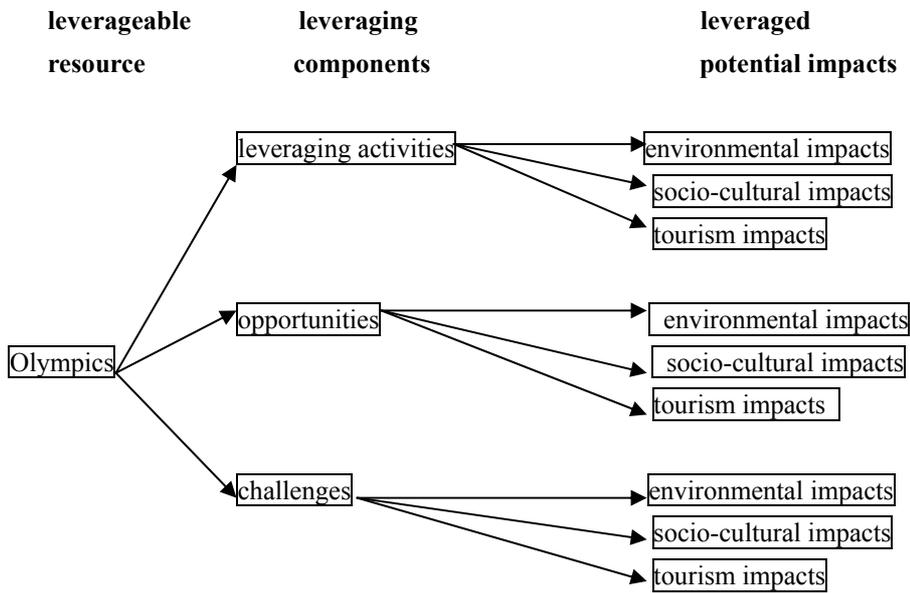


Figure 1. Conceptual framework

	POTENTIAL IMPACTS	LEVERAGING ACTIVITIES	OPPORTUNITIES	CHALLENGES
ENVIRONMENTAL	√	√	√	√
SOCIO-CULTURAL	√	√	√	√
TOURISM/ECONOMIC	√	√	√	√

Figure 2. The leveraging matrix

	Impacts	Leveraging activities	Opportunities	Challenges
Environment	<ul style="list-style-type: none"> ● Potential degradation to natural environment ● Long-term use of infrastructure and facilities ● Impacts on the cities' and even the global environment 	<ul style="list-style-type: none"> ● Implementing "Green Olympics" ● Relocation ● Foster Environmental protection awareness ● Encourage public transport ● Water pollution control ● Ecological conservation ● Water recycling ● Long-term use and post use of the facilities ● Construction of "Olympic Green" 	<ul style="list-style-type: none"> ● Role of government ● Public response ● Environmental situation getting better ● Implementing "Green Olympics" ● Government prepares to construct "Olympic Green" 	<ul style="list-style-type: none"> ● Role of government ● Large population ● Transportation volume
Socio-cultural	<ul style="list-style-type: none"> ● Increased community pride ● Wider participation in sports ● Advanced infrastructure 	<ul style="list-style-type: none"> ● Implementing "People's Olympics" ● Launch high-profile Cultural Activities ● Tourism Trade Fair ● International teen's Carnival ● Expose Chinese Cultural Assets ● Building roads ● Efficient public transport 	<ul style="list-style-type: none"> ● Role of government ● Public response ● Luxuriant and colorful cultural heritage 	<ul style="list-style-type: none"> ● Role of government ● Large population ● Transportation volume ● Public order
Tourism	<ul style="list-style-type: none"> ● Games-induced Travel ● Improved infrastructure ● Destination promotion ● Promote convention and incentive market ● Pre- and post- Games itineraries ● Overcrowding ● Disruption of Local people's life 	<ul style="list-style-type: none"> ● Beijing Olympic Tourism Plan ● Reconstruction of tourist sites ● Develop tourism products ● Expansion of accommodation ● Improve service standard ● Activities to promote culture ● Activities to promote convention and incentive markets ● 2005--Olympic Tourism Year ● Activities for better understanding of the city 	<ul style="list-style-type: none"> ● Role of government ● Public response ● Luxuriant and rich cultural heritage ● Increased tourist numbers 	<ul style="list-style-type: none"> ● Role of government ● Uneven accommodation preparation ● Post-use of the hotel rooms ● Language barriers ● Environmental situation is not too good

Figure 3. Leverage Matrix



Interaction in EFL Classes

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Abstract

It is generally accepted that classroom interaction can facilitate students' language development and communicative competence. The most common proposition of the role of classroom interaction is its contribution to language development simply by providing target language practice opportunities. However, this paper presents the new understanding of the role of classroom interaction drawing on the dialogical approach, which advocates to co-construct the learner's self and cognitive development.

Keywords: Classroom interaction, Collaborative dialogue, Negotiation, Co-construction

1. Introduction

In the field of language teaching over the last few decades, the view about what it is that enables classroom language learners to develop their command of a second or foreign language has been controversial. However, professional experience does lead us to believe that the effectiveness of classroom language learning has something to do with the nature of classroom interaction. Therefore, many language-teaching specialists attach much importance to it. Their works (for example: Allright, 1976, 1984a, 1984b; Breen and Candlin, 1980; Long, 1981; Selger, 1977, 1983; Swain, 1985) present important suggestions for learners' language development over the last few decades. This paper aims to discuss a new perspective of classroom interaction, which not only contributes to language development but also co-construction of learners' self and cognitive development. In terms of a dialogical approach based on Vygotsky's (1978) social cultural theory, learning is to awaken a variety of internal developmental processes that are able to operate only when the child is interacting with people in his environment and in cooperation with his peers. Once these processes are internalized, they become part of the child's independent developmental achievement. Therefore, classroom needs to reflect as closely as possible outside sociocultural and institutional realities, and classroom interaction involves the components of collaborative dialogue, negotiation and co-construction.

2. The components of classroom interaction

2.1 Collaborative Dialogue

Collaborative dialogue happens effectively between learner and learner or learner and assistant interaction. Vygotsky was more interested in the individual's potential level of development than his /her current level of development. Two individuals may be at the same level of actual development as determined by their test scores, for example, but may exhibit different levels of potential development as determined by their differing abilities to solve the same problem with a different degree of assistance from an adult (Johnson, 2004) Dialogic interaction is the result between learners and other members of their sociocultural world such as parents, teachers, coaches, and friends. According to Vygotsky's theory, learning is an integral activity of learner's self and adult guidance or collaboration with more capable peers. Therefore, collaborative dialogue is "a knowledge of building dialogue, in which language use and language learning can co-occur. It is language use mediating language learning. It is cognitive activity and it is social activity." (Swain, 2000: 97) Or it may be realized in the format of an everyday conversation. Classroom interaction should take the role as collaborative dialogues do for its significance in communicative language teaching. Furthermore, it also accelerates the development of SLA if the classroom settings play an effective role as social settings.

2.2 Negotiation

Ellis (1990) claims in Interaction Hypothesis that when L2 learners face communicative problems and they have the opportunity to negotiate solutions to them, they are able to acquire new language. Negotiated interaction is essential for input to become comprehensible. It turns counter to Krashen's Input Hypothesis, which stresses that simplified input along with contextual support is the key for comprehensible input.

The notion of negotiation is generally defined as 'discussion to reach agreement'. According to Allright (1984), Interactive negotiation should be person-to-person communication since the conditions would be satisfactory. Whenever

a reader reads a text, which is analyzed silently, it involves three fundamental processes: interpretation, expression and negotiation --- or their various combinations. Negotiation is seen as a type of real-life language use that is relevant to the learning purposes of the learners. It is likely to be the case in the context of a course of 'business English' or 'English for diplomats', where 'negotiation' can be expected to be identified as a relevant target language skill for the learners to develop in the classroom through simulated negotiations. The L2 learners exchange their own real-life experiences through the mediation of a second language that helps them acquire the language itself in the meantime.

Negotiation plays a significant role in classroom interaction. While the L2 learners are given more chances to negotiate their problems in comprehension, more success will be gained. Through the peer negotiation the learners in interactive situations would learn and retain more L2 words. As Allright (1984) reports, the learners who negotiated the input achieved higher vocabulary acquisition scores in the immediate post test, and what is more important, they maintained this advantage over time. Therefore, negotiation should be seen as an aid to L2 comprehension and SLA. In classroom settings, the students' input is modified through negotiation, which does not always lead to their immediate comprehension of meaning but it makes them manipulate the form.

There are mainly two negotiated forms in classroom interaction: face-to-face peer negotiation and corrective feedback negotiation provided by the instructor. Some researchers may present three forms of negotiation, which includes self-negotiation. In this paper, self-negotiation is considered a type of self-regulation or construction since it requires the close cooperation between learners and learners, learners and teachers.

2.3 Co-construction

Co-construction is defined as "the joint creation of a form, interpretation, stance, action, activity, identity, institution, skill, ideology, emotion or other culturally-related meaning reality." (Jacoby & Ochs 1995:171) According to He and Young (1998), interactional competence involves the knowledge of language that is jointly co-created by all participants in interaction. All the participants have the responsibility to construct a successful and appropriate interaction for a given social context. Meaning is negotiated through face-to-face interaction and is jointly co-constructed in a locally bound social context.

In classroom interaction, the L2 learners construct the awareness of self-regulation gradually from dialogic interaction when they negotiate with peers and tutors. As Aljaafren and Lantolf (1994:470) claims, "The learner becomes more consistent in using the target structure correctly in all contexts. In most cases, the individual's use of the correct target form is automatized. Whenever aberrant performance does arise, however, noticing and correcting of errors does not require intervention from someone else. Thus, the individual is fully self-regulated". The ability of constructing second language acquisition develops through classroom interaction,

3. The significance and implications of classroom interaction

Classroom interaction is considered a productive teaching technique. According to Allright (1984), it is the process whereby classroom language learning is managed. In the language classroom the process of negotiation involved in interaction is itself to be identified with the process of language learning. As far as the writer is concerned, interaction facilitates not only language development but also learners' development. L2 learners acquire linguistic knowledge and ability through the interaction. In the classroom interaction, both the teachers and students can create the learning opportunities, which motivate the students' interest and potential to communicate with others.

Classroom interaction in the target language can now be seen as not just offering language practice, nor just learning opportunities, but as actually constructing the language development process itself. However, not all the forms of classroom interaction are equally productive for language development. For this reason, interaction must be seriously meaningful about matters of serious concern to the participants and therefore conducive to a serious attempt to communicate, not merely to simulate communication.

Thus, to organize an interactive and cultural classroom becomes very significant for SLA. There are many patterns of classroom interaction, such as group work, closed-ended teacher questioning, individual work, choral responses collaboration, teacher initiates and student answers, full-class interaction, self-access and so on. Among these patterns, pair or group work is considered the most interactive way. It does not only pay attention to the sociocultural and personal experience that guide students' behavior in the classroom, but also have three value systems of choice, freedom and equality. Sullivan (2000) claims that what is embedded in the notion of pair work or group work is the idea of choice because students have a choice of partners or groups; the idea of freedom because students in pairs or groups have a right to talk freely and are also free from the teacher's control; and the idea of equality because students in groups are equal, and the power of teacher within groups is also diminished or neutralized.

From the writer's point of view, in the interaction motivated by teacher-initiated questions, the teacher can use silence to encourage reflection. A reflective pause in the tutor's discourse tells students that "I am thinking about this and so should you." Pauses after teacher-initiated questions encourage students' responsibility. The teacher should resist the temptation to fill the silence or answer the question for them. In addition, there are some other techniques to simulate

interaction in the classroom, for example, arrange and use classroom space to encourage interaction by moving chairs and having students face each other. During lecture, the teacher can move to different parts of room, or teach from the back and have students write on the board. Consequently, to have the entire classroom interaction in a creative and friendly atmosphere will motivate the learners' interest, motives and comprehensible input.

4. Conclusion

Drawing on the discussion above, the learners' classroom environment should be viewed as an integral part of a broader sociocultural and institutional context. It should provide a context for drawing the learner's attention to different discursive practices. Furthermore, it should reflect the social reality that exists outside the classroom. The role of classroom interaction is mainly cooperative negotiation and co-constructive work for L2 learners to their language development and self-development. The cooperative work among students, teachers and researchers to explore the significance of classroom interaction will benefit SLA.

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Thought on Making Cash Flow Statements for Colleges and Universities

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Abstract

In July, 1999, the State Council determines to expand the scale of enrollment in colleges and universities. From 1999 to 2006, colleges and universities have realized the leaping development. The rate of enrollment in colleges and universities rises to a great degree. All colleges and universities expand their scales, speeding up the construction of infrastructure. More and more colleges and universities choose to develop themselves by applying loans from banks. Therefore, it is necessary to revise the former content of finance report in colleges and universities and its disclosure form, improving the finance management during the loan- repayment period, meeting the environment development, solving new issues appeared today.

Keywords: Colleges and universities, Loan for basic construction, Cash flow statement, Finance risk

In July, 1999, the State Council determines to expand the scale of enrollment in colleges and universities. From 1999 to 2006, colleges and universities have realized the leaping development, meeting lots of young people's need for higher education. The rate of enrollment in colleges and universities rises fast. In 1990, the rate was 3.4% (2002, A3) and in 1998 the rate was 9.8% (Zhili Chen, 2006). In 2005, the rate was close to 21%. It is predicted that the rate will reach 40% in 2020 (Zhili Chen, 2006). In 1998, the number of students in colleges and universities was 6.43 million. Till late 2005, the number reaches 23 million, being the largest in the world. It is well known that the higher education in China is developing from elite education toward mass education (Zhili Chen, 2006).

Meanwhile, former colleges and universities can not meet the great social need. They began to expand their scales one after another, speeding up the construction of infrastructure. In order to meet the market need, more and more colleges and universities choose to apply loans from banks to achieve further development, forming a China-style mode for colleges and universities expanding themselves by relying on loans.

Loans applied by colleges and universities are usually large and long-term. Therefore, the former accounting management, namely the sole income-and-expense balance repayment, is not proper at present. In order to adapt to new environment and solve problems emerged today, it is necessary to analyze and revise the former accounting ways, report contents, and disclosure forms, and choose the optimal scheme for banks' approving loans.

1. New problems emerged today

1.1 Present budget accounting statement system fails to meet the colleges and universities' interest-related entities' need for accounting information

The interest-related entities of colleges and universities include: (1) managers (chiefly refer to finance managers), teachers, and students in colleges and universities; (2) colleges and universities' investors and outlays administrators, namely the government sectors (including the education administration and the finance administration); (3) creditors, banks, or other non-bank financial institutions that provide with loans for colleges, universities, and students; (4) academic institutions, donators, and other entities who care about and support higher education.

There into, banks become colleges and universities' important interest-related entities. The investment's risk control mechanism begins from the negotiation of loan contract. Banks must collect colleges and universities' finance and accounting information, especially the information about finance risks. Banks analyze carefully their customers' finance information quarterly and yearly, based on which banks can evaluate the credit rank of creditors. The loan contract should emphasize that the creditors' fundamental responsibility is to provide with necessary finance information for banks. However, present finance statements, including the balance sheet, the expense table, the fixed asset table, and the expense statement, can not completely reflect the in-flow and out-flow of cash. Then, banks can not judge whether colleges and universities can return loans in deadline.

The cash flow in colleges and universities has its own characteristics. Generally speaking, colleges and universities can

depend on fiscal support in the first half of one year. And they are short of capitals in the middle of one year. But in the second half of one year, they can obtain sufficient capitals from students' tuitions. Colleges and universities usually apply for large and long-term loans (Fengrong Yi, 2005). Different contracted repayment terms and sums may affect the finance arrangement of colleges and universities. Therefore, it is necessary to add relevant items, such as fiscal appropriate funds, tuitions, capitals of loans, and interests into the income or the expense of the cash flow statement in colleges and universities, making the in-flow cash match the out-flow cash. If the income is equal to the expense, the finance works well in colleges and universities. If the income fails to match the expense, there is certain debt risk for colleges and universities. Leaders and finance managers should pay more attentions on this fact. They should adjust and allocate the flowing capitals to ensure the successive capital chain.

1.2 Present budget accounting can not reflect colleges and universities' tacit debt comprehensively, which weakens the consciousness of risks and responsibilities.

Under present mechanism, the finance statement can not directly reflect colleges and universities' debts guaranteed by the government, enlarging their governable economic resources in a sense. As a result, it weakens colleges and universities' consciousness of risk, which will bring about potential threats for the sustainable development of education. Therefore, it is urgent to predict the capital use of next year by cash flow statement, which can provide with practical and effective finance and accounting information for banks and top managers of colleges and universities, what serve as necessary causes for finance department enhancing the capital management in basic construction.

2. Suggestions and countermeasures

2.1 Add cash flow statement

We can add more necessary information into the cash flow statement, such as the principals and interests at maturity this year, especially the respite payment, the predicted payment of next year and the year after next, and the payment resources. We can take reference from American colleges and universities' finance statement, reflecting the detailed data that how much capitals formed by tuitions and accommodation fees in colleges and universities can be used for repayment each year. Although we insist on both rights and responsibilities, the cash flow and the profits of colleges and universities reflect different accounting information from two dimensions. They are complementary to a great degree. From the trend of accounting reform in American colleges and universities, it is an international convention to add the cash flow statement into the finance report system. Theoretically, the cash flow under present cash system has its advantages indeed. It can provide with more reliable accounting information comparing with other system.

2.2 Disclose more annotations of accounting statements

We can take reference from American colleges and universities' finance statement, reflecting the detailed data that how much capitals formed by tuitions and accommodation fees in colleges and universities can be used for repayment each year, with the hope of providing with more sufficient finance and accounting information for managers of colleges and universities and their outer loaners (National Development and Reform Commission, 1996). Without disclosing annotations, the finance statement is imperfect anyway. Because of limits in accounting measurement, more useful information can not be included in the main statement. By disclosing more annotations, it can increase the content of accounting statement and help finance institutions know the repayment abilities of colleges and universities in time.

2.3 The perfection and innovation of accounting system in basic construction

In author's opinion, the Accounting System for State-Owned Construction Institutions is not completely proper for the development of market economy and the Accounting Law. It is urgent to revise and reform the accounting system for state-owned construction institutions and meet the international standards. According to the Accounting Law revised in 1993, the Ministry of Finance made up the Accounting Principles for State-Owned Construction Institutions and relevant accounting system in 1996. In 1998, the Ministry of Finance issued Complementary Rules for Accounting Principles for State-Owned Construction Institutions. In order to meet the need for the development of market economy and the entry to WTO, the Accounting Law was revised in 1999 and it has been applied in July, 2000. However, the Accounting Principles for State-Owned Construction Institutions has not been revised till today, which make it can not completely meet the needs for the development of market economy and the rules in the Accounting Law (Chunyan Zhang, 2003). It must be revised today. Therefore, it is necessary to put forward new ways to reform the accounting system and enhance the finance management in basic construction field, based on the socialist market economy system's requirements.

(1) Take the finance management during the repayment period as an important index for the Ministry of Education and the Ministry of Finance to evaluate colleges and universities' performance. And take it as an emphasis for the Ministry of Finance. For the state-funded construction projects and the state-guaranteed construction projects, the finance administration should enhance the approval procedures, the audition on final annual accounts and relevant approval. The government should help colleges and universities to achieve a balance. On one hand, the development of colleges and universities can meet people's needs for education. On the other hand, the colleges and universities can step into a

sustainable and healthy development.

More over, the overdue loans should be explained in detail in annotations of colleges and universities' finance statement. And it is necessary to make up a special report that includes the repayment plan and the finance fact of colleges and universities (Peixiong Zhong, 2003). Besides, the annotations can list the predicted repayment, including principals and interests, in the next year and the year after the next, and the practical repayment plan. By this way, the short-term borrowers can reflect the repayment situation in time. And managers in colleges and universities can arrange expenses reasonably, repaying the principals and interests in time. The annotations of finance statement should report the complete finance fact, which can not only help finance institutions defend risks, but also help relevant administrations arrange expenses and repay loans in time.

(2) More cash flow statements and annotations should be disclosed. We can add more necessary information into the cash flow statement, such as the principals and interests at maturity this year, especially the respite payment, the predicted payment of next year and the year after next, and the payment resources. We can take reference from American colleges and universities' finance statement, reflecting the detailed data that how much capitals formed by tuitions and accommodation fees in colleges and universities can be used for repayment each year. Although we insist on both rights and responsibilities, the cash flow and the profits of colleges and universities reflect different accounting information from two dimensions. They are complementary to a great degree. From the trend of accounting reform in American colleges and universities, it is an international convention to add the cash flow statement into the finance report system. Theoretically, the cash flow under present cash system has its advantages indeed. It can provide with more reliable accounting information comparing with other system. Besides, without disclosing annotations, the finance statement is imperfect anyway. Because of limits in accounting measurement, more useful information can not be included in the main statement. By disclosing more annotations, it can increase the content of accounting statement and help finance institutions know the repayment abilities of colleges and universities in time.

And the statistical branch in colleges and universities should exert its effect by setting up relevant items to reflect the loans, resources, terms, interest rates, repayment ways, and risks timely and exactly

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How Social Equality Influence Economic Growth: Lessons from East Asia and Latin America

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Abstract

This article compares the income distribution's equality in the economic growth of East Asia and Latin America, with the conclusion that the degree of social equality is not significant better in east Asia. And this article analyzes how the characteristics of social equality affects the economic development by the factors including industry policy, education, land reform, social security, urbanization etc.

Keywords: Social equality, Growth, Income distribution, East Asia, Latin America

1. A comparison to the income allocation's gap in East Asia and Latin America

1.1 *The income's distribution in East Asia*

The economy growth in East Asia has been maintained at a high speed since 1960s, while the newly industrialized economies' average growth rate per year was above 8 percent, and the Southeast Asian countries grew at 7 percent. As a result, the income level in these countries made a great leap also. In 1960, the NIEs' GNP per capita was only 16 percent of the US's but in 1995, it rose up to 77 percent. For Southeast Asian countries, the percentage changed from 4 percent to 10 percent. In such income improving process, the inequality of income distribution in these countries has not been worsen and not improved either. The Gini ratio' variation in the countries indicates the inequality of income distribution was much lower than Southeast Asian countries.

Table 1.1 shows, except China, the East Asia countries had a relatively low Gini ratio. Japan, Korea and Taiwan of China's Gini ratio was approaching to the average level of industrial countries. China's income gap rapidly enlarged since its reform and openness in 1978, and achieved the highest rank in East Asia. The degree of income inequality in Southeast Asian countries is much more significant than NIEs. Among these countries, except that Indonesia's average gini ratio was 0.33, Vietnam 0.35, Philippine, Thailand and Malaysia's gini ratio are all over 0.4, indicating a high degree of inequality. Philippines' GDP per capita improved less than 100 percent during the last 15 years in the 20th century, but its gini ratio improved 5 percent. Such dissimilarity from other countries revealed its slow economic growth coexisted with expanding income gap.

The wealth inequality reflects the situation of income disparity in another way. Japan's gini of property ownership is estimated at 0.60 in 1996, and gini of financial assets at 0.49 in 1995. Korea's gini of personal wealth is estimated at 0.58 by Korean Development Institute, and 0.60 for real assets and 0.77 for financial assets (Arsenio,2006). Compared to their relatively low gini ratio measured by income, both two countries showed a much higher degree of inequality in wealth distribution.

1.2 *The income's distribution in Latin American countries*

Latin American countries had the most unequal income distribution in the world for a long history. This inequality has become a main characteristic of social development since its modernization. During the 1950s and 1960s, the economy of Latin America has achieved rapid development by implementing the import substitution industrialization. But in the process of urbanization and economic growth, plenty of rural population flowed into the cities, and caused labor surplus. Therefore, about 30 percent of population were in the status of unemployment or worked in informal department. These fringe urban civilians and rural farmers made up of the main components of the poverty population in Latin America. After the debt crisis in 1982, many countries abandoned the inward development mode of import substitution, turned to outward development mode, and made obvious progress in stabilizing the economy. However, the income distribution was not improved along with economic recovery. The world average gini ratio was 0.4 in the 1990s, while except Jamaica, all Latin American countries is above world average level, and 11 countries had a gini ratio above 0.5. Most of Latin American countries' gini ratio didn't go down during the 1990s, with the exception that Columbia's gini slid down 0.01 slightly, which still indicates a severe unequal social allocation.

On the other side, the share of poverty population's income in the social total income kept decreasing. According to the official statistics, the 10 percent of high-income population occupied 39.6 percent of gross national income in 1960, up to 53.2 at the beginning of 1990s in Brazil. In Mexico, the top 20 percent of wealth families' income owned 49.5 percent of national income in 1984, up to 57.5 in 1994 (Yao,2005). In Argentina, the income gap between the richest class and poorest class was 6 times in the mid 1970s, rising to 20 times in 1980s, 29 times in 1999, 46 times in 2002 due to the economic crisis (Yuan et.al, 1999). As a whole, 40 percent of national income in Latin America was possessed by 10 percent of wealthy population, and bottom 30 percent of poor population only owned 7.5 percent of national income (Jiang, 2005). Compared with the rest of the world, such an unequal allocation status only appeared in few Africa countries whose income per capita only equals to half of Latin American countries.

1.3 An analysis of income's gap in East Asia and Latin America

As statistical data and institutional characteristic is regarded, we could conclude that the difference between Asian and Latin American countries in the degree of social equality is not as great as people usually imagined. Except that a few developed economies like Japan, Korea and Taiwan of China had relatively small gap in the income, many East Asian countries' allocation of income was far away from optimistic. For example, Malaysia, Thailand and Philippine's gini ratio are all beyond the international alert line 0.4, and HongKong, Singapore's gini ratio are over 0.4 too. China's gini ratio was transcending 0.4 during its regime reformation and economic growth. On the other hand, the share of the poor in the total population helps explanation. Except Brazil and Mexico, Latin American countries' poor population only accounts for less than 7 percent, while in East Asian countries, Philippine, Indonesia, Vietnam have 30, 18 and 19.5 percent of population in poverty respectively. The data tells that poverty is an urgent problem for Southeast Asian countries likewise.

However, the continuous growth of East Asian countries still distinguished itself from the sluggish economy of Latin American countries. The greatest difference between them lies in the dynamics, where the poverty in East Asia is descending lastingly, while in Latin America, it's not decreasing at all, even rising in some countries. Hence, it is worthwhile to ask behind this brief scenario, why the social inequality in East Asia, especially for the developing countries, have not impeded economic growth, and how the deteriorating equality of allocation in Latin America influenced and blocked the economy growth, and what kind of institutional and social characteristic we should concern.

2. The Equality in East Asia: Why It Drives Economic Growth

2.1 A balanced development between manufacture and agriculture

The proportion of public investment in the total investment in East Asia was higher than other middle-low income countries. Compared to other developing countries, Indonesia, Korea and Thailand allocated its public investment in sanitation and irrigation works between city and rural area more balancedly. Korea and Taiwan have realized the electrization in rural area since 1980s. In Malaysia and Thailand, the rural population who had access to electric power was near half of total population, while in same period, in Argentina, Bolivia and Brazil, this proportion was lower than 20 percent(World Bank, 1995). The fundamentals in rural area were improved step by step and rural labors were utilized in full capacity, which allowed the economic development further.

The main characteristic of East Asia's economic development is its dependency on the external market, i.e. importing intermediate and capital goods and exporting them after process by local labors. Because most of processing industries were labor intensive, they absorbed plenty of non-skilled labors in the population and the opportunities in the cities allowed the low income and poor people went out of poverty. For example, in Korea, the ratio of urban and rural population was 43.3 against 56.7 in 1970, turning to 57.3 against 42.7 in 1980. In Taiwan, the absolute number of rural labors reduced 350 thousand during 1953 and 1985, while the number in industry increased to 3080 thousand from 520 thousand. The labor in service department increased to 3050 thousand from 790 thousand(Hu,2004).

2.2 Successful land reform

Compared to Latin American countries, East Asian countries carried on a more thorough land reform. Korea and Taiwan both issued the law of land reform in postwar period, readjusted the land ownership to make land allocated to farmers more equably. The amount of cottiers and semi-cottiers in Korea was 84 percent of the whole farmers before land reform, and it fell down to 7 percent in 1970. The yaomen' proportion rose to 69 percent. Taiwan's land reform also took obvious effects. The proportion of big farmer, who had 3 units of land and above, dropped from 11 percent before land reform to 3 percent. The proportion of those who owned less than one half unit of land fell to 21 percent from 43 percent, indicating a more equable trend in land allocation(Jiang,2001).

Malaysia, Thailand, Philippine and Indonesia also reformed their land system one after another to different degrees, although less thorough than Korea and Taiwan. The success in land reform provided a solid basis for East Asia's rural sector. With the fair allocation of land ownership, the production efficiency was improved and the income distribution in rural area was evidently going better. The surplus labor force became the growth source of labor-intensive industrial sectors, satisfied the great demands for non-technical workers in manufacture, construction, trade and service sector.

2.3 *The rational allocation of education resources*

Education was the field where social equality was realized most successfully in East Asia. Due to the fair and broad application of educational resources, the quality of education in East Asia was higher than other developing countries and improved the human capital and economic efficiency. According to the research of World Bank, except for Thailand, the children who were in the school age accepted a higher quality of education than children in other countries in same income level. After HPAEs (High Performing Asian Economies) popularized its secondary education in the whole nation, they shrank the gap of education between boys and girls ten and several years earlier than other countries in same income level.

But corresponding to the success, the spending on education in East Asia was average among developing countries. For example, the public spending on education accounts for 2.5 percent of GDP in 1960, while 2.2 percent among developing countries. In 1989, this proportion was 3.7 percent in East Asia, and 3.6 percent for all developing countries. The factors that determined the success more lay in the ways how East Asian governments allocate the spending between fundamental education and advanced education. The proportion of expenditures in secondary education was highest, while it was low in advanced education. Such a policy aimed to develop the basis of education pyramid in priority. When secondary education was populated, the demand for higher education would increase gradually. On the other hand, the subsidy to secondary education could guarantee the opportunities that children in low income family could receive education.

2.4 *The weak social security offset by family security*

In regards of its high-speed growth, the social security system in East Asia was not sound. Unlike that Japan has already made out the development strategy which gave same concern on growth and allocation, and realized a balanced development, built a universal social security, the Central Provident Fund in Singapore and Korea's social insurance plan are both old age allowances. The portion of spending on social security in the fiscal budget was quite small. Some countries even put limits on transferable payment turning to social welfare. However, different from Latin American countries, the families in East Asia had high saving rate which meant people could secure themselves through saving. Because the family was the core social unit which took more responsibilities in social security, the defects of an unsound social security system was partly offset. Moreover, though the governments of Singapore and HongKong held the liberalism idea, such as Small Society with Great Government, only provide a security to poor people to satisfy basic human demands, they set up a relatively sound housing and medical care system, which lessened the social conflicts brought by social allocation gap.

3. Why the social equality in Latin America impeded the economic growth

3.1 *The ideology and economic policy which despised the fair allocation*

Latin America was a conservative continent where the conservatism idea was in the leading position during its modernization process. Such an ideology believed the economic growth must be promoted without great changes in the social structure, notion of value and power's allocation. Directed by this direction, the social wealth more and more concentrated in the rich classes. Taking the development theory proposed by Latin America Economic Committee in the 1950s as example, this theory held that economic would improve people' life and eliminate social inequality gradually following the development of economy. And it paid little attention to the reallocation of income while took industrialization as a main tool to make people' life better. Due to the social policy led by such ideology, many social problems arose or got severer like unemployment, lagged rural area, imbalanced regional development, increasing poor population etc. Between late 1980s and early 1990s, Latin American countries implemented the macro economic adjustment plan and new liberalistic policy, but none of them involved social development, only listed the plans and measures to supplement or lessen the negative effects what economic policy and reform brought. These measures had no significant effects on social equality.

3.2 *Excess urbanization*

The level of urbanization in Latin America was much higher than East Asia. It took Europe 50 years to improve its share of city residents in total population to 60 percent from 40 percent, while in Latin America the process was completed in 25 years. The number of great cities whose population was over 1 million increased to 48 in 1980 from 7 in 1950(Su, 2006). The urbanization was too fast to suit the economic development, during which plenty of rural labors flew into cities but only could made lives in unofficial sectors or kept unemployed, and this made social problem more acute. Many big cities were surrounded by slums, where there were no roads, orderly supply of water and electricity, and public sanitation system. Because these regions were at the same time grey belts that the law order couldn't reach out, the crime and gangsterdom was everywhere within them. The crime problem not only affected the social stability, but also the normal economic development.

Though the governments have taken macro administrative measures to prevent city from expanding too fast, only the problem of urbanization around the biggest city was alleviated. The mode of urbanization appeared in the social

development has not been solved. Because of the increasing development gaps between different areas, the population and capitals kept moving to developed area from poor area. The governments had to increase investment in central cities to cope with the expansion of city size, leading to a reduction in investments in lagged area. The potential of lagged area's economic development was further weakened.

3.3 Limited domestic demand and insufficient capital accumulation

The people with middle and low income in Latin America were not able to share the benefit of economic development, which prevented the expansion of public and individual consumption. The domestic demand to goods was limited and trapped into the vicious circle of slow growth and insufficient demands. The governments of Latin American countries has adopted a series of policies like expanding employment, raising wage and controlling price to stimulate the increase of demands, but couldn't eradicate the basic contradiction. Because the social wealth was concentrated in the rich estate, who had greater demand to handwork goods and luxuries, the market of fundamental demands were atrophic. The structure of imports also showed a bigger weight of slap-up goods with faster growth. Therefore, though the rich class held most of wealth, the saving propensity was not high in Latin America. The neo-classicalism's hypothesis that unequal allocation could lead to higher saving rate didn't stand in Latin America. The data showed the individual saving rate in East Asia had been rising since 1970s, from 0.15 in late 1970s to 0.25 in 1995, while such indicator of Latin America was going down after mid 1970s, to 0.14 in 1994(Huang,1999).

On the other hand, most of Latin American economies were of small size and easily impacted by capital flows or the decay of world economy. When external impacts came, the poor class who had limited real assets and financial assets were affected most. Because the poor was the greatest part in population, the gross demand would descend obviously. Gottschark(2003) held that the more unequal of income and asset's distribution, the higher volatility the economy had(Patrica,2003). This volatility could do inestimable harms to the economic growth. In 1990s, Mexico, Brazil and Argentina have broken out three crises one and another, and every crisis was spread to other countries. It took 55.1 billion dollars, 14.4 percent of its GDP, just to save the bank system during the Mexico crisis in 1994(Su, 2003).

3.4 The inefficient utilization of human capital

The import-substitute industries in Latin America were mainly capital intensive. During 1960 and 1966, the ratio of capital to output was 4:1. Because capital intensive industry could only absorb technical and semi-technical labors with male majority, the unemployment rate in Latin America kept high. The economic reform since 1994 have tried to shift its economy from inward structure to outward structure, with the measures including developing export oriented industries and reforming the labor market. But these measures couldn't lower the unemployment rate mainly because the open-up of domestic markets was too fast. The middle and small firms were not of competence facing the external challenges, could not create opportunities of employment. On the other hand, the export-oriented mode made the resource processing industry become a pillar industry, but the firms pervasively improved their competition capability by introducing the new technology, updating equipment, meliorating the management, which increased the demand for labors with more specialized skill and reduced the demand for labors with less skill. The high unemployment rate compelled the government to increase its social expenditure, hence weakening its capability in construction investment. In fact, just for much of social expenditure was used for social security in Latin America, the investments in fundamental facilities were compressed to reduce the debt in public sectors.

4. What could be learned from East Asia and Latin America's experiences?

At first, the policy makers shouldn't only pay attention to the growth without concerning equality. From the development experiences of East Asia and Latin America, we could find out that although the degree of social inequality was high in East Asia, especially in some Southeast Asian countries, the inequality was still in the bound which the social development and economic growth could maintain. The problems like immaturity of social protection, insufficient public spending were alleviated by a relatively fair income allocation, hence the running of society didn't influence the growth of economy. For Latin American countries, the social inequality produced serious problems like unemployment, crimes, corruption and poverty. And the fact that economic reformation aimed to promote growth had little effect and couldn't solve its social problem could tell us, when the social inequity is deteriorating to certain extent, it will obstruct the growth of economy, and the social cost to correct the aftermath of social inequality would be much higher than preventing the social equality from deteriorating further in advance.

Secondly, improving the educational equality would increase the whole national stock of human capital and advance the growth. Education is the only way to improve the human capital and the main field where public policy could effectively work to reduce inequality. The experience of Latin America tells us, though there were plenty of labors who have received advanced education, they mainly distributed in the government departments or some certain lines. The ordinary labors who engaged in production had rather education demands, but couldn't receive enough education to improve their skills. Thus the accumulation of human capital can't be finished. The experience of East Asia, however, shows the success of human capital policy by developing fundamental and secondary education with emphasis. The

proportion of spending on advanced education in the public spending in East Asia was quite limited, making it a rather different characteristic from other middle and low income countries who subsidized the advanced education.

Thirdly, expanding the coverage of social security and increasing the resources of social security would help realize the social equality. A consummate social security system could provide reliable safety net to society members and help to realize the optimal allocation. It also helps to facilitate the flow of labors and stabilize the social surroundings. The protection function of social security in East Asia is not strong, and Latin America countries have relatively integral social security system. However, in Latin America countries, it was the labors in formal sector and employees of government who took the protection from the security system much more than those employees in informal sectors and jobless people due to the limited budgets on social security. Thus, the security system was out of function and strengthened the inequality instead. An unsound social security system should not only be punctuated from the angle of morality and fairness. The economic growth at the cost of a fragile security system can't find a basis for persistent and long-term performance. Once it is impacted from outside, the damage to stability and growth would be hard to remedy.

Finally, the excess urbanization should be prevented in the development of economy. The urbanization is a necessary phenomenon when a country's economy evolves to a certain stage, characterized by the rural population transforming to non-rural population and farmers turning to citizens. With the quick pace of economic system's reform in China, the separation situation between cities and countries that formed in the history is vanishing, and the trend that rural population flowing into cities becomes irreversible. Hence, the negative influence what urbanization brings should be noticed. There are two lessons from Latin America' urbanization. One is the overestimation to the capability of formal sectors in creating jobs, and another is the neglect of employment in non-formal sectors. Above two factors caused the formal sectors in the cities couldn't provide enough opportunities for employment and plenty of jobless people stagnated in the cities which influenced the social stability. In China's urbanization, the process of agriculture land turning into industry land would produce plenty of farmers losing their land. How to secure the benefit of these farmers and make sure they could share the advantage of economic growth should become one important aspect in China's public policy.

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Table 1. Economic growth and gini ratio variation in East Asia countries

	Gini Ratio			GDP per capita (dollars)		
China	0.32(1981)	0.346(1990)	0.447(2001)	483	1332	4059
Korea,South	0.353(1970)	0.386(1980)	0.320(1995)	1032	2573	11676
Taiwan(China)	0.29(1970)	0.28(1980)	0.31(1993)	2797	5839	n.a.
Japan	0.355(1970)	0.350(1990)	n.a.	4256	19194	n.a.
Philippines	0.41(1985)	0.438(1991)	0.461(2000)	2373	3167	3897
Indonesia	0.307(1970)	0.356(1980)	0.31(1999)	400	836	2736
Malaysia	0.513(1970)	0.491(1980)	0.443(2000)	1371	2318	8884
Thailand	0.429(1975)	0.473(1981)	0.432(2000)	776	1572	6777
Vietnam	0.357(1993)	0.361(1998)	0.364(2002)	893	1744	2240
Singapore ^a	0.41(1972)	0.41(1980)	0.38(1993)	6218 ^b	11516	n.a.

Source: Garbis Iradian (2005). a) from Quibria(2002),b)GDP per capita in 1970. Other data corresponds to the data of same year in left column.

Table 2. The changes of gini ratio of Latin American countries

Year	GINI ratio						
	1970	1990	2000	Year	1970	1990	2000
Argentina	0.44	0.48	0.49	Honduras	0.63	0.57	0.58
Brazil	0.66	0.57	0.58	Mexico	0.59	0.53	0.54
Columbia	0.61	0.57	0.56	Panama	0.57	0.56	0.56
Costa Rica	0.49	0.46	0.46	Peru	0.60	0.46	0.49
Chile	0.48	0.55	0.56	Venezuela	0.50	0.44	0.47

Source: Cesar P.Bouillon et.al (2003)



Teaching Mathematics to Elementary School Students Using a Variety of Tools

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Abstract

This article is based on a first-year, third-grade teacher's attempt to improve instructional strategies for teaching mathematics in an inner city elementary school. Review of the literature suggested a variety of methods for teaching mathematical concepts to children in grades K-5. The researcher found that carefully-planned units that include group work, intervention groups, parental involvement, entertainment elements, and explicit instruction increase students' curiosity, enjoyment, and success in learning mathematics.

Keywords: Mathematics, Elementary School, Learning activities, Instructional techniques

Mathematics, along with reading and writing, is one of the three main content areas that elementary school students are expected to master during the elementary grades. Many students find mathematics intimidating, difficult to understand, and most difficult to master.

Mathematics is a challenge to teach. Unlike reading and writing, mathematics is a totally different language for children to learn. Symbols represent operations. Operations are performed in different ways for different formulas. Symbols can be interchangeable and require different operations in different situations. Hence, the reading, writing, and interpreting of mathematical symbols can cause confusion for third graders who are struggling to understand new and abstract concepts relating to numbers and operations.

To compound the difficulty of teaching mathematics, accountability pressures teachers to ensure students score well on evaluation instruments. Heavy emphasis is placed on student scores on standardized tests. Teachers are held responsible for their students' mastery of required course objectives. Standardized test-score results are reported and publicized to students, teachers, parents, as well as to the local community, and to state and federal departments of education.

Consequently, the true understanding of mathematics as a natural exploratory endeavor has been overshadowed by teachers' concern with students working problems to get the correct answers. With the pressure to exhibit consistently positive test data, elementary math students tend to rely more on memorization than on reasoning. This gap exposes an inability for many math students to grasp basic operational concepts. In an effort to fill the gap, the researcher has investigated the problem of how to engage the natural curiosity of young learners in the exploration of mathematical concepts. Classroom teachers seldom take the time to survey research addressing instructional strategies for teaching abstract mathematical concepts. However, in the process of pursuing a graduate degree, this researcher, who is also a third-grade mathematics teacher, asked the following question. "What are the most effective ways to teach mathematics to elementary school children?" A review of the literature supplied some answers to this question. The application of these suggested research findings in an Alabama elementary school helped the math teachers improve instruction which resulted in increased students' understanding and appreciation for mathematical operations, and ultimately affected students' performance on chapter tests.

1. Literature Review

Among the many articles reviewed in this study, the researcher focused specifically on articles which suggested a variety of practical instructional strategies for teaching mathematics to children in the elementary grades. Third grade seems to be the most pivotal point in a student's educational career. At this time a student either develops a comfort with mathematics or loses the desire to succeed in the subject. The researcher chose the following articles based on their practical suggestions for mathematical instruction.

Ediger (2001) proposes that teaching mathematics ". . . requires the securing of pupils' attention, having pupils understand what is taught, guiding pupils to perceive reasons for learning that which is stated in the objective, and sequencing learning opportunities in the teaching of mathematics." Wakefield (2001) gives three principles a teacher should consider when teaching mathematics: "Encourage children to think, encourage children to think about thinking, and encourage representations of thinking."

Schorr and Koellner-Clark (2003) believe that while students may be allowed to engage the tactile mode with the use of manipulatives, elementary math students do not necessarily make the intuitive leap allowing them to connect the concrete items with the symbolic meaning of the objective process. These authors propose a multi-tiered program that ". . . encourages teachers to reflect upon their own mathematical concepts and to discuss these with a group of peers before planning a mathematics lesson." This practice allows teachers to engage colleagues, some of whom are master teachers, in exploring different ways of relating the mathematics objectives to the students in their school.

Ufuktepe and Ozel (2002) take Schorr and Koellner-Clark one step further. They suggest the integration of music and drama with concrete manipulatives. Employment of music and drama with traditional mathematical instruction not only reduced math anxiety but also improved student performance on unit tests.

Building mathematical concepts by making connections of abstract symbols to concrete materials with the use of manipulatives, music, and drama are vital ways to engage tactile, auditory, and kinesthetic activity in learning. Engaging as many of the five senses as possible helps make the abstract more concrete for the learner. But it is still difficult for young math students ". . . to make connections between conceptual and procedural knowledge" (Yetkin, 2003). The language of mathematics is different from the verbal language of every day communication. Yetkin (2003) points out that the written symbols of mathematics create confusion for many students. He suggests using number lines in addition to manipulatives, in an effort to more concretely visualize the abstract symbol.

Furthermore, Yetkin emphasizes the importance of tapping into prior knowledge as a necessary building block for the attainment of new knowledge. Mathematical processes are intricately linked; each new concept builds on a former concept. Just as learning to read depends on a scaffolding process, so does the learning of the mathematical processes. The learner hikes up each new step in the ladder by launching off from the firm footing of the rung below. The fledgling math student clings to concrete supports until those supports may be gradually relinquished as mastery takes hold.

Baker, Gersten, and Lee (2003) offer suggestions for supportive activities. They recommend scaffolding components which include ". . . providing teachers and students with data on student performance, using peers as tutors or instructional guides, providing clear, specific feedback to parents on their children's mathematics success, and using principles of explicit instruction in teaching math concepts and procedures."

Carey (1998) advocates consistent parent-teacher relationship as a key factor in achieving any educational objective. Parents can reinforce mathematical concepts in many ways. From the spending of a weekly allowance to figuring the tip at a restaurant, parents can engage their children in practical applications of mathematical concepts. Students are more highly motivated and more personally excited about learning when their parents actively participate in the learning process with them.

Although a variety of methods are essential to effectively reach all students, from at-risk to gifted, the teacher is the primary decision maker in planning the specific combination of instructional strategies to accommodate the needs of every learner (Little, 2003). The teacher holds the ultimate responsibility for planning an instructional program that blends a variety of methods into the most appropriate mix for his/her classroom of diverse learners.

2. Summary of Literature Review

A summary of the review of the literature suggesting proven instructional techniques for teaching mathematics in the elementary school includes the following.

Reflect on practice.

Consult with colleagues.

Sequence learning opportunities.

Model logical thinking processes and get students to think about their thinking.

Engage students in the use of manipulatives.

Integrate music and drama.

Help students visualize with the use of number lines.

Tap prior knowledge.

Offer scaffolding.

Set up peer tutoring.

Provide step-by-step explicit instruction.

Share student assessment results with all stakeholders.

Involve parents.

Take responsibility, as the ultimate decision maker in planning classroom instruction.

In an effort to apply the research findings into elementary classrooms, the researcher engaged in a mini-action-research project. The school involved in the project was a K-5 school, with two classes of each grade level. Children in these classrooms shared similar socioeconomic backgrounds with 97% on partial or free lunch. The population of the school is 98% African American.

The action research was conducted in an Alabama elementary school which was under a state-mandated school improvement program. This school fell below the margin of acceptability in benchmark scores required by the Alabama Reading and Math Test (ARMT) and the Scholastic Achievement Test (SAT).

3. Methods

The design of the study included three major components. First, all ten teachers in the school were asked to respond to a questionnaire. Teachers were asked about instructional methods they employ for teaching math, and they were asked about the difficulties they encountered while trying to achieve the Alabama Course of Study Objectives for their respective grade levels, K-5. Figure 1 shows the results of the Teacher Methods Survey and Figure 2 shows the results of the Problems in Teaching Mathematics. (See Figure 1)

Figure 1 indicates that the K-5 teachers surveyed were already using a variety of instructional strategies. Whole group instruction and use of the textbook were used by all teachers in this elementary school. Intervention techniques were used by all teachers except for one fifth-grade teacher. Manipulatives were more often employed with the children in grades 1-3; whereas parental involvement was specifically used by third-and-fourth-grade teachers in this school. The two fifth-grade classes were the only ones using computer software for math instruction. Computer software was used the least, possibly due to the minimum amount of computer hardware and availability at the school. (See Figure 2)

Figure 2 indicates that the children in the lower grades had difficulty visualizing math concepts and they put forth little effort in trying to learn it. Neglecting to do assignments, lack of discipline on the part of the students, and lack of involvement by the parents appeared to be a trend in almost every grade.

The second component of the research design was that parents were asked to sign a permission slip allowing their children to be part of the study where math teachers experimented with instructional strategies. They were also invited to be part of the action research by personal involvement with their child's math progress.

The third and major part of the study was the implementation of a variety of instructional strategies during the daily math period. Math teachers in the study employed a variety of techniques to include (1) modeling logical thinking in the use of intervention activities, (2) using manipulatives and number lines during whole-group instruction, (3) focusing on explicit instruction with small-groups, (4) engaging students in partner learning and peer tutoring, (5) integrating music,

videocassettes and computer software, (6) working problems from the textbook, and (7) involving the parents by sending home the results of daily math quizzes and by requesting that the parent or guardian oversee math homework assignments.

4. Findings

The K-5 teachers participating in this study report that the concentrated use of the varied instructional strategies affected the atmosphere of the classroom during math period. The students were more involved in math activities, especially during partner learning and peer tutoring. The students enjoyed the music as well as the entertaining videocassette with the mathematics objective as the subject of a story. Perhaps as a result of the audio, visual, and kinesthetic modes of instruction, students actually appeared more attentive during direct instruction. Teachers reported that students whose parents supervised their homework assignments performed better on daily quizzes. Carrying through with manipulatives and number lines with the fourth-and-fifth graders helped them to grasp abstract concepts and become more accurate in solving problems in the math textbook.

Figure 3 (below) shows the difference between the pre-and-posttest based on textbook chapter tests. (See Figure 3)

Figure 3 shows pretest score results based on three chapter tests taken before the action research study. The post test scores are the result of three chapter tests taken at the end of the three-week study. During this short study, a 27-point increase was achieved between the pre-and posttest.

Conclusion

The results of this isolated action-research study tends to support the use of a variety of instructional strategies and tools for teaching mathematics in grades K-5. Carefully-planned units that include manipulatives, explicit instruction, music, narratives, small group, partner learning, peer tutoring, and parental involvement, from kindergarten through fifth grade, definitely influence student interest, enjoyment, and ultimately, test scores.

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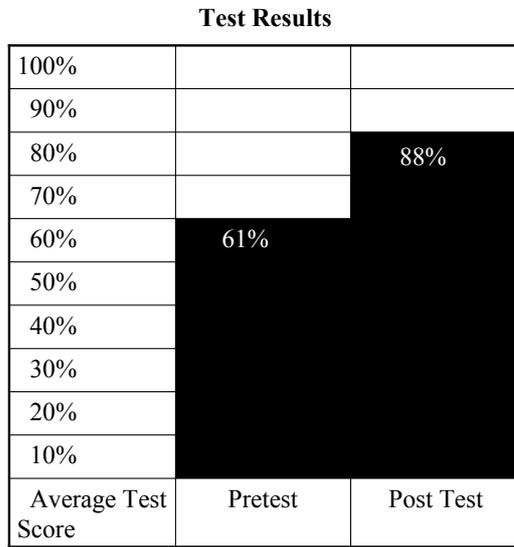


Figure 3.



Analysis on the Grass Root Organization of Teaching in Schools of Higher Education in America and its Reference Meanings to China

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Abstract

The grass root organization of teaching in schools of higher education is the elemental cell in teaching management in schools. With the deepening of managerial system reform in schools of higher education, most colleges have carried out the adjustment of schools and department and disciplines and specialties and have started to design talent cultivation plans according to specialties. Under this situation, how to establish reasonable grass root organization of teaching according to the actual conditions of schools becomes the urgent problem that we are now encountered with. This paper aims at putting forward the reference meanings of American grass root organization of teaching to China.

Keywords: Grass root organization of teaching, American schools of higher education, Discipline

The structure and the management of the grass root organization of teaching in schools of higher education belong to the category of research on the microstructure of schools of higher education, which mainly reflect the thoughts and the actions on the value orientation of teaching, the positioning of teaching and the special construction of schools of higher education. The grass root organization of teaching in schools of higher education is the elemental cell in teaching management in schools; it not only shoulders the tasks of making out and executing teaching plans, organizing and checking teaching reforms, and cultivating and assessing and commenting teachers, but also bears the assignment of evaluating, examining, and applying for scientific research projects, and harmonizing teaching and scientific research activities; it is the most basic unit in carrying out and executing the tasks and aims of schools. Therefore, the scientific property, the rationality and the effectiveness of the grass root organization of teaching in schools of higher education have always been among the basic subjects in the researches on the management of schools of higher education.

America is one of the most developed countries in the world. Form its historical development, the fundamental reason for its developed economy lies in its developed science and technology and education. At present, American universities take up a very important position in the world higher education; therefore, the experience on the establishment and the development of grass root organization of teaching of America is worthy our reference.

1. The structure and the features of the grass root organization of teaching of schools of higher education in America

1.1 The organizational structure of higher education system in America

The grass root organization of teaching in American universities is department. If the higher education system in America is to be put into layers, the detailed layers are as follows:

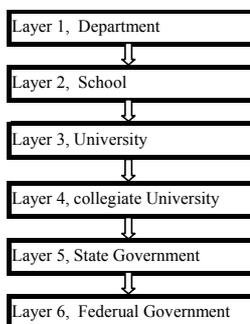


Figure 1. Higher Education System of America

1.2 The emergence and the development of grass root organization of teaching

Department, the grass root organization of teaching in American universities, emerged with the emergence and the development of universities and the change of the functions of universities. American universities originated from the colleges established in colony period. From 1636, the time the first college was set up, to 1819, the time Federal Supreme Court made judgment on Dartmouth College Case, the number of specialties in American colleges was small, scientific researches were not carried out, and teaching task was simple, therefore, the organizational form of colleges was simple too. During that time, American colleges mainly adopted the management mode under the leadership of director board with the prexy as the responsible person. The prexy is the only full time teacher in the college, who at the same time also performs all the administration and maintenance function of the college. No administration organizations were set up under the position of the prexy and the decisions were made by director board of the college.

From 1819 to 1915, American universities underwent revolutionary changes, where the main features of modern system were formed. The enlargement of universities, the introduce of scientific education, the starting of postgraduate education, and the expansion of university functions make university organizations growing complicate and make the inside management layers continuously being divided. At the beginning of the 19th century, Harvard University and Virginia University started to set up departments. However, that the status of department in American universities was actually recognized and that department became the grass root organization of teaching in universities were the outcomes of America's learning from Germany in the late 19th century. In the late 19th century, Eliot, the president of Harvard University first developed elective course system. The establishment of elective course system, to some extent, enhanced the position of department. Department then exerts functions in the setup of courses, making out and executing teaching plans, employing and promoting teachers, and research activity plans.

From 1915 to the present, almost one century, American universities have developed towards collegiate and complicate universities. The statuses of postgraduate education and scientific researches become increasingly important. Department, as the basic operation unit in schools, has fully exerted its agility and management vigor and becomes the unit that combines the lower stage of higher education (graduate education) with the higher stage (postgraduate education). Department organizationally and structurally combines the graduate education with postgraduate education and creates combined environment for the education of the two stages.

1.3 The structure of grass root organization of teaching

Department is the grass root organization of teaching in American universities and is at the same time the basic administration unit. The dean of department is the lowest class in administrative management system. The dean of department is a non-personal post. The dean of department will altered every three years. Generally, the dean is elected among professors, authorized by prexy and appointed by president. The dean of department usually reports to one or several prexies and at the same time reports one or several university academic administration leaders, such as president, academic vice-president and educational administration. Large sized department generally has vice-dean, who is mainly in charge of teaching and scientific research. Under the layer of dean, there are the assistant for dean and the secretary for dean, who are in charge of detailed administrative affairs. Within a department, the dean shall respect the rights of professors and other personnel, cooperate with various committees of the department, and execute relevant decisions of the committees.

Department is also an academic administration organ. Department is a teaching and scientific research unit that is composed of scholars of certain discipline or field. In vertical structure, the department does not have so strict grade sense. The function grades of department are professor, associate professor, assistant professor, and lecture. The professor assessment and comment committee formed by teachers and administrative organ formed by administrative personnel work separately and cooperatively and bear teaching management task together.

2. The reference meanings on the reform of grass root organization of teaching in schools of higher education of China

At the beginning of 1950s, in the reform process of China on establishing socialist university system according to former Soviet Union mode, the distinctive feature in the inner organizational structure of universities was that two layers structure, "university-department", was adopted. According to the experience of former Soviet Union, under the layer of department, teaching research group(room), grass root organization of teaching was established. After the conclusion of the reform, the form of "university-department" and teaching and research group (room) within department has maintained to be the inner organizational structure in universities of China.

With the deepening of the reform on the management system inside schools of higher education in China, almost all universities have carried out the adjustment of schools and departments and disciplines, and have restructured and conformed the course system. Specialties of each discipline also broke the original pattern and the specialty structure was adjusted. The universities started to design talents cultivating plans according to specialties. Under this situation, teaching and research room, a grass root organization of teaching which is set up according to one or several courses of

similar properties and is attached to certain specialty, cannot meet the demands of the discipline construction and scientific research development of schools of higher education. To constitute reasonable grass root organization of teaching will set up basic platform for teaching reform, which makes it necessary to enable discipline theory system and concept frame system to adapt to the development of science, to systematically combine theoretical thinking pattern with science and technology knowledge, to conform science and culture with humanist culture and to realize cross-discipline combination. Through analysis and research on the grass root organization of teaching in schools of higher education in America, we can learn the following experience:

2.1 The grass root organization of teaching in American universities underwent a process of inheriting, reference and innovation

The development of the higher education on America, from imitating Oxford and Cambridge to set up the first school of higher education, Harvard University, to set up higher education system of perfect layer structure, underwent a process of inheriting, reference and innovation. The primary colleges in America almost copied the teaching mode of British classic universities and inherited the traditional teaching mode, self-regulated university. In the process of setting up grass root organization of teachings, although America referred to the lecture system of Germany, America did not totally copy Germany. Rather, America started from the realistic demands, to combine universities with society, to serve the society, to provide university education of students of large number, to be easy for developing scientific researches, developed department system. From the development of the higher education of America, we can sense the important meaning of combining reference with innovation. How to closely combine them and harmoniously development them? This is task easy to say and hard to do. We need to try constantly and accumulate and develop gradually.

2.2 To set up grass root organization of teaching based on the first class discipline

The Classification of Instructional Programs of America was developed in 1980 by NCES and was issued by the Ministry of Education. Because the text form of the CIP is similar to the discipline and specialty catalog of China, some will call the CIP the discipline and specialty catalog of America. The CIP underwent three amendments respectively in 1985, 1990 and 2000. The final version of CIP-2000 was fixed in April 2000. Let us take CIP-2000 as an example. CIP-2000 classifies disciplines and specialties into three layers, which are respectively represented by two digit code (such as 01), four digit code (such as 01.02) and six digit code (such as 01.02.03).

Two digit code refers to a group of disciplines that are closely connected, that is discipline group, equal to the discipline type of China. Four digit code refers to discipline, that is a group of specialties that are similar in contents and cultivation aims, similar to the first class discipline of China. Six digit code represents a independent specialty, equal to the second class discipline of China. The grass root organization of teaching in American university is department, which is established on the basis of what is similar to the first class discipline of China. (Bao, 2004)

Because many universities in America place common education as the core position, in the first to second years, students almost do not contact the departments. Rather, students will study a series of basic courses in schools divided according to discipline types. During the study in this stage, students can study extensive knowledge and build a solid knowledge foundation in human science and natural science. At the same time, because the department is established on the basis of first class discipline, the department can put forward the requirement to center on teaching within a frame of wide discipline knowledge and even a cross-discipline scale. The teaching plans of universities are executed by departments. Various scientific researches are mainly organized by departments. The department does not set up organizations according to specialties (such as the specialty teaching and research room of China). The Department takes into account the different study aim and demands of students and makes out different teaching plans for students. For example, the Mechanical Engineer Department of Massachusetts Institute of Technology designs three teaching plans for their students: one is designed for students who will be engaged in mechanical engineering work and the other two are designed for students who are interested in mechanical engineering and still hope to extend specialty knowledge so as to have more choices in finding jobs or double-specialty study. (Mechanical Engineering at MIT) The teaching plans of different aims prescribe the core courses that must be completed. Students are encouraged, on the basis of diligently studying the compulsory courses, to reasonable design their own course according to their own demand, interests and tastes under the direction of supervisors in the department. From the above analysis, we can find that American universities establish departments on the basis of first class discipline, which is beneficial to students to learn wide knowledge background and gives a rather big free space for students to study comprehensively and fully shows the cultivation concept "student-oriented".

2.3 The harmonious development of teaching and scientific research in department

Scientific research is the one of the main task of American universities. The Departments in American universities, from the time they were established, have born the double tasks, to develop teaching as well as scientific researches. Department is an organized teaching environment and is also a scientific research environment. The scientific researches of department are mainly shown in the innovation of knowledge, techniques and thoughts on the basis of

basic researches and actual application. With the comprehensive exploration of knowledge field, the department plays the basic role in harmonizing the development of teaching and scientific researches. In organization structure, department provides a teaching platform for large sized application knowledge. The members of scientific research groups are also members of departments. The teaching group and scientific research group are integrated in the departments. The close combination of teaching and scientific researches within the department makes it possible that the teaching of the same course inside the department, due to covering different discipline category, is carried out by teachers from different scientific research groups in the same department so that students can further and profoundly understand the structural system, course arrangement and innovation practice of the discipline. At the same time, the flourish development of scientific research in the department will not only improve the innovation capacity of teachers and enrich the teaching contents, but also be good for enlightening and guiding students to participate in extensive scientific researches and developing the creative thinking capacities of students.

2.4 The balanced development of academic power and administrative power

Under the influence of the tradition of European universities, America universities insist that academic affairs be determined by scholars and professors participate in the management of schools. In the departments of American universities, teachers and administrative personnel work separately and cooperatively and should the task of teaching management together. In the departments, usually, there are standing committees and special committees formed by professors, such as official business discussion committee, academic planning committee, science and research committee, teaching committee, and academic policy committee. Each committee is formed by 5 to 8 members, with 15 being the most. The tasks of the committees are, according to the entrustment of the dean of the department, to discuss the academic affairs, such as teaching and scientific researches and to make decisions. (Zhang, 2002). The existence of the committees provides a organization guarantee for university teachers to participate in teaching management.

The teaching reform, course setup, teaching plan, teaching assessment, teacher employment and the promotion and life time employment of teachers in a department, as the grass root organization of teaching in university, shall all be determined through the discussion of department professor meeting. The administrative personnel mainly exert functions in executing teaching policies and plans and harmonizing teaching and scientific research activities. Therefore, to some extent, in the teaching management in America universities, teachers control the teaching policies, which shows the management thoughts “professors manage the university”. (Zhang, 2002)

In the department of American universities, because of the mutual restriction, mutual harmonizing, and mutual supervision between academic power and administrative power, the academic power and administrative power are balanced within a department, which creates a equal, free, efficient and proper restricted environment within the department.

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Health, Quality of Life and GDP: An ASEAN Experience

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Abstract

Governments all over the world would like to improve the well being of its citizen. One aspects of well being can be seen through the quality of life (QoL) a person enjoys. Measuring and determining what is QoL is not an easy task. In this paper, using per-capita income as the yardstick for QOL, and the role of government through the way it spend its public money would be able to tell how ASEAN governments' expenditure influences the QoL. Particularly government expenditure on health signifies the commitment of a government in improving the QoL. QoL can also be seen through the availability of health care in country. When health care improves, life span and earning abilities will raise too. It is the government's responsibility in providing the best health care to the people. Government's commitment can be gauged through the amount it spends on these items. At the same time government spending would bring spillover effects in terms of raising per-capita income, which reflects the QoL. Using data on government expenditure of ASEAN countries for the last 15 years, it would be possible to determine on what extent expenditures on health do influence the per-capita income. Initial findings reveal that the impact of both these government expenditures on per-capita income is not the same for all the ASEAN countries.

Keywords: Quality of life, Government Expenditure, Per-Capita Income, Granger Causality

1. Introduction

It is well recognized that residents of richer countries have generally higher Quality of Life (QoL) than residents of poorer countries. The quality of health and health services are also better in richer countries. As such, one can argue that Gross Domestic Product (GDP) per capita and health expenditure, which is a measure of the quality of health service (UN, 2007), are positively correlated.

In some countries, population increase is followed by an increase in education and health expenditure, which is reflected in higher government expenditure (Sinha, 1998). QoL can also be measured through health expenditure per capita. Any governmental expenditure on health will wriggle down to the people. At the same time, as the QoL in a society improves the productivity in that country too would increase. This would be reflected in the growth rate of per capita GDP. This raises the question on the nature of the causality between QoL and per capita GDP.

In this paper, we hope to study the relationship between QoL and GDP per capita in developing countries. Which affects the other? Does QoL affect GDP per capita or vice versa? The ASEAN countries are covered in this study; principally Indonesia, Malaysia, Singapore, Philippines and Thailand. Government expenditure on health is used as the proxy for QoL.

To our knowledge, there has not been any significant study relating health expenditure to GDP and QoL. We would be using Granger Causality test to study this link. The remainder of this paper is organized as follows. Section II briefly discusses what QoL is and some of the means for measuring QoL. QoL will be linked to government expenditure. Section III describes the methodology and data used in this paper. Section IV would review the results and discuss about the findings. The conclusion is presented in Section V

2. Literature Review

QoL is a very important measure to study the success of socioeconomic policies in a country. It can also be used as a tool for policy analysis to identify inequities and measure progress. Economic indicators alone cannot be used to explain the broader QoL within a society. Various models have been developed to measure QoL, and this has been a highly debated issue. Dijkers (2003) argued that many investigators bypass the difficulty of defining what QoL means and go right ahead with developing a measure or selecting a published measure to use in their research. Wish (1986) argued that researchers were giving equal weightage to all the components without taking into consideration the perception of the local population.

United Nations (2007) focuses on Human Development where individuals can create real choices for themselves by a sufficient income, an education, good health and living in a country that is not governed by tyranny. The United Nation's Human Development Index (HDI) was developed in 1990 and is used to indicate the development status of a country. The HDI measures life expectancy, literacy, education and standard of living. The HDI critics claim that the HDI indicators are too few and too arbitrarily chosen (Berenger & Verdier-Chouchane, 2007). The Economist measures QoL using an index consisting of nine indicators: 1) material well-being, 2) health, 3) political stability and security, 4) family life, 5) community life, 6) climate & geography, 7) security, 8) political freedom and 9) gender equality (Kenny, 2005).

A random glance at the top 20 ranked countries by HDI, shows that countries with high QoL and Life Expectancy Index (LEI) have a high GDP per capita (UN, 2006). This is also evident among the ASEAN countries. Higher ranked countries on the HDI generally display higher LEI, implying better health, and higher GDP per capita.

Whatever the debate on the definition and the measurement on QoL, health is a key component of any such measurement. The World Health Organisation's constitution defines health to constitute "a state of complete physical, mental and social well-being and not merely the absence of disease or infirmity" (WHO, 1946). Government expenditure on health is a critical component of any health system (United Nations, 2007). Any improvement in the health system, via government expenditure, should improve QoL.

The general consensus among researchers is that there exists a strong and positive correlation between healthcare expenditure and GDP (in real per capita terms) at the aggregate level (Auster & Sarachek, 1969). Figure 1 shows that the ratio of "Total expenditure on health" as a percentage of GDP is between 2% and 4.5% for the selected ASEAN countries. This ratio is growing for some countries, while it fluctuates for others.

The ratio for Malaysia in Figure 1 had been generally on the rise even after the financial crisis 1997. Health care expenditure can also be regarded as an investment in human capital (Grossman, 1972). Smith & Abdullah (2004) have argued that a good human resource management used by Malaysia during the financial crisis had helped the country in overcoming the turmoil.

This scenario questions the causality relationship between government expenditure on health and GDP. Does greater healthcare expenditure result in higher GDP or does higher GDP result in greater healthcare expenditure (Devlin & Hansen, 2001)? Often healthcare is treated as a share of GDP (Docteur and Oxley, 2003). Wagner's "Law of increasing State Spending" would interpret that the increase in economic activities leads to an increase in government activities, which in turn results in the rise of public expenditure (Liu & Chang *et.al*, 2005).

3. Methodology

Any measurement of QoL should have 2 main ingredients, consisting of the operational or environmental component and psychological aspect (Wish, 1986). Although usage of both these components is ideally recommended, the purpose of the study is the key factor that determines the choice of components used. In studies where the sole purpose is to compare between 2 locations, then the latter component, i.e psychological, could pose a problem. As Wish (1986) puts it, it would be like comparing between apples and oranges. In this study, we will only consider the environment component when computing QoL.

In this study, GDP per capita (GDP) and health expenditure by the government is used to measure QoL in a country. GDP is often used to measure the standard of living or QoL. It is used as the proxy for QoL when comparing between countries (Becker, Philipson & Soares, 2005; Be'Renger & Verdier-Chouchane, 2007). It is not the purpose of this paper to look at the distribution of GDP across a country. Instead, this paper only wishes to explore the causal relationship between GDP and health expenditure in the selected countries.

Another indicator that which could be used instead of GDP is Gross National Product per capita (GNP). Many studies which have used GNP and GDP had yielded similar results. For the 5 countries in this study, we found that the correlation between GDP and GNP to be high.

Another measure of QoL is health function or health availability to a person (Russell, Hubley, *et al*, 2006). Any expenditure by the government will have a spillover effect on the economy and people of a country. In this aspect, the amount a government allocates and spends on health will have a bearing on the population who are ultimately the recipient of the service itself.

Devlin & Hansen (2001) using data from 20 OECD countries found out that "Granger Causality" between health expenditure and GDP could be both ways, one way or none. Using the same approach, this study aims to explore if health expenditure "Granger cause" GDP, GDP Granger cause health expenditure or the relationship is bidirectional. It could also be possible that there is no statistically significant relationship between the two.

If health expenditure causes GDP and GDP does not cause health expenditure, it is said that a unidirectional causality exists from health expenditure to GDP. If GDP causes health expenditure and health expenditure does not cause GDP, it is said that a unidirectional causality exists from GDP to health expenditure. On the other hand, bidirectional causality is said to be occurring if health expenditure causes GDP and vice-versa. However if health expenditure does not cause GDP and GDP also does not cause health expenditure, then the Granger Causality between them is said to be statistically independent or related contemporaneously.

The causality between GDP and health expenditure is undertaken by running the following regression. The null hypothesis "Health expenditure does not cause GDP" is tested by running the following regression

$$GDP_t = \alpha + \sum_{j=1}^p \beta_j (GDP)_{t-j} + \sum_{j=0}^p \lambda_j H_{t-j} + \varepsilon_t \quad (1)$$

The null hypothesis that "GDP does not cause Health" is tested by the following regression

$$H_t = \alpha + \sum_{j=1}^p \beta_j H_{t-j} + \sum_{j=0}^p \lambda_j (GDP)_{t-j} + \varepsilon_t \quad (2)$$

Where GDP = Gross Domestic Product

H = Government Health Expenditure

t = number of observation

j= 1 ~ m, m is the lagged time value.

In this study, 5 ASEAN countries are selected. They are Indonesia, Malaysia, Philippines, Singapore and Thailand. GDP and government health expenditure data is obtained from Asian Development Bank. For all countries, except Thailand, data was available from 1981-2005. Thailand data was only available from 1995-2003. As the sample size is small, we have set the lag (m) at 5 for Indonesia, Malaysia, Philippines and Singapore. For Thailand the lag (m) has been set at 2. This approach is recommended for sample sizes smaller than 200 (Guilkey and Salemi, 1982). The comparisons were made using per capita GDP and per capita health expenditure data.

4. Estimation Results and discussion

The results of the regression and the F-test are shown in Table 1 and 2. Table 3 depicts the summary of the results. All the countries in the sample, excluding Philippines, display some form of causality between GDP per capita and health expenditure per capita. The fact that many of the countries show significant GDP Granger Cause health is supported by Adolph Wagner's proposition. Wagner's "Law" proposes that a state will increase its government expenditure relatively to the national income (Henrekson, 1993).

Any change in the amount of health expenditure will influence the per capita health expenditure in a country. Since QoL is related to health expenditure per capita, then QoL too will change. Figure 2 shows that the change in QoL in Malaysia is less volatile compared to Singapore's.

Table 3 shows that only Indonesia and Thailand have a bidirectional Granger Causality between GDP and health expenditure. In both these countries, government health expenditure exhibits an increasing trend. However, the involvement of Thailand government looks higher than Indonesia's government involvement. (See Figure 3 and 4)

This could be attributed to the fact that government intervention in health services in Thailand is of a greater necessity as the market has failed in providing these services. This is in line with Musgrove et.al (2002) argument that government intervention is needed when the market fails to fulfill the need of the people.

One conjecture that could be used is the proportion of AIDS patients in Thailand is significantly higher than any other country in the region (Refer to Table 4). The cost of treating AIDS patients is higher than for any other ailment. For instance, the annual cost of treating an AIDS patient in US is about US\$38,300 per annum but the cost of lifetime treatment of a breast cancer patient is only US\$52,000 (Altman, 1992). This high cost of treatment, hinders many patients from seeking private medical treatment. The market in Thailand could have been unable to support AIDS treatment. This could have forced the Thailand government to have greater involvement in providing the necessary health services.

In the case of Indonesia, private involvement is more dominant than government in health expenditure. This could be due to fact that Indonesia, which consists of many islands, faces diseconomies of scale in the provision of health services by the government. As such many Indonesians are forced to rely on private medical services.

Although government involvement in health expenditure is increasing in Indonesia (as shown in Figure 3), many Indonesians are deprived of proper health care services because of poverty. WHO (2006) estimates that US\$30 – US\$40 is needed for per person in providing essential health care. However in Indonesia this is only US\$16, and 63% of it originates from out-of-pocket expenditures.

The odd result in this study is Philippines. There is no Granger causality in any direction between health expenditure and GDP. However it is interesting to note that Philippines is the major supplier of health related workforce to the world (Bach, 2003). The economic loss due to exporting health related workforce is offset by the money repatriated back home by them (Bach, 2003).

It is beyond the scope of this study to evaluate the impact caused by this “repatriation on income by the health care workers” to the Philippines economy. We believe that if this income was included as health expenditure, although this is against the norm, the results shown in Table 3 and 4 would be different.

5. Conclusion

Our study shows that economy performance of a country is important in determining QoL. However not all the countries used in this study conform to this notion. Other than Philippines, the other countries’ support this proposition.

If QoL in a country is determined through the amount spend on health expenditure, then all the countries do exhibit an increase. However when taking into consideration the population increase, then health expenditure per capita is able to give a better picture of QoL in a country.

Malaysia’s and Singapore’s results show a unidirectional Granger Causality. Meanwhile, Thailand’s and Indonesia’s results show bidirectional Granger causality. Different causal relationships between GDP and health expenditure do not imply that QoL is necessarily higher in countries exhibiting any specific type of causal relationship. The only exception in this study is Philippines. There is no Granger Causality between GDP and health expenditure in this country.

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Table 1. Health Expenditure Granger Cause GDP

Lagged M	Indonesia	Malaysia	Philippines	Singapore	Thailand
	F-test (p-value)				
1	9.16(0.00)*	1.90(0.18)	1.20(0.28)	1.81(0.19)	0.67(0.44)
2	8.54(0.00)*	0.97(0.39)	0.69(0.50)	1.45(0.26)	12.81(0.07)**

Table 2. GDP Granger Cause Health Expenditure

Lagged M	Indonesia	Malaysia	Philippines	Singapore	Thailand
	F-test (p-value)				
1	6.25(0.02)*	3.01(0.09)**	0.33(0.57)	36.18(0.00)*	5.92(0.05)*
2	5.72(0.01)*	1.61(0.22)	0.15(0.86)	8.62(0.00)*	1.16(0.46)

* Statistically significant at 5% level

** Statistically significant at 10% level

Table 3. Summary of Granger Causality Test

	Health --- GDP	GDP --- Health
Indonesia	√	√
Malaysia		√
Singapore		√
Thailand	√	√

Table 4. Percentage of Population Living With AIDS/HIV (2005)

Indonesia	0.08 %
Malaysia	0.27 %
Philippines	0.01 %
Singapore	0.13 %
Thailand	0.90 %

Source: WHO, 2006

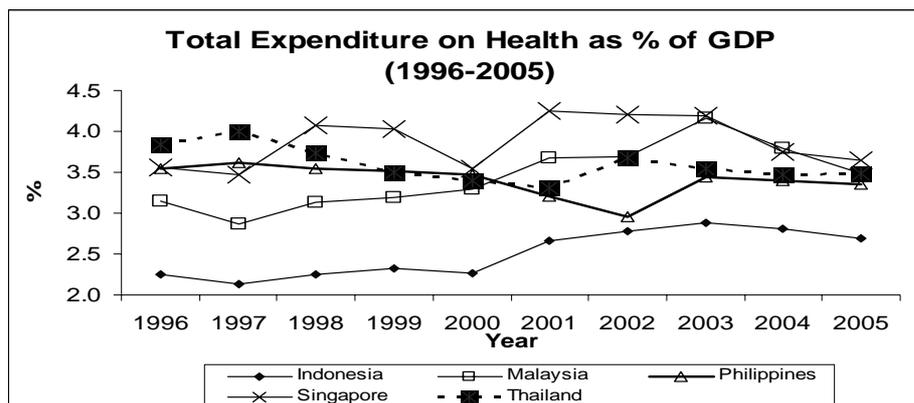


Figure 1.

Source: World Health Organisation

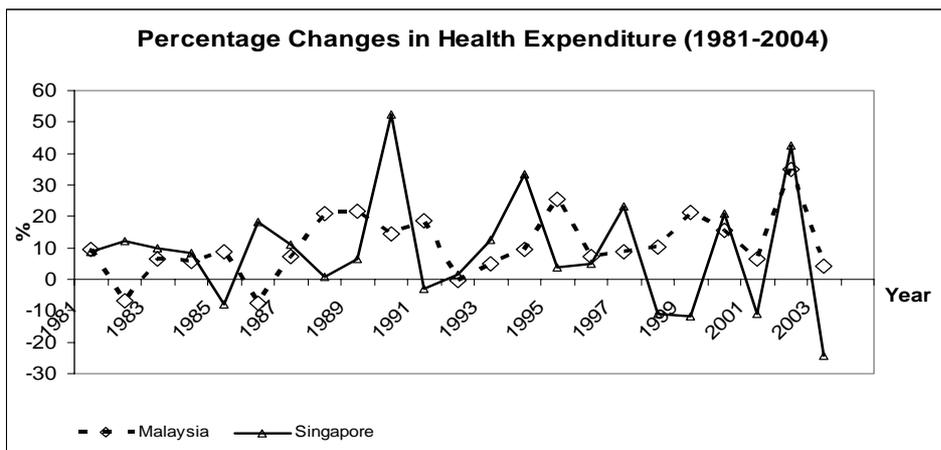


Figure 2.

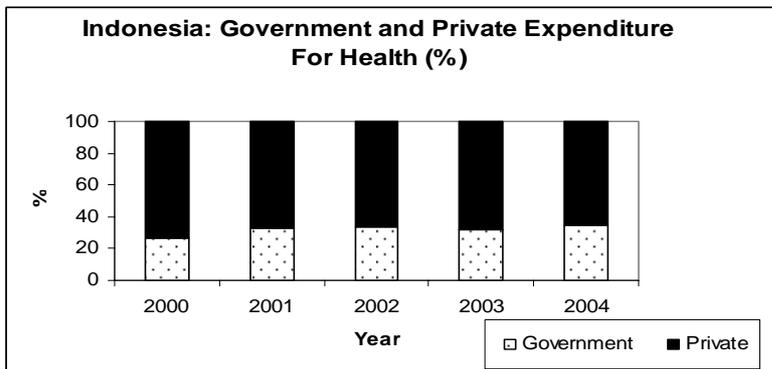


Figure 3.

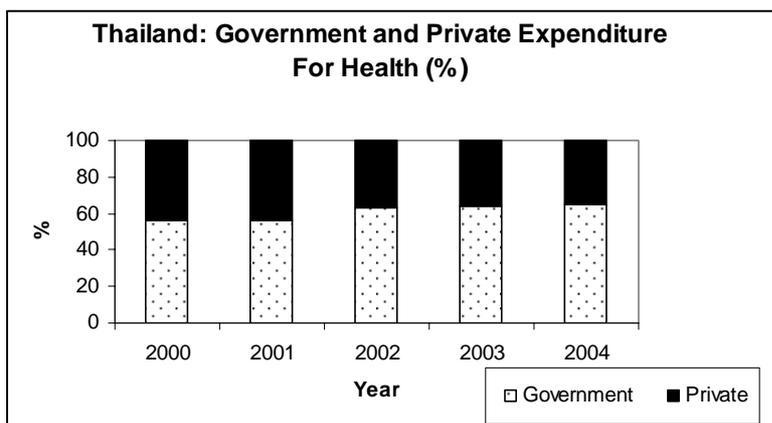


Figure 4.



Causal Attribution and its Conceptions by Non-English Major Postgraduates in China: A Case Study

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Abstract

This article reports a case study, in which causal attribution in SLA and learners' conceptions of causal attribution were examined. 2 high achievers and 2 low achievers completed a 7-day diary about their daily activities concerning English learning inside and outside English class, and subsequently they were interviewed about their causal attribution and SLA motivation. Data analysis indicated that (a) the two groups were not qualitatively differentiated in causal attributions of learning environment, effort, teacher's role, and language ability; (b) lower achievers tended to have a more concordant conception of causal attribution than their counterparts; and (c) variations in causal attribution and its conceptions accounted much for the individual differences in motivational behavior.

Keywords: Causal attribution, Case study, Second language acquisition

1. Introduction

After years of theoretical and empirical research, it has been widely recognized that motivation plays a very important role in second language acquisition (SLA) worldwide. Arnold (1999, p.13) states that "what we see as the causes for our past successes or failures will affect our expectations and, through them, our performance". In China, motivational issues concerning the vast majority of Chinese ESL learners are gaining more attention of scholars. Nevertheless, the focus is mainly on college ESL students, with little attention paid to other groups such as children and teenagers, least to postgraduates. Therefore, with the help of a case study, this article aims to draw people's attention to the causal attribution and its conceptions by non-English major postgraduates in China.

2. Literature Review

Weiner (1974) developed the attribution theory by suggesting that learners tend to attribute their success and failure to either internal or external causes. The central tenet of attribution theory is the learner's perceptions of the cause of his or her success or failure and the influence on perceptions of future performance. Weiner (1986) identified four main sets of causal attributions: ability, effort, luck and perceived difficulty of the task, of which the first two are considered the most dominant causes. Weiner (1992) also suggested three dimensions of causal attributions: locus of causality, stability and controllability. Research has been done home and abroad on both motivation and motivation stimulating, with little empirical study done on non-English major postgraduates in China. Chinese scholars have been studying motivation from different aspects. Liu and his colleagues studied "The Main Determinants of English Majors' Language Learning Situation" (1990). Qin and Wen (2002, pp.51-58) made "An Investigation into the Internal Structure of EFL Motivation among Non-English Majors". Qin and Wen (2002, pp.51-58) study "Internal structure of EFL motivation at the tertiary level in China", specifying 13 motivational variables in English learning --- cognitive individual needs and affective individual needs, 3 motivational antecedents including prior L2 proficiency, casual attribution, and interest in English, 5 affective/cognitive mediators such as anxiety, self-efficacy, valence, learning purpose and goal orientations, motivational behavior like efforts, cognitive learning outcomes and affective learning outcomes. Qin examines "Causal Attribution and Its Conceptions by EFL Learners at the Tertiary Level: A Case Study" (2002, pp.1-11). The results show there are qualitative differences in the attribution of learning environment, classroom teaching, language ability and efforts among learners of different English levels.

Gao and her team (2003, pp.29-38) identify among college students in China seven motivational types: intrinsic interest, test score, going abroad, learning situation, social responsibility, individual development, and communication medium. Results also show that college major and English proficiency had significant effects on motivation. These studies have

all contributed to both the motivational studies and the practical EFL teaching in China. Nonetheless, the research mainly concerns the college students, with a little attention paid to the postgraduates. Similar results are also found in the team's research on "The Relationship between Types of English Learning Motivation and Motivational Intensity", "Relationship between English Learning Motivations and Self-Identity Changes among Chinese Graduate Students", "The Relationship between Types of English Learning Motivation and Motivational Intensity" and "Motivation Types in English Learning Among Chinese Graduate Students". However, most of them concentrate on the issues of motivational types, motivational intensity and self-identity changes, little on those of causal attribution in SLA, its impact on motivational behavior, and learners' conceptions of causal attribution. Therefore, the author intends to have a case study on 4 postgraduate students of science from Qingdao University of Science and Technology in China.

3. Methodology

3.1 Subjects

Four graduates of first grade were divided into two groups of low achievers and high achievers. They were grouped so not only because of their scores on CET-6 but also of their own conceptions of their command of English with regard to their classmates and their classmates' opinions about them. Low achievers, Wang Na and Lu Ming scored 61 and 63 in CET-6 whereas high achievers Liu Jun and Li Fang scored 81 and 84 respectively. Since the focus of this study is to find the differences about causal attribution among them, subjects are carefully chosen with respect to the similar learning environments in female students and in male students to diminish the unavoidable influence of gender differences. The two female students are from cities and two male from the countryside.

3.2 Instruments

Research instruments include interview and diary. The interview is for their conceptions about their causal attributions of their success and failure in learning English. Students are expected to write diaries for 7 continuous days, specifying the inside and outside learning activities, causal attribution and SLA motivation. The interviews were conducted mainly in Chinese to avoid misunderstandings and misrepresentations. They were recorded and accordingly written down.

4. Results and Discussion

In the interview students are asked about their causal attribution including the learning environment, English teacher's role, language ability and effort, and their explanations about causal attribution and their success and failure.

4.1 Learning environment

When asked about the relationship between their command of English and the learning environment, the subjects of two groups demonstrate obvious differences in causal attribution of past success and failure not only between groups but also between themselves. In Group A, Li Fang attributes her past success to the learning environment whereas Liu Jun thinks it depends. Both students of Group B attribute most of their failure to the bad learning environment.

Li Fang says definitely that the learning environment is very important. "When I was five years old, my mother started to teach me English. It was so fun. I began to love it. So I always watched English cartoons and listened to English songs and it was so easy to learn English well. However, most of my classmates thought English was very difficult. I think it's because they didn't have my learning environment when they were young."

Liu Jun, however, doesn't attribute his success to the learning environment. "I had many classmates and we were living on the same campus, taking the same English teacher's class, studying the same English book, yet I was much better than most of them in English. Maybe people will say it is necessary to go abroad to learn English well. I think it depends. I had many English teachers who spoke English with strong accent though they had studied abroad. Yet Li Yang didn't go abroad to learn English. He studied all by himself! Nevertheless, he speaks perfect American English."

From their remarks we can see clearly that both groups made the causal attribution based on their own learning experiences as well as their friend's or relative's influence. Different supplies of learning environment made them have different evaluations of its importance. High achievers show different opinions about the relationship between success and the learning environment while low achievers demonstrate similar opinions. From the psychological point of view, low achievers tend to attribute their failure to the external factors. In addition, this is a handy and decent excuse difficult to be changed for most people in China. In doing so they will be easily be understood and forgiven. Liu Jun confesses that when he realized that he could hardly change the learning environment, he had to depend on other factors to learn English well.

4.2 Effort

Liu Jun believes effort is the key to success. "The only reason that I'm good at English is that I study very hard. Comparatively speaking, I spend most of my time on English instead of my major mathematics, yet I'm just good at English in my class but one of the few best students in Math on campus. Besides, if you don't make up your mind and study hard, you will never be good at English whether you're in China or in USA". Li Fang, on the contrary, thinks

effort is not important. "I find many of my classmates are working so hard on English but I don't know why they are still lagging behind. I didn't take much effort but I'm always the best. They are always complaining that this is unfair." In Group B, both Wang Na and Lu Ming agreed that effort didn't help them to be good at English. Wang Na complains, "I spend most of my time on English but I'm still worried about it. I had never been good no matter how hard I have been working on it." Lu Ming also pined, "I have no confidence to learn it (English) well because my diligent effort seems to be useless. There are endless new words to learn. English is so difficult."

However, by reading their diaries the author finds that these students have different understandings about their so called "hard effort". Every day Liu Jun spends at least two hours either to read English texts and do exercises, or read articles relevant to his major, which he believes not at all hard, but "essential effort". Li Fang spends about an hour a day for text and exercises, at least another hour reading English newspapers or magazines. She always listens to English songs when she gets up, before going to bed, occasionally after lunch. Usually she watches English movies during the weekend. When asked whether she was doing so to practice her listening abilities she denies with surprise, "It is just for fun, to relax myself." It's obvious though both two high achievers do not admit there is much effort they are studying English really hard.

On the other hand, Wang Na and Lu Ming do not study as hard as they have imagined. On the days when they have English classes, they would not spend any more time on it. Wang Na says, "Having English class is so tiring that I need a good rest that day." It's true that they take their English books with them every evening when they go to the classroom to learn by themselves, however, they can hardly spend half an hour on it except during the nights before the English class when they would spend three or four hours on it. Wang Na seems very sad, "When my classmates go to bed, I often have to sit up for hours because there're so many new words to remember and so many exercises to do." When suggested that she might finish them bit by bit in other days, she became irritated, "But I'm so busy. I have to study my major subjects and I have some social activities. I can't find time to learn English". Lu Ming agreed, "I always take my English book with me but I can't find time. I have to study my major first. When I really start with an English book, I find it so boring and so difficult that I would switch to another book with pleasure." It's evident that their behaviours are far away from being "hard effort".

From the analysis we can understand that high achievers and low achievers have different standards for hard effort. When asked about the possibilities of becoming high achievers if they spend as much time as high achievers, both answer "Maybe". In other words, they admit that real effort is important in SLA.

4.3 Teacher's role

Group A confirms that teachers play a positive role in improving their English. In Group B, Wang Na thinks that the teacher helped her a bit but Lu Ming accuses one teacher of being partially responsible for his failure. "When I started to learn English in Junior High School, my English teacher was a very strict woman who spoke broken English, humiliating, scolding and beating students who could not recite the text or answer her questions. I was so scared that having English class became a nightmare. Later when I went to college, I could hardly understand what the English teacher said. She smiled at good students but looked unhappy at bad students. It's not her fault. Maybe I just had prejudice against English teachers."

Though different groups attribute different roles to their teachers, it is agreed unanimously that teachers can have a profound influence on their students, either positive or negative. Lu Ming's first English teacher meant well by urging them to learn, but she scared her students with the help of physical and mental punishments, leading to a contradictory effect. In China especially in small counties there is a prevailing misconception that teachers must make students being afraid of them; otherwise students would never learn well. Therefore, many teachers force students to learn and get high scores by all means: threats to tell their parents about their naughty behaviors, threats to dismiss them, resorting to physical punishments and mental torture, with little attention on making students interested. In fact, those teachers misbelieve that external forces and drives play a far more important role than internal motivations in SLA. The lesson from it is that English teachers should be organized and lectured upon periodically about theoretical achievements in SLA research, thus guiding them directly and helping the students indirectly, eventually benefiting SLA in China.

4.4 Language ability

In Group A, nevertheless, there exist different opinions. Liu Jun doesn't think he has much language ability. "I know that I'm not language talented though some classmates are saying so. But since every child learns to speak a language well no matter he's language talented or not, I believe my hard work could make it up." Li Fang, on the contrary, announces proudly that her language ability helps and determines her success. "Learning English is always so easy and so fun. I don't need to pay much effort to remember new words and practice my listening abilities. I enjoy myself by listening to English songs and watching English movies. English makes me feel so good. I believe that I really have a talent in learning language." Her language ability leads to her interest, which makes the learning environment and teachers so friendly and her effort so enjoyable.

Both students of Group B believe that they don't have much language ability, which also determines their failure. Both express their helplessness about it. Wang Na shakes her head, "I can do nothing about it. I'm just so slow." Lu Ming says, "I feel stupid. I lost my face and confidence in learning English though I'm so good at my major. I'm not good at learning language."

In reality, language ability is just one factor in SLA. Linguists hold that every person has inherent language abilities which lead to every one's ability to learn their mother tongue. In order to acquire a second language, many factors are at play.

4.5 Implications

Though high achievers didn't have any agreement upon the role of learning environment, effort, teacher's role and language ability, both are highly internally motivated and become successful. Liu Jun attributes it to unstable and controllable effort and Li Fang to stable and unchangeable language ability. Low achievers, on the other hand, attribute their failure to both internal factor ability and external factors such as learning environment and teacher's influence. Low achievers have low self-efficacy of themselves. Santrock (2005, p.423) states that a student's perception of success or failure as due to internal or external factors influences his or her self-esteem. Students who perceive their successes as being due to internal factors are more likely to have higher self-esteem than those who believe that their successes were due to external factors. In the failure situations, internal attributions lead to decreased self-esteem. When students attribute failure to unstable factors, they might expect that they will be successful in the future because they perceive the cause as changeable. With the understanding of their perceptions of causal attribution, teachers could teach accordingly to help postgraduates motivated both internally and externally.

5. Conclusion

The analysis of the interview and the diaries of those postgraduates indicate a) Group A and B were not qualitatively differentiated in causal attributions of learning environment, effort, teachers' role and language ability; b) higher achievers tended to attribute more of their success to internal factors like language ability and effort whereas their counterparts to external factors like learning environment, teachers' influence and so on. Group B have a more concordant conception of causal attribution than their counterparts; and, c) variations in causal attribution and its conceptions accounted much for the individual differences in motivational behavior.

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Application of Communicative Approach in College English Teaching

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Abstract

The main purpose of foreign language teaching is to communicate with language. Meanwhile, Communicative Approach is the effective way to achieve this goal. Through out more than twenty years, Communicative Approach has been confirmed and spread widely. Communicative Approach is the innovation of the foreign language teaching. Not only does it improve students' communicative competence effectively, but also carries out the quality education in foreign language teaching. This thesis will take a look at the Communicative Approach to the teaching of foreign languages. It is intended as an introduction to the Communicative Approach for the teachers and teachers-in-training who want to provide opportunities in the classroom for their students to engage in real-life communication in the target language. This thesis starts with the emergence, definition and features of Communicative Approach. It helps us understand CA continually. It also makes us aware of the obvious differences between Communicative Approach and other ways of language teaching. How to apply Communicative Approach to the teaching of foreign languages is mainly talked about. At last, three important pairs of connections in Communicative Approach are provided and the future of the Communicative Approach in foreign language teaching is described.

Keywords: Foreign language teaching, Communicative Approach, Application

1. Introduction

The origins of the Communicative Language Teaching are to be found in the changes in the British language teaching tradition dating from the late 1960s. In the late sixties, the current situational approach was questioned. British applied linguistics began to emphasize the fundamental dimension of language teaching at that time—the functional and communicative potential of language. Scholars like Christopher Candlin and Henry Widdowson drew on the work of British functional linguistics such as John Firth, and Halliday and American work in socio-linguistics like Dell Hymes as well as work in philosophy. They argue for focus in language teaching on communicative proficiency rather than on mere mastery of structures. The impact from the European Common Market constituted another impetus for Communicative Approach. The increasing independence of European countries appealed for greater efforts to teach adults the major languages of the community. The council of Europe sponsored international conferences on language teaching. It published monographs and books about language teaching, and was active in promoting the formation of International Association of Applied Linguistics. In 1971, a group of experts began to investigate the possibility of developing language courses on a unit-credit system. At that time, Wilkins, a British linguist proposed a functional or communicative syllabus for language teaching. He attempted to demonstrate the systems of meaning that lay behind the communicative uses of language. He described two types of meanings, the notional categories and categories of communicative functions. He had his ideas published in *Notional Syllabus*. The work of the Council of Europe; the writings of Wilkins, Widdowson, Candlin, Christopher Brumfit and Keith Johnson; the rapid application of these ideas by textbook writers; and the equally rapid acceptance of these new principles by British language teaching specialists, curriculum development centers, and even governments gave prominence nationally and internationally to what came to be referred to as the Communicative Approach, or simply Communicative Language Teaching.

2. Communicative Approach

2.1 The definition of CA

The Communicative Approach, also called Communicative Language Teaching or Functional Approach, was the British version of the movement in the early 1960s in reaction to the structuralism and behaviorism embodied in the audio-linguistics.

Communicative Approach is a set of principles about teaching including recommendations about method and syllabus where the focus is on meaningful communication not structure, use not usage. In this approach, students are given tasks to accomplish using language instead of studying the language. The syllabus is based primarily on functional

development, not structural development. In essence, a functional syllabus replaces a structural syllabus. There is also less emphasis on error correction as fluency and communication become more important than accuracy. Authentic and meaningful language input becomes more important as well. The class becomes more student-centered as students accomplish their tasks with other students, while the teacher plays more of an observer role.

2.2 *The features and principles of CA*

2.2.1 Features

- 1) Focus on meaning.
- 2) Communicative competence is the desired goal.
- 3) Learner-centered.
- 4) Fluency is the primary goal.
- 5) Students are expected to interact with other people, either in oral practice, through pair and group work, or in their writings.
- 6) Dialogues, if used, center around communicative functions.
- 7) Intrinsic motivation will spring from an interest in what is being communicated by the language.
- 8) Task-based.

2.2.2 Principles

- 1) The communicative principle: Activities that involve real communication promote learning.
- 2) The task principle: Activities in which language is used to carry out meaningful tasks promote learning.
- 3) The meaningfulness principle: Language that is meaningful to the learner supports the learning process.

3. Chinese foreign language education

3.1 *The actuality of Chinese education*

Through out the history, the traditional grammar-translation method is applied in the foreign language teaching. The foreign language learning of students is in fact a process of input of large amount of language knowledge. The necessary output is writing under the instructions about the writing styles and the common sense of style. After they finish it, the teacher just checks the grammar and spelling errors. The substance of language application is not communication but written output. Especially, the knowledge about culture background is extremely lean. In class, the teachers just explain the grammar and vocabulary in details or translate the meaning of words and sentences. Therefore, although the students can get a high mark in examination, some even have passed CET-4 or CET-6, the communicative competence is extremely poor.

4. Application of CA

4.1 *Some preparations before class*

4.1.1 Materials

(1) Text-based materials

A typical lesson consists of a theme, a task analysis, for thematic development a practice situation description, a stimulus presentation, comprehension questions and paraphrase exercises.

(2) Task-based material

A variety of games, roles plays, simulations, and task-based communication activities have been prepared to support Communicative Language Teaching classes.

(3) Authentic Materials

Many proponents of Communicative Language Teaching have advocated the use of “authentic” “real-life” materials in the classroom. These might include language based realia, such as signs, magazines, advertisements, and newspapers, or graphic and visual sources around which communicative activities can be built.

4.1.2 Procedures

Fincocchiaro and Brumfit once propose communicative procedures like this:

- (1) Presentation of a brief dialogue preceded by a motivation and discussion of the function and situation—people, roles, setting, topic and informality of language.
- (2) Oral practice of each utterance of the dialog segment.
- (3) Questions and answers based on the dialog topics and situation itself.

- (4) Questions and answers related to the students' personal experiences but centered around the dialog theme.
- (5) Study one of the basic communicative expressions in the dialog or one of the structures which exemplify the function.
- (6) Learners' discovery of generalizations or rules underlying the functional expression or structure.
- (7) Oral recognition, interpretative activities.
- (8) Oral production activities.
- (9) Sampling of the written homework assignment, if given.
- (10) Evaluation of learning (oral only).

How to sequence these things is not the most important. What really effects is the principles to follow. From the above procedures, we summarize as follows:

In a communicative lesson, the teacher should:

- (1) Presentation of the topic
- (2) Motivation of the students to participate in classroom activities
- (3) Discussion of situations and functions
- (4) Study, analysis and application of typical structures
- (5) Activities related to both the topic and students' experiences
- (6) Evaluation of tasks

4.2 Using pictures and games in classroom

4.2.1 Using pictures in classroom

(1) Why use pictures?

By providing a wide range of contexts, students can meet a range of situations and experience that will equip them for real life communication. Specifically, pictures

contribute to:

- a. interest and motivation
 - b. a sense of the content of the language
- (2) Five primary principles of using pictures in class
- A. Easy to prepare
 - B. Easy to organize
 - C. Interesting
 - D. Meaningful and authentic
 - E. Sufficient amount of language

(3) Some examples for using pictures

Topic from pictures

- a. show pictures from inside the book.
- b. Ask the students to tell you as much as they can about the topic of the story.

4.2.2 Using games in classroom

(1) Why use games?

Language learning is a hard task that can sometimes be frustrating. Constant effort is required to understand, produce and manipulate the target language. Well-chosen games are invaluable as they give students a break and at the same time allow students to practise language skills. Games are highly motivated since they are amusing and at the same time challenging. Furthermore, they employ meaningful and useful language in real contexts. They also encourage and increase cooperation.

(2) When to Use Games

Nowadays, games are often used as short warm-up activities or when there is some time left at the end of a lesson. Yet, a game should not be regarded as a marginal activity filling in odd moments when the teacher and class have nothing better to do. Games ought to be at the heart of teaching foreign languages. They can be used at all stages of the lesson, provided that they are suitable and carefully chosen.

(3) How to Choose Games

- A. A game must be more than just fun.
- B. A game should keep all of the students involved and interested.
- C. A game should encourage students to focus on the use of language rather than on the language itself.

D. A game should give students a chance to learn, practice, or review specific language material.

(4) Some ways to use games:

- A. Picking the apples
- B. Competition
- C. Climbing the ladder
- D. Hunting the match picture
- F. Twenty Questions
- G. Word Magic

You can create all kinds of appropriate meaningful and flexible games and amusing activities and educational activities are necessary to keep the class enjoyable and create a sense of fun. However, we must be careful that the activities do not last too long or the children will become bored.

5. Three pairs of connections in CA

5.1 Teacher vs. student roles

The emphasis in Communicative Approach on the process of communication rather than mastery of language forms, leads to different roles from those found in more traditional second language classrooms.

Teachers' role

Instead of being the dominating authority in the classroom, the teacher in the Communicative Approach facilitates the communicative process among all the learners and between the students and the various tasks, giving guidance and advice when necessary. Furthermore, teachers act as independent participants within the learning-teaching group.

However, this does not mean that once a teaching activity is in progress, the teacher should become a passive observer. It is still the teacher's obligation to develop the students' potential through external direction. Although the teacher may be nondirective in general, it is still the teacher's responsibility to recognize the distinctive qualities in the students and to help the students develop those qualities.

In contemporary English teaching, the teacher's function should become less dominant than before, but no less important. For example, his/her role as an independent participant within the learning-teaching group is closely related to the objective of his/her role as communicative activator. These roles include a set of secondary roles for the teacher: first, as an organizer of resources and as a resource; and second, as a guide and manager of activities. A third role for the teacher is that of a researcher and learner, with much to contribute in terms of appropriate knowledge, abilities, and actual experience in the nature of learning (Breen and Candlin 1980).

One of the important components of communicative competence is the ability to select a linguistic form that is appropriate for a specific situation (Hymes 1981). Language has been redefined as an integral part of the culture with which it is connected today. There is plenty of evidence that a good command of English grammar, vocabulary, and syntax does not necessarily add up to a good mastery of English. There is a set of social conventions governing language form and behavior within a communicative group.

Students' role

Because in Communicative Approach the students' performance is the goal, students need much practice. So students should be centered. The teacher must step back and observe, sometimes acting as a referee or monitor. A classroom during a communicative activity is far from quiet, however. The students do most of the speaking, and frequently the scene of a classroom during a communicative exercise is active, with students leaving their seats to complete a task. Because of the increased responsibility to participate, students may find they gain confidence in using the target language in general. Students are more responsible managers of their own learning.

5.2 Accuracy vs. fluency

There is no denying the fact that both accuracy and fluency are essential in language learning. However, in English teaching dominated by the grammar-translation method, accuracy is emphasized more than fluency.

Modern society is in need of people who not only read English well but also speak it fluently. As for beginners, they must have a solid foundation in English, which is primarily, though not solely, built on accuracy. It is believed that once bad language habits are formed, they are difficult to break. Moreover, for the students who are learning English in a non-English-speaking country, there is little chance for them to learn an acceptable form of English outside the classroom. So, in order to achieve accuracy, students need rigorous language training in their classes.

However, accuracy does not mean 100% error-free, an impossible achievement. But during the controlled and semi-controlled language practice periods for beginners, a high degree of accuracy should be required. Not only are the students encouraged to make as few errors as possible, but they are expected to manipulate the language system as spontaneously and flexibly as possible.

Of course, fluency in language learning goes far beyond that. Soon after the students have mastered the language forms, they ought to be given intensive fluency practice. Then, as control is withdrawn, students can use the language more freely. At this stage, errors should be tolerated, and the teacher should emphasize that error making is not at all disgraceful but a natural and common practice. Teachers assess the students' performances at the end of each fluency practice so that the students are aware of their weaknesses and become more and more conscious of their errors. In this way, accuracy and fluency are practiced almost simultaneously. Accuracy and fluency are not mutually exclusive, but are interdependent.

5.3 Linguistic competence vs. communicative competence

The relation between linguistic competence and communicative competence is also important. At the fundamental stage, linguistic competence is the spontaneous, flexible, and correct manipulation of the language system. Communicative competence involves principles of appropriateness and a readiness on the part of the learner to use relevant strategies in coping with certain language situations. Linguistic competence, then, is the basis of communicative competence. Without linguistic competence, there is no communicative competence. But communicative competence does not automatically result from linguistic competence. Forms of classroom activities such as role playing, simulations and real-life interactions should be used to provide as much practice as possible for students to develop communicative competence while practicing linguistic competence.

6. Conclusion

In conclusion, Communicative Approach is an innovation of foreign language teaching, aiming at improving students' communicative competence. It also helps to carry out quality education in foreign language teaching.

Meanwhile, with the rapid development of EFL teaching in non-English-speaking countries, English teachers have become more aware that the exclusive use of either the Communicative Approach or Grammar-Translation method does not suit all English teaching situations. Teachers have also discovered that no single teaching method deals with everything that concerns the form, the use and the content of the target language.

So we can't throw away the traditional teaching method completely. To make Communicative Approach work well in China, we must reconcile it with the traditional Grammar-Translation method that is still popularly used in China.

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Stock Market and Economic Growth in Malaysia: Causality Test

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Abstract

Stock market has been associated with economic growth through its role as source for new private capital. On the other hand, economic growth may be the catalyst for stock market growth. Thus, the purpose of this paper was to explore causal relationships between stock market and the economy using formal tests of causality developed by C. J. Granger and yearly Malaysia data for the period 1977-2006. Results show that stock market Granger-caused economic activity with no reverse causality observed. The longest significant lag length observed from the results was two years.

Keywords: Growth, Stock market, Stock market and growth relationship, Malaysia's economy

1. Introduction

One of the most debatable issues in economics was whether the stock market can be served an important indicator for the prediction of future economic growth or vice versa. Many believe that large decrease in stock prices were reflective of future recession, whereas large increase in stock prices may reflect the expectation towards future economic growth. However, there were controversy issues to doubt the stock market's predictive ability such as the 1987 stock market crashed followed by world recession and 1997 Asian financial crisis.

In addition, we find that related researches done in the past three decades mostly focused on the role of financial development in stimulating economic growth, without taking account to the stock market development. In emerging economies, the evolution of stock market has great impact on the operation of banking institutions (Levine and Zervos, 1998). Beside that, Paudel (2005) stated that stock market, due to their liquidity, enable firms to acquire much needed capital quickly, hence facilitating capital allocation, investment and growth. Thus, domestic stock market is expected to have significant relationship with the economic growth. There were several possible arguments have been discussed as equity market may led economic growth such as (i) There was evidence that a more developed equity market may provide liquidity that lowers the cost of the foreign capital essential for development, thus, nation with greater development of equity market tends to generate more domestic savings for economic growth (Benchivenga et al., 1996; Neusser and Kugler, 1998). (ii) The role of equity market provided incentive for managers to make investment decisions that may affect firm value in the long run (Dow and Gorton, 1997). (iii) The ability of equity markets to generate information about the innovative activity of entrepreneurs (King and Levine, 1993) or the aggregate state of technology (Greenwood and Jovanovic, 1990). (iv) The importance of stock market in providing portfolio

diversification and enabling individual firms to engage in specialized production with efficiency gain (Acemoglu and Zilibotti, 1997). Therefore, given those debatable issues whether stock market can be served as a vital determinant for economic growth, it seems relevant to further research this topic.

There were theoretical reasons for stock prices may predict economic growths which were the traditional valuation model of stock prices and the “wealth effect” (Comincioli and Wesleyan, 1996). The traditional valuation model of stock price explained that stock prices reflected the expectation of public towards the future economy activities. Beside that, concept of “wealth effect” suggested that changes in stock prices cause the variation in the real economy. Additionally, less developed countries’ capital markets were able to mobilize domestic savings and allocated funds more efficiently (Pardy, 1992). Thus, stock market can play a role to promote economic growth in less-developed countries as assume Malaysia in this case. Therefore, the objectives of this paper were to evaluate does the stock market led to economic growth in Malaysia case or vice versa by testing with Granger causality test. This paper will explore (a) does the stock market “Granger-cause” the real economy, in which past values of stock prices able to improve the prediction of future economic growths? (b) Does the real economy “Granger-cause” the stock market, in the sense that the lagged values of economic activities advance the prediction of the stock market?

2. Literature Review

The link between stock markets and economic growth provided ambiguous result on a major strand of finance-growth hypothesis (Schumpeter, 1932; McKinnon, 1973) with an insight into how financial intermediation facilitates economic growth. Spears (1991) reported that in the early stages of development, financial intermediation stimulated economic growth in Sub-Saharan Africa. On the other hand, Atje and Jovanic (1993) using cross-sectional regressions conclude that stock markets have long-run impacts on economic growth and it was also found that stock markets influence growth through a number of channels which were liquidity, risk diversifications, acquisition of information about firms, corporate governance and savings mobilization (Levine and Zervos, 1996). Demetriades and Hussain (1996) found very little evidence that financial market is a leading sector in the process of economic growth in a sample of 10 countries. While Luintel and Khan (1999) studied 10 developing economies and find bi-directional causality between financial development and economic growth in all sample countries. Instead of this, Levine and Zervos (1998) have measured stock market development along various dimensions; first, aggregate stock market capitalization to GDP and the number of listed firms (size). Second, domestic turnover and value traded (liquidity). Third, integration with world capital markets, and lastly, the standard deviation of monthly stock returns (volatility). The results suggested a strong and statistically significant relationship between initial stock market development and subsequent economic growth. In addition, Mauro (2000) exhibited that stock market was a stable predetermining factor of economic growth in emerging economies. Empirical works continue to show largely some degree of positive relationship between stock markets and growth.

We address issues of causality in the framework introduced by Granger (1969). Granger causality tests have been widely used in studies of financial markets as well as several studies of the determinants of economic growth including savings (Carroll and Weil, 1994); exports (Rahman and Mustafa, 1997; Jin and Yu, 1995); government expenditures (Conte and Darrat, 1988); money supply (Hess and Porter, 1993); and price stability (Darrat and Lopez, 1989). A limited number of previous studies have used Granger causality to examine the link between financial markets and growth. Thornton (1995) analyzed 22 developing economies with mixed results although for some countries there was evidence that financial deepening promoted growth. Subsequently, Ahmed and Ansari (1998) reported similar results for three major South-Asian economies. On other hand, Neusser and Kugler (1998) reported that financial sector GDP Granger-caused manufacturing sector GDP in a sample of thirteen OECD countries. Nevertheless, a study using Granger causality techniques to examine the link between financial markets and growth, Rousseau and Wachtel (2000) analyzed 47 economies and report that greater financial sector development leads to increased economic activity. Adajaski and Biekpe (2005) found that positive influence of stock market development on economic growth is significant for countries classified as upper middle income economies from the study of 14 African countries. Similarly, Siliverstovs and Duong (2006) revealed that even when accounting for expectations, represented by the economic sentiment indicator, the stock market has certain predictive content for the real economic activity. All past literature reviews have been contributed an idea to this paper that the present development of stock market development and economic growth. In summary, previous empirical research has suggested a possible connection between stock market and economic growth, but is far from ambiguous. Although the relationship claimed is a causal one, most empirical studies have addressed causality indirectly, if at all. Moreover, most studies have not adequately deal with the fact that efficient markets should incorporate expected future growth into current period prices. Hence, the subsequent of this paper will discuss the methodology, as well as results and interpretations.

3. Methodology

3.1 Stationarity

The VAR is modeled in stationary variables so that the test statistics have standard distributions. Since a causality test holds only for stationary variables, unit roots tests have to be performed on all the variables involves. In order to avoid

spurious regression, determine the stationarity of the series enable to ensure the validity of the usual test statistics (t-statistics and F-statistics, and R^2). Stationarity could be achieved by appropriate differencing and this appropriate number of differencing is called order of integration. The Augmented Dickey Fuller (ADF) [Dickey and Fuller 1979] tests of stationarity are used in the study.

3.2 Augmented Dickey Fuller (ADF) Test

The ADF test is based on the estimate of the following regression:

$$\Delta Y_t = \beta_1 + \beta_2 t + \delta Y_{t-1} + \alpha_i \sum_{i=1}^m \Delta Y_{t-i} + \varepsilon_t$$

where Y_t is our variable of interest = {RGDP_t, KLCI_t}, is the differencing operator, t is the time trend and ε is the white noise residual of zero mean and constant variance. $\{\beta_1, \beta_2, \delta, \alpha_1, \dots, \alpha_m\}$ is a set of parameters to be estimated.

Both of the null and alternative hypotheses in unit root tests are:

$$H_0 : \delta = 0 \quad (Y_t \text{ is unit root})$$

$$H_1 : \delta \neq 0 \quad (Y_t \text{ is stationary})$$

The unit root hypothesis of the Dickey-Fuller can be rejected if the t-test statistic from these tests is negatively less than the critical value tabulated. In other words, by the Augmented Dickey Fuller (ADF) test, a unit root exists in the series Y_t (implies nonstationary); the null hypothesis of δ equals zero is not rejected (Gujarati 1995: 719-720).

3.3 Lag Length Selection

A critical element in the specification of VAR models is the determination of the lag length of the VAR. There are several alternative criteria for finding the most appropriate model, which take into account certain tradeoffs between better fit, smaller residuals, and loss of degrees of freedom due to number of estimated parameters. The appropriate lag length is established by Akaike Information Criterion (AIC). The best fitting model is the one that minimizes the information criterion function in essence, the overall sum of squared residuals. To help to ensure the appropriateness of the estimated VAR, the use of various diagnostic tests is common in studies that is Breusch-Godfrey serial correlation LM test and in the Jarque-Bera (JB) test for normality.

3.4 Granger causality test

According to the Granger (1969) causality approach, a variable y , say economic growth, is caused by x , say stock market growth, if y can predicted better from past values of y and x than from past values of y alone. For a simple bivariate model, we can test the causality between stock market growth and economic growth. The hypotheses are tested in the context of VAR of the following form:

$$RGDP_t = \sum_{i=1}^n \alpha_i KLCI_{t-i} + \sum_{j=1}^n \beta_j RGDP_{t-j} + u_{1t} \quad (1)$$

$$KLCI_t = \sum_{i=1}^n \lambda_i KLCI_{t-i} + \sum_{j=1}^n \delta_j RGDP_{t-j} + u_{2t} \quad (2)$$

where, RGDP is economic growth denotes the changes of real GDP and KLCI is stock market growth is the changes of KLCI. Both variables denotes into logarithm form. It is assumed that the distribution of u_{1t} and u_{2t} are uncorrelated. Equation (1) postulates that current RGDP is related to past values of itself as well as that of KLCI, and equation (2) postulates a similar behaviour for KLCI. Based on the estimates OLS coefficients for the equations (1) and (2) four different hypotheses about the relationship between RGDP and KLCI can be formulated:

1. Unidirectional Granger-causality from KLCI to RGDP. In this case stock market growth increases the prediction of the economy but not vice versa. Thus $\sum_{i=1}^n \alpha_i \neq 0$ and $\sum_{j=1}^n \delta_j = 0$.
2. Unidirectional Granger-causality from RGDP to KLCI. In this case the growth rate of the economy increases the prediction of the stock market growth but not vice versa. Thus $\sum_{i=1}^n \alpha_i = 0$ and $\sum_{j=1}^n \delta_j \neq 0$.
3. Bidirectional (or feedback) causality. In this case $\sum_{i=1}^n \alpha_i \neq 0$ and $\sum_{j=1}^n \delta_j \neq 0$, so in this case the growth rate of the economy increases the prediction of the stock market growth and vice versa.

4. Independence between RGDP and KLCI. In this case there is no Granger causality in any direction, thus $\sum_{i=1}^n \alpha_i = 0$ and $\sum_{j=1}^n \delta_j = 0$.

Hence by obtaining one of these results it seems possible to detect the causality relationship between stock market growth and the economic growth of a country. To test the hypotheses, the restricted F-test is applied, which is given by:

$$F = \frac{[(RSS_R - RSS_{UR})/m]}{[RSS_{UR}/(n-k)]} \quad (3)$$

where, m is number of lagged terms and k is the number of parameters. RSS_R and RSS_{UR} are residual sum of squares of restricted and unrestricted models respectively. If the F value exceeds the critical F value at the chosen level of significance, we reject the null hypothesis, in which case the lagged RGDP terms belong in the regression. This is another way of saying that RGDP cause KLCI.

3.5 Data

The data analyzed in this paper consists of economic and financial time series of Malaysia there are real gross domestic product (RGDP) and Kuala Lumpur Composite index (KLCI). The data for Kuala Lumpur Composite index was obtained from Bursa Malaysia and GDP data was collected from International Financial Statistics, published by International Financial Statistics (IMF). The data set of the study consists of 30 annual observations covering the period from 1977 to 2006.

4. Results and interpretations

4.1 Testing for Stationarity

Augmented Dickey-Fuller (ADF) unit root tests are employed to test for the stationarity of the macroeconomic series at level and then first difference of each series. The results of the ADF at level are reported in Table 1, by taking into consideration of trend variable and without trend variable in the regression. Based on Table 1 (Panel A), the t-statistics for all series from ADF tests are statistically insignificant to reject the null hypothesis of non-stationary at 0.05 significance level. This indicates that these series are non-stationary at their level form. Therefore, these variables contain a unit root process. When the ADF test is conducted at first difference of each variable, the null hypothesis of non-stationary is rejected at 0.05 significance level as shown in Table 1 (Panel B). This is consistent with some previous studies that have been demonstrated the most of the macroeconomics and financial series expected to contain unit root and thus are integrated of order one, I (1). The number of lag included is to solve the problem of autocorrelation; to ensure the error terms are uncorrelated and enhance the robustness of the results.

Since the variables are stationary, then we can proceed to check the number of lags input into the model. The study uses the AIC to determine the number of lags in the model. To ensure the appropriateness of the estimated VAR, the use of various diagnostic tests is common in studies. The results show that the optimal lag lengths are equal to two, based on the AIC criterion.

4.2 Testing for Granger causality test

The procedure used in the study for testing statistical causality between the stock market and the economy is the "Granger-causality" test (Granger, 1969). The Granger causality tests determine the predictive content of one variable beyond that inherent in the explanatory variable itself. The variables to be used in the Granger Causality test are assumed to be stationary. In the case of the study's data set, test statistics for unit root have already been reported in Table 1, with the conclusion that the time series are I(1) or stationary. The Wald test is then used to test the above Granger causality hypothesis.

Based on the results of the lag length and the integration order determination, we proceed with testing for Granger causality. The results of Granger causality for equations (1) and (2) are represented in Table 2. As represented in Table 2, the Wald F-statistic is 4.1184 and the p-value is 0.0303. This implies that the null hypothesis that KLCI does not Granger cause RGDP is decisively rejected. However, the hypothesis that RGDP does not Granger cause KLCI can not be rejected at the usual significant levels. Thus, there exists the uni-directional Granger causality from the KLCI to the RGDP. However, there is no reverse causation from RGDP to KLCI.

One possible explanation for why stock prices predict the economy is that stock prices actually cause what happens to the economy. This would be consistent with the wealth effect. According to this argument, fluctuations in stock prices raise and lower wealth, which in turn, raises and lowers aggregate consumption. As a result, economic activity is affected or "caused" by fluctuations in the stock market. Another possible explanation for why stock prices "Granger cause" economic activity is that the stock market is forward-looking. If investors are truly forward-looking, then stock prices reflect expectations about future economic activity. If a recession is anticipated, for example, then stock prices

reflect this by decreasing in value. Since the results indicate that the stock market improves the prediction of economic activity, and if we assume that the stock market is forward-looking, then investors' expectations about the future economy are fairly accurate. Furthermore, since the economy does not predict stock prices, expectations about the future economy are not being formed by simple looking at past values of GDP, which is suggested by the adaptive expectations model. For the adaptive expectations model to hold true, past values of GDP would have to 'granger cause' stock prices.

5. Conclusion

The purpose of this paper was to evaluate the stock market as a leading economic indicator and explore causal relationships between stock market and the economy. This empirical study used formal tests of causality developed by C. J. Granger and yearly Malaysia data for the period 1977-2006. Our results indicated a "causal" relationship between the stock market and the economy. We found that while stock market Granger-caused economic activity, no reverse causality was observed. Furthermore, we found that statistically significant lag lengths between fluctuations in the stock market and changes in the real economy are relatively short. The longest significant lag length observed from the results was two years.

One issue that needs further exploration is the actual reason for the causality relationship between the stock market and economic activity. Is the causality relationship more consistent with the wealth effect or with the forward-looking nature of the stock market? The results from this paper are consistent with both the wealth effect and the forward-looking nature of the stock market, but do not prove either. Our results reveal that expectations for future economic activity are not simply formed by looking at the past trend in the economy as the adaptive expectations model would suggest. However, it showed that the stock market growth Granger cause the economic growth. Hence, for policy implication purposes, we can be suggested that Malaysia government should promote the stock market in order to promote economic growth of nation as the stock market can be served as a leading indicator for economic growth.

In order to promote the stock market, there was several suggestions to be discuss as following: (1) Government could be liberalized stock market regulation towards the foreign direct investment (FDI) involve in the domestic equity market. By doing so, it was help to attract greater volume of FDI flow into Malaysia and providing portfolio diversification and enabling individual firms to engage in specialized production with efficiency gain. (2) Malaysia government has to develop the domestic equity market as there were evidences showed that a more developed equity market may provide liquidity that lowers the cost of the foreign capital essential for development, thus, nation with greater development of equity market tends to generate more domestic savings for economic growth. For example, in order to boost the confidence of foreigner to invest in Malaysia, we have to make sure that all public information which provided by all those public listed companies must be accurate and transparent. For recently cases of Transmile Group Bhd and Megan Media Bhd as its provided faulty company statement to the public, securities commission of Malaysia has been tighten the regulation such as Capital Markets and Services Act 2007 (CMSA) to avoid this scenario exist again. Hence, this was best to protect the interest of public by creating a fair and transparent condition for domestic equity market to rebuild the confident of foreigner as well as domestic investors. Beside that, more developed stock market does provide incentive for managers to make investment decisions that may affect firm value in the long run. (3) Lastly, government has to improve the liquidity of stock market by providing more capital market services such as derivative markets, thus, it enable firms to acquire much needed capital quickly to facilitate capital allocation for greater investment and lastly lead to economic growth. Those markets provided a platform for foreign portfolio investors as well as domestic portfolio investors to diversify their portfolio in domestic equity market.

In conclusion, the results of this paper revealed that the stock market does help predict the future economy. Although it may not be surprising to find that fluctuations in economic activity may be preceded by changes in stock prices, our finding that changes in GDP are "Granger-caused" by changes in stock prices is important in that it provides additional support for the leading economic role of the stock market. Our findings suggest that the evolution of financial sector in particular the stock market tends to be more likely to stimulate and promote economic growth when monetary authorities adopt liberalised investment and openness policies, and improve the size and the regulations of the stock market and macroeconomic stability.

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Table 1. Results for the Augmented Dickey-Fuller unit root tests for RGDP and KLCI

Panel A: Level			
	Constant		Constant
Variable	with trend		without trend
RGDP	-2.6979(1)		-0.4813(0)
KLCI	-2.8151(0)		-2.2411(0)
Panel B : First difference			
	Constant		Constant
Variable	with trend		without trend
RGDP	-4.8474(1)*		-4.3405(0)*
KLCI	-5.5444(0)*		-5.5884(0)*

Notes: The null hypothesis is that the series is non-stationary, or contains a unit root for the ADF. The rejection of null hypothesis for ADF tests based on the Mackinnin critical values.

* indicates the rejection of the null hypothesis of non-stationary at 5% significance level.

Table 2. Results of Granger-causality Tests

Dependent variable	Independent variable	
	RGDP	KLCI
RGDP	-	4.1184* (0.0303)
KLCI	0.5488 (0.5354)	-

* indicates statistical significant at 0.05 level.



Empirical Analysis of Liaoning Provincial Rural Economic Growth Influential Factors Based on Ridge Regression

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Abstract

Taking Liaoning Province as an example, this article analyzes quantitatively rural economic growth influential factors by the ridge regression technology and the standard SPSS statistical software, and the result indicates the key factors of Liaoning rural economic development rest with investment, consumption and foreign trade, and we advise Liaoning Province should extend educational investments, enhance the quality of human resource and expedite steps of industrial structure updating and independent innovation to ensure sustainable quick development of Liaoning Provincial rural economy and complete vitalization of the old industrial base.

Keywords: Ridge regression, Rural economic growth, Influential factors, Empirical analysis

The CPC Central Committee has confirmed the strategic deployment of present, agriculture and rural development by the form of “document No.1” since 2004. Because Liaoning Province is the national old industrial base, so whether the rural development can follow urban development becomes the key to actualize science-based development and urban-rural harmonious development. Therefore, it is very important to confirm main factors influencing Liaoning rural economic growth and adopt appropriate methods to comprehensively evaluate Liaoning rural economy, which can not only implement short-term control and introduction of rural economy for the government, but also improve the long-term development of whole rural economy. Taking Liaoning rural economy as the objective, this article tries to open out the decisive factors of stagnation and vitalization of rural economy, and offer intelligent supports to improve quick developments of Liaoning Provincial rural economy and complete vitalization of the old industrial base.

1. Rural economic change analysis of Liaoning Province

1.1 Interim changes

As viewed from the absolute quantity of Liaoning rural economy (taking the total production values of agriculture, forest, herd and fishing as the observation index), the gross is ascending in 26 years from 1980 to 2005, but it presents obvious interim character. The stage from 1980 to 1985 is the term of slow growth, the stage from 1986 to 1997 is the term of quick growth, the stage from 1998 to 2000 is the term of balanced development, the stage from 2001 to 2005 is another term of quick growth. But as viewed from rural economy growth rate, the stage from 1980 to 1985 is reduced year after year, the stage from 1986 to 1997 maintains high level growth, the stage from 1998 to 2000 almost has no growth, the rural economy growth rate after 2001 is enhanced year after year, and it doesn't achieve 22.71% of the average growth level during 1986 to 1997.

1.2 Appearance of difference

Comparing with national rural economic growth at the same term, the yearly average growth rate exceeds 10% than the national level, which indicates that as the important commodity grain bases and equipment manufacturing bases, Liaoning possesses driving developmental tendency (Zhai, 2005, p.4-8). But after 2000, that predominance has been reduced to 5%, and with Chinese new round economic development wave, the late-development predominance occurs and Liaoning urgently needs new developmental impetus.

2. Empirical analysis of Liaoning provincial rural economic growth factors

2.1 Selection of variables and data

This article utilizes the ridge regression method to analyze the influential factors of Liaoning rural economic growth. When we select research variables, except for taking economics theory as the base and absorbing acquired research results (Xu, 2003, p.105-107 & Li, 2006, p.38-40), we also consider the economic developmental situation of Liaoning and the objectivity and acquisition of variable data, and we take the gross of agriculture, forest, herd and fishing (ZCZ) as the attributive variable, select 11 variables as independent variables including labor force investment (LDL), human capital investment (RL), material capital investment (GZ), technical level (JS), import (JK), export (CK), overseas

investment (WZ), denizen consumption payout level (XF), population increase (RK), urban-rural structure (CXJ), and industrial structure (CYJ), in addition, we take “ZCZ” (unit: hundred million Yuan) to represent the whole rural economic developmental level of Liaoning.

In above 11 variable indexes, the labor force investment is denoted by rural employee amount of Liaoning (unit: ten thousand) in past years, the human capital is denoted by the student amount (unit: ten thousand) in middle vocational schools of Liaoning in past years, the material capital is denoted by the collective economy fixed assets investment gross (unit: hundred million Yuan) of Liaoning, the technical level is denoted by the three patents application authorized amount of Liaoning in past years, the import and export of farm products are respectively denoted by the farm product import gross (unit: ten thousand dollars) and the farm product export gross (unit: ten thousand dollars) of Liaoning in past years, the overseas investment is denoted by the actual utilized foreign capital (unit: ten thousand dollars) of Liaoning in past years, the denizen consumption payout level is denoted by the rural denizen consumption payout level (Yuan per person) of Liaoning in recent years, the urban-rural structure is denoted by the urban population proportion accounting for total population of Liaoning, the industrial structure is denoted by the second and third industrial growths accounting for domestic production gross, and the population increase is denoted by the natural population increase rate of Liaoning. The data of all variables are selected from the annual data from 1980 to 2005 (the original data come from “Liaoning Province Statistical Yearbook”). Before the ridge regression analysis, we make logarithmic processing to all variable data, which would not influence relations among variables. Various variables after logarithmic processing are respectively noted as $Y=\ln ZCZ$, $X1=\ln RL$, $X2=\ln XF$, $X3=\ln LDL$, $X4=\ln CK$, $X5=\ln JK$, $X6=\ln WZ$, $X7=\ln GZ$, $X8=\ln RK$, $X9=\ln JS$, $X10=\ln CYJ$, $X11=\ln CXJ$.

2.2 Quantitative analysis of influential factors of Liaoning provincial rural economic growth

2.2.1 Ordinary least square (OLS) regression

We utilize the ordinary least square method to make multivariate linear regression, and the test results of the model are $R^2=0.9953$, $F=274.2374$, $p=0.0000$, the value of most regression coefficients P is bigger than 0.05 and has no markedness. Make relativity analysis to various variables, from the relative coefficients among various variables, we found that strong relativity existed in variables (every relative coefficient is bigger than 0.5, and for the coefficient relative to Y , six variables are bigger than 0.9 and five variables are in 0.8-0.9.), and the regression coefficient and test results are seen in Table 1. Next, we make multivariate linear regression diagnosis to the above model.

2.2.2 Multivariate linear diagnosis

We adopt the following two methods to judge whether the above multivariate regression equation has the multivariate linear problem.

(1) If the regression R^2 of Y to all X is always bigger than the R_k^2 of attributive variable to every independent variable, so serious multivariate linear exists.

(2) If the value of VIF, difference expansion coefficient is bigger than 10, so the multivariate linear exists, where $VIF = 1/(1 - R_k^2)$.

From Table 2, we can see that for the first method, R^2 is always bigger than R_k^2 , so serious multivariate linear exists. In the difference expansion coefficient, the expansion coefficients of $\ln RL$, $\ln XF$, $\ln LDL$, $\ln JK$, $\ln WZ$ and $\ln CXJ$ are bigger than 10, which indicates that various variables have close relations. Under this situation, if we use the OLS regression analysis method, the model conclusion may have a big difference with reality, which would induce the explanation of the model is of no effect. Therefore, in this article we utilize the ridge regression method to analyze influential factors.

2.2.3 Ridge analysis of influential factors of Liaoning provincial rural economic growth

(1) Principle of ridge regression

The method of ridge regression is a sort of biased estimation method specially used to multivariate data analysis, and it is a sort of improved least square method actually which looks for regression process more according with practice but with little effect and costs unbiased estimation of least square method and part precisions (Zhang, 2002). Its idea is to add a matrix D in the regression coefficient and cost unbiased estimation to reduce difference and correct multivariate linear. Though the residual sum of square deserved from ridge regression is bigger than from least square regression, but its endurance to bad data is far stronger than least square regression. In equation (1), k is the step size which usually begins from a small positive number such as 0.01, and gradually experiment until the coefficient estimation is stable.

$$b = [X'X + kD]^{-1} X'y \quad (1)$$

(2) Analysis result of ridge regression

Though SPSS doesn't offer the interface of dialog box for ridge regression, but it has a set of complete macro-program which is called “ridge regression. sps” and put in the install approach of SPSS, and its transfer method is as follows.

“INCLUDE”SPSS approach\Ridge Regression.sps’.

Ridgereg enter= list of independent variable

/dep= name of attributive variable

/start= the starting vale of k, the default is 0

/stop= the ending vale of k, the default is 1

/inc= the searching step of k, the default is 0.05

/k= number of k allowing searching, the default is 999.”

In the program, we first should use the order of “include” to reading macro-program, then transfer it by name of “ridgereg”, and notice that every variable with default value need not be set. The last “.” represents the end of whole sentence, which can not be missed.

After running the ridge regression macro program of SPSS12.0, we can get ridge regression coefficients of various independent variables under different ridge parameters, which are seen in Table 3. From Table 3, we can see that when the ridge parameter is bigger than 0.45, the regression coefficients of various independent variables go to stable, and from the ridge trace in Figure 1, we can also see that when $k=0.5$, changes of various variables take horizontal beeline as the asymptotic line, so we select standardization regression equation when the ridge parameter is 0.45.

$$\ln ZCZ = 0.1052 \ln RL + 0.1782 \ln XF + 0.0504 \ln LDL + 0.1026 \ln CK + 0.0717 \ln JK + 0.0895 \ln WZ + 0.1354 \ln GZ - 0.0582 \ln RK + 0.0789 \ln JS - 0.0129 \ln CYJ + 0.121 \ln CXJ$$

(3) Result analysis of ridge regression

From the ridge regression result, we can see that in 11 independent variables, only $\ln RK$ presents negative correlativity, and others present positive correlativity, and in 11 positive correlative variables, the sequence of regression coefficient is $\ln XF$, $\ln GZ$, $\ln CXJ$, $\ln RL$, $\ln CK$, $\ln WZ$, $\ln JS$, $\ln JK$ and $\ln LDL$. From the symbols of regression coefficient, we can see that except population increase and over large proportion of the first industry block the economic growth of Liaoning, the enhancements of other variables can improve the rural economic growth. From the regression coefficient, we can see that the variables which influence Y (rural economic growth) most are the denizen consumption level (0.1782) and the material capital (0.1354), and the variables which influence Y least are the industrial structure (0.0128) and the labor force quantity (0.0504). Through classifying selected variables, we found that investments (including overseas investment and material capital) have large influences to economic growth, then consumption, then foreign trade (import and export), urban-rural structure and human capital, and above indexes fully influence the economic growth of Liaoning, but labor force, technology and industrial structure have little influence to the rural economic growth of Liaoning.

In three basic factors influencing economic growth, labor, capital and technology, the function of material capital and human capital is very notable, but the function of the labor force and technical level is weak for the rural economic growth of Liaoning. From a long-term view, the economic growth of one area mainly depends on the accumulation of technical advancement and human capital, and the accumulation of human capital is represented by the investment to education and scientific research. Therefore, to realize sustainable and stable rural economic growth and transformation of rural economic growth fashion of Liaoning, the government should fully increase science and technology investments and continually enhance the contribution of high-tech factors in economic growth.

The factor of consumption has important influences to rural economy of Liaoning, and the denizen consumption payout is the main body composing domestic demand. In exterior factors, overseas investments have important functions to improve rural economic growth of Liaoning, but at present, it is an urgent problem how overseas investments flow to rural domain as soon as possible. The import and export in foreign trade respectively rank the fifth and the eighth position, and in 2005 the Liaoning agricultural opening degree (the gross of farm products import and export/GDP) is only 3.67%, and the foreign trade has not become the main impetus to improve quick developments of rural economy. Liaoning should reasonably utilize geography predominance of eastern inshore province, strengthen the opening force, improve investment environment, actively introduce overseas investments, encourage import and export trade and improve economic developments.

In structure indexes, the function of industrial structure is not obvious to rural economic growth of Liaoning, and the function of urban-rural structure is outstanding, which respectively rank the tenth and the third position in regression coefficients. Through analysis of 100 countries with different income levels, famous economists Chenery and Kuznets at el educed conclusions that the core of economic growth process is the transformation process of industrial structure. The industrial structure of Liaoning should be further adjusted and enhanced to improve high speed growth of economy. The urban-rural structure represents the urbanization level of one country or region, and in 2005, the proportion of Liaoning town population is 48.45% of total population, and the urbanization level of Liaoning drives quick growth of

rural economy.

3. Conclusions and policy advice

From above analysis, we can see that those key factors which influence Liaoning rural economic growth obviously include investments (material capital and overseas investments), consumption and foreign trade, and those key factors which influence Liaoning rural economic growth lightly include the quality of human resource, industrial structure and technology. Therefore, to make Liaoning economy keep quick and stable growths, we think the government should continue to keep the level of predominant factors, mainly enhance the level of weak factors, actualize the transformation of economic growth fashion, and keep the sustainable development of economy. So we put forward following concrete advices and measures. First, the government should further encourage and stimulate social consumption, increase the accumulation of human capital through increasing investments to education and scientific research, and strengthen the contribution function of scientific research to economy. Second, the government should improve investment environment, actively introduce overseas investments, increase the opening power, especially further enlarge exports by means of utilizing the geography predominance of inshore northeast areas and increase commodity imports according to present economic developmental demands of Liaoning. Third, the government should actively adjust and optimize the industrial structure, expedite the developmental speed of the third industry, improve the developments of agriculture and country in virtue of the vitalization opportunity of old northeastern industrial bases to make the country fully enjoy advantages brought by the industrial structure updating. Last, the government should properly develop the level of urbanization, control population growth and enhance cultural quality of rural labor force.

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Table 1. Multivariate linear regression parameter estimation by OLS

Variable	Coefficient	T-Statistic	Prob.
C	7.104092	0.720997	0.4828
lnRL	0.267135	0.564120	0.5816
lnXF	1.315053	6.974209	0.0000
lnLDL	0.972353	0.831492	0.4197
lnCK	0.059478	1.197574	0.2510
lnJK	-0.099470	-1.266973	0.2258
lnWZ	-0.048202	-0.927480	0.3694
lnGZ	0.059378	0.574044	0.5750
LnRK	-1.502322	-1.749324	0.1021
LnJS	0.048957	1.061722	0.3063
lnCYJ	0.281946	1.033578	0.3189
lnCXJ	1.329392	4.635575	0.0004
R-squared	0.995380	F-statistic	274.2374
Durbin-Watson stat.	2.015340	Prob (F-statistic)	0.000000

Table 2. Multivariate linear diagnosis result of variables

Variable	VIF	Rk2
lnRL	24.39024	0.959
lnXF	111.1111	0.991
lnLDL	11.23596	0.911
lnCK	9.52381	0.895
lnJK	13.51351	0.926
lnWZ	10.86957	0.908
lnGZ	3.676471	0.728
LnRK	0.547046	-0.828
LnJS	7.246377	0.862
lnCYJ	5.025126	0.801
lnCXJ	29.41176	0.966

Table 3. Standard regression coefficient of various independent variables under different ridge parameters

K	LnRL	LnXF	LnLDL	LnCK	LnJK	LnWZ	LnGZ	LnRK	LnJS	LnCYJ	LnCXJ	R ²
0.00	0.1205	1.0894	0.1100	0.0824	-0.1492	-0.1183	0.0518	-0.1271	0.1546	-0.2318	-0.1855	0.9950
0.10	0.1186	0.3367	-0.0307	0.0906	0.0274	0.0886	0.1700	-0.0645	0.1104	-0.1081	0.1551	0.9780
0.20	0.1136	0.2497	0.0133	0.1009	0.0515	0.0935	0.1571	-0.0584	0.0916	-0.0591	0.1401	0.9680
0.30	0.1096	0.2101	0.0343	0.1031	0.0631	0.0921	0.1469	-0.0575	0.0840	-0.0308	0.1304	0.9620
0.40	0.1065	0.1867	0.0463	0.1030	0.0696	0.0903	0.1389	-0.0579	0.0801	0.0023	0.1237	0.9580
0.45	0.1052	0.1782	0.0504	0.1026	0.0717	0.0895	0.1354	-0.0582	0.0789	0.0128	0.1210	0.9560
0.50	0.1040	0.1711	0.0538	0.1021	0.0734	0.0887	0.1322	-0.0586	0.0778	0.0182	0.1187	0.9540
0.60	0.1019	0.1597	0.0589	0.1008	0.0759	0.0874	0.1265	-0.0593	0.0763	0.0265	0.1148	0.9510
0.70	0.1001	0.1509	0.0624	0.0994	0.0774	0.0862	0.1216	-0.0599	0.0752	0.0327	0.1116	0.9480
0.80	0.0985	0.1439	0.0650	0.0980	0.0784	0.0852	0.1173	-0.0604	0.0744	0.0374	0.1089	0.9450
0.90	0.0970	0.1381	0.0668	0.0966	0.0790	0.0843	0.1135	-0.0609	0.0737	0.0411	0.1065	0.9420
1.00	0.0957	0.1332	0.0682	0.0953	0.0793	0.0834	0.1100	-0.0612	0.0732	0.0441	0.1044	0.9400

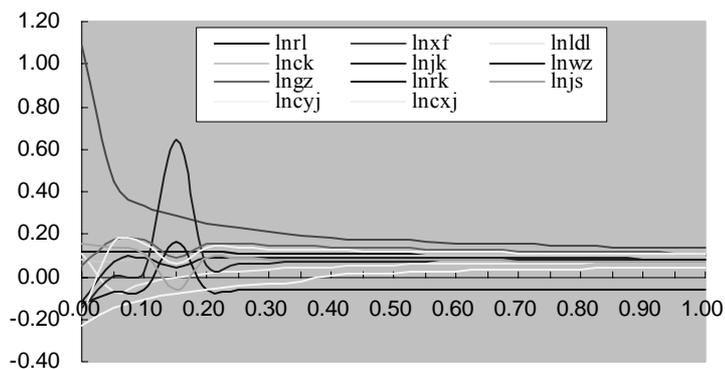


Figure 1. Ridge Trace of Rural Economic Growth Factors of Liaoning Province



A Discussion on Development of China's Housing Mortgage-backed Securitization and American Experiences

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Abstract

China's real estate market develops fast. And the demand for housing mortgage is increasing at the same time. However, because of its long period and poor liquidity, the increasing personal housing mortgage will inevitably add more risks for commercial banks in their asset-debt management. It is a must to apply the housing mortgage-backed securitization. This paper discusses the development of China's housing mortgage-backed securitization and analyzes the case in America, researching its official activities and its successful experiences, with the hope of providing with useful references for China's coming housing mortgage-backed securitization.

Keywords: Housing mortgage-backed securitization, Secondary mortgage market, Government interference, American experiences

1. The main problems in developing China's housing mortgage-backed securitization

1.1 The property-right relationship is still unclear in China's real estate market

Clear property-right is the base for both housing mortgage and mortgage-backed securitization. At present, the property-right for China's urban residents is mostly unclear. In recent years, the local government in certain area constructs some semi-commercial houses for low-income residents, such as economically affordable houses, functional houses, and cooperatively-constructed houses. For these kinds of houses, the government has partial property-right due to its investment in lands and policies. Therefore, the proportion of property-right that is hold respectively by the government, the real estate developer, and the resident is hard to define. As a result, the property-right in the house market stays in an incomplete state. Then, under the condition of betraying the contract, it is difficult to protect the interests of loaners. The long existence of unclear property-right will directly affect the demand for house mortgages in the primary market.

1.2 There is short of officially guaranteed agencies in primary mortgage market and officially issuing agencies in secondary market in China, which is not good for the decrease of risks in securities

In the primary market in America, there are two official agencies, namely Federal Housing Administration (FHA) and Veterans Administration (VA), which can provide with guarantee for mortgage loan. After the securitization, the guaranteed mortgage assets are safe and profitable, and gain more attentions from investors. In the secondary market, Federal National Mortgage Association (FNMA), Government National Mortgage Association (GNMA), and Federal Home Loan Mortgage Corporation (FHLMC) issue 98 percent of total mortgage securities. In 1993, the securities issued by the three organizations reached 878.7 billion dollars. Pure market organizations almost fail to live in the secondary market. Therefore, official credit guarantee is one of chief elements that affect the securitization of mortgage loan. However, in China, there is no officially guaranteed agency in the primary market, not mention the secondary market. It is a demanding work to construct and perfect the officially guaranteed agencies and the officially issuing agencies in the two markets in China.

1.3 More restrictions on security investors block the development of securitization.

Housing mortgage securities is a relatively optimal investment compounding. The main investors are usually organizations. In China, the government forbids annuities, common-funds, and insurance companies to buy securities because of the potential risks. In 1999, although the restrictions are looser than ever, but still strict that is not good for the housing mortgage-backed securitization. The right way is to gradually perfect the finance system, release the restrictions on organizational investors, and enhance supervision on finance.

1.4 Housing mortgage-backed securitization concerns a series of taxation and accounting issues, in which China is far from perfect

For example, in the taxation field, it is a must to avoid double taxation. In other words, the compound interests and the

pure interests obtained by the security issuer should not afford taxes at the same time. Otherwise, the profits will be killed. However, China does not have relevant regulations in this field.

2. The significance of developing mortgage-backed securitization (MBS) in China

2.1 Decrease the operational risks in commercial banks' and increase the assets liquidity in banks

Commercial banks face interest rate risk and liquidity risk as they issue house mortgage loans. The former is the primary risk for financial agencies, such as commercial banks, in their operations. It has the prominent characteristics of unmatched asset-and-liability period risk and connotation choice risk. The liquidity risk means the long period, lagged-behind turnover, and poor liquidity of house mortgage loans issued by commercial banks and other financial agencies. According to experiences in developed countries, as balance of house mortgage loans reaches 30 percent of total loans, banks will face assets' liquidity risk. The safety of banks' assets may be hurt. In China, the total house mortgage loans and the relative amount are small, and have greater space for further development. But in recent years, more and more individuals instead of groups choose to buy houses. The house mortgage loans issued by commercial banks tend to increase. All these factors contribute to the potential need for trading credit right and realizing asset securitization. By means of housing mortgage-backed securitization, banks' assets that are not for trade can circulate in the secondary market in form of securities, which can in a sense disperse and transfer commercial banks' risks among other investors in market.

2.2 Improve the operation efficiency in China's real estate market

In order to execute the house mortgage-backed securitization, the loans issued by commercial banks must reach certain amount. However, at present in China, the house mortgage loans merely occupy 1 percent of banks' total loans. According to the experiences in countries that execute securitization, the proportion is higher than 20 percent. Therefore, banks have to properly enlarge the scale of loans in order to execute house mortgage-backed securitization. Then more house buyers can borrow money from banks. The increasing demand for houses can help to solving the imbalance issue of supply and demand, decreasing the vacancy ratio of commercial houses in real estate market. Besides, security investors usually choose houses that are active in market in order to decrease the losses caused by contract-betraying behaviors. Therefore, investors usually take house quality into consideration as they buy securities. As a result, banks will choose high-quality houses as mortgages as they provide with loans for borrowers. All these factors stimulate house buyers' need for high-quality houses, which speeds up the competition in real estate market.

2.3 Motivate the security market and perfect the finance market system

On one hand, housing mortgage-backed securitization can provide with a new investment product that has low risk and stable income for the capital market, and a financial tool to drive the transformation from savings to investment, enhancing the relationship between the current market and the capital market. On the other hand, housing mortgage-backed securitization is a systematic work, concerning commercial banks, special agencies, credit ranking agencies, security companies, asset management companies and organizations, personal investors, and many other aspects. Besides, it needs for official supervision and a relatively perfect legal environment. By means of executing the securitization, these organizations and agencies can cooperate mutually and drive the perfection of finance market.

3. The feasibility analysis on developing house mortgage-backed securitization (MBS)

3.1 MBS meets the basic demand for securitization.

In general, the asset that is right for securitization should meet these conditions as follow. (1) The cash flow can generate as promise. And this promise is kind of contract. (2) The cash flow follows certain law and is predictable. (3) It is possible to predict the instant risk of cash flow. (4) The securitized assets should be similar. And the collected asset compounding should reach required amount. (5) The securitized asset should possess excellent quality for purchase and low credit risk. However, comparing with other kinds of loans, the house mortgage loans in China have lower risks caused by contract betraying behaviors due to the higher initial payment, reaching 30 percent of the total value. The high values of assets, the large scale of loans, the standard the loan contract, the mall loans, the quite equal payment period, and the easy-to-compound assets are all features of China's house mortgage loans. The pre-payment of loans is highly predictable, which guarantees a stable cash flow. Therefore, the house mortgage loans are in accord with the basic requirement for assets' securitization, which can be regarded as the ideal target assets in securitization.

3.2 To develop house mortgage-backed securitization already possesses sufficient asset support.

Only when the house mortgage loans reach certain scale, can assets' securitization become possible. Then similar assets can form capital compounding that serves as the base for issuing securities. Since China People's Bank issued the Regulations on Individual House Guaranteed Loan Management, the individual house mortgage loans have increased greatly. Till late 1999, the business houses' mortgage loan surplus issued merely by the four state-owned commercial banks reached 12.6 billion Yuan. Comparing with the amount in early 1999, the number increases 145 percent. There into, China Construction Bank issued the most house mortgage loans, reaching 86.3 billion Yuan, increasing 94 percent

than that in 1998. And according to data in the first several months in 2000, the increasing ratio is rising. Therefore, the housing mortgage-backed securities supported by house mortgage loans have already possessed adequate asset scale and payment ability.

4. The successful experiences of America

The main control and adjustment measures adopted by American government in MBS:

The securitization of assets initially emerged in American house mortgage loan market in early 70s in 20th century. Although its history is short, the securitization of mortgage loans possesses a series of special features and advantages. Especially, American government has taken many favorable policies to support and regulate the mortgage-backed security business, insuring the capital safety of investors. The safety and liquidity of house mortgage loans have been greatly improved. The house mortgage-backed securitization market has been enlarged rapidly. It helps to liberate some financial agencies from their enormous bad assets that are caused by issuing house mortgage loans. At the same time, it provides with a creditable mid- and long-term investment tool for the security market. The government takes part in the market and helps the house mortgage market become a relatively independent and perfect market system, which is the key for the success of America in the house financial market and the operation of MBS. In order to perfect the house mortgage loan mechanism and drive the development of securitization, American government takes a series of control and adjustment measures in the house mortgage loan market.

4.1 Set up multi-level adjustment institutions

In America, there are three systems that are engaged in adjusting the house finance business.

(1) The officially guaranteed and insured institutions in primary market. In 1934, America issued the National Housing Action (NHA). Then the Federal Housing Administration (FHA) and the Veterans Administration (VA) have been formed, which can help loaners escape from the payment risks and the inflation, providing with basic conditions for the securitization of mortgage securities. (2) The federal housing loan bank system. In this system, the government serves as a guarantor who collects capitals from individuals and uses them as flowing cash for house construction and consumption. By this way, the government exerts its function of being house mortgage agencies' storage center, showing its vital effects on stabilizing the house finance system, driving the liquidity of house mortgage capitals, insuring the supply of house mortgage capitals, and adjusting the secondary mortgage market. (3) The national secondary market operation system. In America, the house mortgage market is deeply affected by the government. Its adjustment chiefly focuses on the secondary market. There are totally three secondary-market institutions in America. Till 1996, the mortgage security market balance issued by the three institutions occupies 55%-60% of the total house mortgage loans, reaching 1700 billion dollars, accounting for 89% of the total market shares in the secondary mortgage market.

4.2 Constitute a perfect legal system

In America, the appearance and development of housing mortgage loan market and its securitization are always based on laws and regulations. From 1933 to now, America has constituted a series laws and regulations, such as the Housing Mortgage Re-loan Action, the Housing Loan Action, and the Housing Action, emphasizing the greater responsibilities of government in housing development, city construction, and housing finance fields. These laws and regulations serve as the base for government supporting the house mortgage. After realizing the housing mortgage-backed securitization, America further makes up the Real Estate Investment Trust Action, the Financial Asset Securitization Investment Trust Action, and a series of laws and regulations related with the housing finance securities in order to guarantee the proper application of housing mortgage-backed securitization.

4.3 Provide with favorable policy environment

In America, the federal government provides with many favorable policies for the government-supported institutions to encourage the housing mortgage-backed securitization, including: (1) the mortgage securities issued by these institutions can free from the register and approval of the America Security Exchange Committee; (2) the Federal Reserve Bank's accounting system, the deposit trust company, and the European liquidate system can provide for these institutions' securities with services in settlement; (3) the standard mortgage-backed securities issued by these institutions are regarded as no-risk investment tools. Different financial institutions can buy or hold this kind of mortgage-backed securities without any restriction. Besides, these securities can be used as the guarantee in order to obtain loans from the Federal Reserve Bank and the Federal Home Loan Bank. According to relevant rules, the mortgage-backed securities in five-year term can be taken as the circulating assets of deposit and loan institutions; (4) their profits are free from state taxes and local taxes.

4.4 Exert market's adjustment effect completely

In the securitization of American real estate, the government shoulders a dominant responsibility in legalization and establishment of institutions, which on one hand helps to solve problems that could not be settled own by the market, and on the other hand creates favorable conditions for the development of commercial finance institutions. However,

the government neglects the effects of commercial finance institutions. As the government makes best use of different financial tools, it lays more stresses on motivating the private capitals. In general, many different institutions participate in the process of securitization. And private institutions occupy an important position. It is competition that drives the improvement of product quality and the decrease of price. Even for state-owned companies, they still operate by themselves in market. What the government provides for them is merely nominal support, instead of financial support.

5. The inspirations of America's successful experiences for China

5.1 The government can use its powerful strengths in system transformation to drive the development of housing mortgage primary market, constructing a market base for mortgage loan.

As the securitization's target asset, housing mortgage loans must achieve certain scale. The housing primary market, the mortgage loan market, the secondary market, and the security market are connected closely. Just as what was discussed above, American government has great effect on the primary market of housing mortgage-backed securitization. Before the securitization of housing mortgage loan in America, the house mortgage loan balance has already occupied 30 percent of GDP. Till late 2000, the proportion in China is less than 4%, far lower than England's 56%, America's 54%, or Japan's 33%, and even less than some developing countries, Malaysia's 23%, Thailand's 13%, and Philippines' 11%. At present, it is urgent to use government's powerful advantages in system transformation, driving the development of housing mortgage primary market, constructing a market base for mortgage loan. In this process, the standards for issuing house mortgage loans should be same because theoretically the standardization and regulation of mortgage conditions can serve as the base for mortgage loan compounding. And they can decrease the transaction costs. We should focus on the initial step, insuring the standard and regulated operation in the process of securitization.

5.2 The government should price the housing mortgage-backed securities rationally.

Since 1997, America has priced the mortgage-backed securities by means of advance repayment model. Later, the government adopted the option-adjusted price difference to accurately price the mortgage-backed securities. Presently in China, there are no systematic studies on house mortgage loans' advance repayment behavior. Especially, there is no long-term experimental data for empirical analysis. Therefore, to price the mortgage-backed securities accurately must experience a long theoretical and practical accumulation process. On the other hand, American housing mortgage loans have many different forms, including fixed interest rate mortgage loan, changeable interest rate mortgage loan, inflating mortgage loan, fixed capital-repayment mortgage loan, fixed repayment mortgage loan, price-adjusting mortgage loan, and inverse annuity mortgage loan, what meet different needs of consumers. Today in China, there is only the changeable interest rate repayment for the housing mortgage loan. If we practice the housing mortgage-backed securitization, we should choose certain loan products that have stable cash flow to compound them and put them in market. Apparently, it is hard to predict the interest rate in the future, which will make it more difficult to price the mortgage-backed securities. Therefore, it is necessary to apply the fixed interest rate repayment way in the primary market, which can satisfy the different preferences of consumers to mortgage loans.

5.3 Constitute a favorable system and provide with a nice policy environment

It chiefly refers to constitute the necessary laws and regulations for real estate securitization. In the MBS process, the initial issuer, the special carrier, and the credit-adding institution should take part in the securitization by contract. This process should be legal, independent, and clear. And many other countries execute the MBS by legalization. In America, although there are no special laws or regulations for securitization, it has a perfect legal system, including the Bankruptcy Act, the Security Act, the Security Exchange Act, the Venture Company Act, and the Trust Contract Act. Only by means of legalization, can we guarantee the proper process of MBS and its relevant real estate and financial activities. Besides, the government should provide with a nice policy environment, especially in taxation, and accounting fields, for these state-supported institutions. And the interest rate should be determined by the market mechanism, instead of being affected by the government.

5.4 Construct Special Purpose Vehicle (SPV) for trust investment

In the process of housing mortgage-backed securitization, SPV is vital for its success. Therefore, the government should help to construct one or two national SPV that is independent from other financial institutions, which is the key for the success of China's housing mortgage-backed securitization. However, the legal process is complex to construct SPV. Then, according to the present situation of financial agencies, we can make the four capital management companies to shoulder some responsibilities of SPV. By this way, we can not only expedite the process of housing mortgage-backed securitization, but also find new capital resources for these capital management companies, separating their operation risks. As conditions mature, we can choose to construct independent SPV that is engaged in issuing and managing capital securities in some cities where the housing mortgage-backed securitization develops fast.

5.5 Regulate China's credit-ranking system

At present, China's credit-ranking system is imperfect. Firstly, many credit-ranking institutions do not have neutral and regulate systems or organizations. Secondly, none of credit-ranking institutions is acceptable and recognized by

investors in market. Thirdly, there is universal standard asset evaluation system and scientific ranking method. The imperfect credit-ranking system will inevitably affect the development of housing mortgage-backed securities in market. Therefore, it is a must to reform present credit-ranking industry. The reform should focus on constructing neutral, and self-management credit-ranking institutions, cutting the direct interest connection between credit-ranking institutions and applicants. We should take reference from international experiences, and enhance the cooperation with world famous credit-ranking institutions, such as Standard & Poor's, and Moody's, in order to learn from their ranking technologies and management. At the same time, we can make up ranking rules in China market. Regulate the activities of domestic credit-ranking institutions according to international standards. Adopt advanced and scientific ranking methods to improve the ranking quality. Establish China credit-ranking institutions' fame and image in domestic and world capital market step by step.

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Short-Term Memory in EFL Listening Comprehension

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Abstract

This paper relates the definition of STM, the difference between STM and LTM, and theoretical and empirical researches on STM. On the basis of this analysis, the paper draws a conclusion that using good listening skill will make EFL listener retain the material in STM for a longer time and skillfully activate knowledge in LTM to enter STM; STM plays an important role in listening comprehension.

Keywords: Listening comprehension, Short-term memory, Long-term memory, EFL (English as a Foreign Language)

1. The definition and nature of STM

A very important event in the history of cognitive psychology was the development of a theory of STM (short-term memory) in the 1960s. Jack C. Richards, John Platt and Heidi Platt (2000: 283) define STM as: "Short-term memory refers to that part of the memory where information which is received is stored for short periods of time while it is being analyzed and interpreted. Once the message or information in an utterance is understood the data may become part of permanent memory (or long-term memory). The utterance itself is now no longer needed and may fade from short-term memory."

STM is transient memory. It has a limited capacity—it can only retain about seven or so unrelated chunks (a chunk is a meaningfully coded unit) once. LTM (long-term memory), on the contrary, is the place where more permanent information is stored. It is unlimited in capacity and holds information over a much longer interval, but it often takes a fair amount of effort to get information into it. LTM serves as a data base into which information is inserted through STM, and from which information is retrieved to be used in STM. STM plays the role of a gateway into LTM. In Call's (1985) view, memory is made up of three parts: sensory store, short-term memory and long-term memory. Information comes in from the environment through a series of sensory memory systems (iconic and auditory memory) from which it is lost unless attended. The transitory sensory store preserves information for a few hundred milliseconds; its characteristics are for the storage of visual information. Then the information goes into an intermediate STM where it has to be rehearsed before it can go into a relatively permanent LTM. Information is lost within 20-30 seconds if it is not rehearsed in STM. If the item leaves STM before a permanent LTM representation is developed, it will be lost forever. One can't retain information in STM forever since new information would always be coming in and would push out old information from the limited STM. STM can combine information from both the environment and LTM whenever a person tries to learn new information, make decisions, or solve problems. Once in STM, an item can be retained there by rehearsal. As an item is rehearsed, information about it is transferred to LTM. As soon as rehearsal of an item is brought to an end, the item soon will be displaced by a new incoming item and thus lost from STM.

By the late 1960s, a range of models began to appear in which STM and LTM were conceptualized as separate systems. The most influential of these was the Atkinson and Shiffrin (1968) model, which became known as the *modal model*, as shown in Figure 1.

The fact that STM is needed when we perform most cognitive tasks describes its important role as a working memory that maintains and manipulates information. Baddeley's working memory model gives a more complete account of STM by proposing a phonological loop for maintaining and manipulating acoustic information, a visual-spatial scratchpad for maintaining and manipulating visual/spatial information, and a central executive for making decisions—a supervisor who decides which issues deserve attention and which will be ignored. Functionally the phonological loop and the visual-spatial scratchpad appear somewhat similar to the concept of STM because they retain respectively verbal and visual information. Cowan (1995) and Engle (1998) have distinguished between working memory and STM by propounding that STM is a component of working memory; working memory has the ability to process and store the information simultaneously that distinguishes it from STM. The important function of STM is to maintain the activated-memory codes through the use of the phonological loop and visual-spatial scratchpad. The important function of the central executive is to control attention, strengthening a tighter link between capacity theories of attention and theories of working memory.

We should also realize the difference between STM and LTM. Being aware of distinction can facilitate the information to be retained in STM for a longer time. The distinction between STM and LTM has long been a part of psychology's history:

- (1) STM is brief, maintained by rehearsal. LTM is more durable.
- (2) STM has a limited capacity (7 ± 2 chunks), holding at most a few items, whereas the capacity of LTM is assumed to be virtually unlimited for all practical purposes.
- (3) STM is said to code items in a verbal form. We seem to verbally rehearse in STM. The encoding stage favors an acoustic code in STM, but one based on meaning in LTM. That is to say, STM preserves verbatim content, whereas LTM preserves meaning.
- (4) Forgetting occurs from STM when the contents of storage are displaced (and replaced) by later-occurring items. Forgetting doesn't easily occur from LTM.
- (5) STM serves to transfer information into LTM. Rehearsal in STM keeps information available longer for encoding into LTM.
- (6) Retrieval from STM is thought to be more or less error-free whereas retrieval from LTM appears to be error-prone and a major cause of forgetting.

2. Review of the researches on STM

From 1950s-1970s, the study of STM, the retention of small amounts of information over brief time intervals, formed a major component of the development of cognitive psychology. The research achievements in STM appeared one after another. The following part will offer the review of the theoretical and empirical achievements in STM research and the application of STM to language learning.

2.1 Theoretical and empirical researches on STM

1) We should believe that George A. Miller is the founder in STM. In 1956, a paper by G. A. Miller entitled "The Magical Number Seven, Plus or Minus Two: Some Limits on our Capacity for Processing Information." As the title proposes, Miller pointed out that on average it is possible to retain seven separate items of information in short-term storage at a time. Miller judged his proposal by experiments in which testees heard long lists of words, digits, or letters and then endeavored to recall as many items as possible. These studies indicated that testees always were able to recall five to nine items accurately. Such results proved that this was the maximum number of items a testee could retain in STM immediately. The finding was confirmed by many experiments later.

2) We should not ignore the importance of the *Atkinson-Shiffrin Model*. (1) The theory transferring information from STM to LTM put forward by Atkinson and Shiffrin (1968, 1971) placed emphasis upon the interaction between STM and LTM. They were particularly interested in how people could transfer information from STM to LTM. However, it is not always easy to enter new information into LTM. They suggested several control processes that could be used in an effort to learn new information. The control processes are strategies that a person uses to help the acquisition of knowledge, including rehearsal, coding, and imaging (three of the primary ways of learning). Because there are so many control processes to study, Atkinson and Shiffrin (1968) decided to concentrate their research on only one-verbal rehearsal. Verbal rehearsal is usually regarded as a form of rote learning (learning by repetition rather than through understanding) because it means simply repeating information again and again until we think we have learned it. It can be useful when the material seems rather abstract and we can't use strategies such as coding or imaging. Therefore, the learning of abstract and meaningless material encourages the use of rehearsal. The effect of rehearsal is to transfer information into LTM. (2) The *Atkinson and Shiffrin Model* explains that the serial position effect is the ability to recall words at the beginning and end of a list better than words in the middle of the list. Primary effect, the better recall of words at the beginning of a list, can be explained by their storage in LTM; that is to say, since early words are rehearsed more often than the other words, they should have a higher probability of being retrieved from LTM. Recency effect, the better recall of words at the end of a list, can be explained by their storage in STM; that is to say, the words at the end of the list are still in STM when a person begins the recall.

3) For the researches on the information coding in STM, from 1963 to 1976, Conrad (1972), Wickelgren (1973), Winkens (1976) and Shulman (1972) had carried out repeated experiments from the different angles at the different periods and put forward different coding modes successively, summing up to 2 kinds of coding: acoustic and semantic coding. Acoustic (speech-based) codes based on the sound of the stimulus are the predominant memory codes in STM. Semantic (meaning-based) codes based on the meaning of the stimulus are the predominant codes in LTM.

Kintsch and Buschke (1969) reasoned by performing the experiment that if STM was verbal in character, there would be a lot of acoustic interference if the words in the list sounded alike—for example, *see* and *sea*. If participants were asked what followed *see*, they might recall the word that followed *sea*. Such acoustic confusion would be a particular problem for words at the end of the list, which were supposed to be in STM. On the other hand, words from the

beginning of the list might cause semantic confusion if they were synonyms, such as *sea* and *ocean*, because these words were in LTM, where the coding was supposed to be semantic. Kintsch and Buschke discovered that recall for the last few words in the list was impaired if the words were homophones (similar sounding) and that memory for the first words of the list was impaired if the words were synonyms (similar meaning). It proved that STM is acoustic (sound-oriented) and LTM is semantic (meaning-oriented).

4) Craik and Lockhart (1972) propose the *depth of processing theory*. They think if the rehearsal is just a matter of rote repetition, it is not very effective; forgetting begins with the moment that the repetition stops. Rote rehearsal might be suitable for phone numbers dialed once, but it has main weaknesses when we want to remember information for longer periods of time. Sheer rehearsal is not enough to guarantee good LTM. Rehearsal improves memory only if the material is rehearsed in a deep and meaningful way. In order to transfer information to the relatively permanent LTM, it is indispensable to use elaborate rehearsal; that is, a deeper level of processing. Forgetting is relatively rapid in STM studies because the items have been analyzed only to a relatively shallow acoustic (or visual) level. Similarly, persistence in LTM is attributed to deeper processing of the items, particularly to analyzing the item's meanings (Craik and Lockhart, 1972). The more deeply processed words are better remembered. The more we can relate current experiences to previously stored information, the better we will remember them. The depth of processing theory disconfirmed the original Atkinson and Shiffrin theory of STM, which suggested that the information was transferred to LTM as a function of verbal rehearsal.

5) Recent evidence shows that two separate verbal-processing rates influence a person's memory span (Cowan, Wood, & Keller, 1998). One is the speed at which a person can pronounce the items on the list used to test the memory span. The other is the speed at which a person can retrieve the items from STM. Both rates decide how many items a person can keep active in STM. There is an interesting relation between memory span and verbal rehearsal. Cowan discovered this in a developmental study: both pronunciation rates and retrieval rates correlated with memory span but did not correlate with each other; that is to say, students who had fast pronunciation rates recalled more than students who had slow pronunciation rates, and students who had fast retrieval rates recalled more than students who had slow retrieval rates, whereas students who had fast pronunciation rates did not necessarily have fast retrieval rates.

6) Waugh and Norman (1965) tested whether the loss of information from STM is caused mainly by decay or by interference. Interference theory refers to "forgetting occurs because other material interferes with the information in memory" (Stephen K. Reed 2000: 85). Decay theory means "information is spontaneously lost over time, even when there is no interference from other material" (Stephen K. Reed 2000: 85). The findings proved that interference is the important reason of forgetting. If information spontaneously decays from memory, we can't stop its loss. If the loss of information is by interference, we can improve retention by structuring learning in order to reduce interference to a minimum. Two kinds of interference—proactive interference and retroactive interference exist. Retroactive interference means forgetting that happens because of interference from material encountered after learning; proactive interference means forgetting that happens because of interference from material encountered before learning. A phenomenon named *release from proactive interference* explains how interference can be minimized by reducing the similarity among items.

2.2 Application of STM to language study

To date, only a few studies have investigated the relationship between STM and language learning in the foreign countries and in China.

The result of Glicksberg (1963) was the first of these investigations. The findings suggest that STM span for linguistic input reveals a positive correlation with target language LC (listening comprehension); STM for random digits makes little contribution to the process of LC, even when it approaches the capacity of native language memory for the same type of input.

Lee (1964) also studied the relationship between STM and target language proficiency. She researched into target language memory span for long and grammatically complex sentences. The results offer evidence that long sentences are more difficult to recall than shorter ones; more proficient learners have learned to take advantage of increasingly complex syntactic patterns to chunk linguistic data coming in efficiently; complex grammatical structures impede beginners but facilitate advanced students and native speakers to recall spoken language.

St. Jacques (1964) found that differences in the lengths of native and target language STM span were a better predictor of overall language achievement than the length of the span for target language input itself. The result also states that individual differences in length of target language memory span are important only when they are very different from the length of the individual's native language span.

Harris (1970) investigated the relationship between scores on a measure of STM for target language input and scores on subtests of English proficiency. The findings suggest that measures of STM can clearly indicate a student's proficiency in the target language.

Levy (1978) proposes that although we can understand the meaning of words without subvocalization, subvocalization

is helpful in aiding the detailed recall of information. The results of Levy's experiment displayed that participants performed poorly when they had to count from 1 to 10 to suppress subvocalization while reading. They were not as accurate in identifying when changes occurred, regardless of whether there were lexical changes or semantic changes. However, suppressing subvocalization did not interfere with performance when the subjects listened to the sentence. This reveals that suppression interfered specially with reading, not with language comprehension in general. The difference between listening and reading is that the listener receives an acoustic code rather than a visual code. The fact that counting interfered only with recall following reading proposes that translating visual material into an acoustic code facilitates to retain detailed information in the text. A popular explanation of these findings is that subvocalization makes it easier to keep words in STM until they can be combined with others words in the sentence or paragraph (Conrad, 1972; Kleiman, 1975).

Wang Chuming (1990: 141) points out there are only two researches worth a mention on STM which are all conducted by foreign scholars: Cook (1977) and Call (1985).

In an experiment on memory, Cook (1977) compared foreign language learners with native speakers in memory for digits and other words. The findings indicate that memory span for random digits is not a good indicator of overall language proficiency; adult English learners are similar to English native adults in the ability to memorize digits in English. However, memory for other words, such as the names of objects exists the difference. Cook distinguishes two aspects of memory: primary memory and speech-processing memory. Primary memory is not highly dependent on language and is therefore easily transferred from the native language to the target language, whereas speech-processing memory is highly dependent on language. The foreign language learner's speech-processing memory is limited by a lack of facility in using the syntax of the target language. As compared with the names of objects, the words which stand for digits are very limited and are easily identified by foreign language learners. We need to make use of the deep-level information in LTM to recognize the name of the object, whereas the deep-level information including background knowledge is usually lacked by the foreign language learner. Cook suggests that the processing patterns of STM for the foreign language and the native language are the same although STM for the foreign language is very inferior; that is to say, STM operates on target language input in the same way that it operates on native language input, even though STM has a smaller capacity for target language input. This means that both foreign language learners and native language speakers need to process and interpret the information in STM as quickly as possible by using the knowledge in LTM. The important difference between foreign language learners and native language speakers lies in:

- (1) The former's language knowledge in LTM is not as sufficient as the latter's.
- (2) A lack of familiarity causes the decrease in processing language speed.

The difference reflects the processing ability in STM. Therefore, STM and LTM are interdependent, pin down each other and influence language learning and information processing together. Research on STM facilitates to know a learner's proficiency in the foreign language.

Call's (1985) experiment endeavored to study the relationship between STM and foreign language listening. The result shows that STM is the important component of LC; memory for syntax will be good predictor of listening skill; trying to understand the foreign language material when syntactic structures are unfamiliar might be the same as trying to recall foreign language words arranged in random order. Call points out many textbooks lay emphasis on listening for the meaning of the passage rather than listening for the linguistic structure. She stresses that it is the structure that forms the meaning; only possessing vocabulary knowledge is not sufficient to make learners improve listening proficiency; learners must also learn to make use of syntax to help recognize the relationships among the words and to retain utterances in STM for a longer time so as to make sense of them. In Call's view, it is indispensable to do the specialized exercises of identifying syntax. The experiment reminds us of emphasizing the role of syntax in listening.

In China, Professor Chen Jitang did four experiments from 1998 to 1999 to prove that the listening content, quantity of listening content and listener's experience knowledge have direct influence on the quality and quantity of STM. The experimental results indicated that listening content and people's experience knowledge are the important factors that cause the bottleneck phenomenon. The findings try to prove the inner links between STM and English LC (listening comprehension), to discuss how to improve the capacity of STM and to tackle the problems of listening materials, teaching and learning methods.

3. STM and EFL Listening Comprehension

If you want to be clear about the role that STM plays in LC (listening comprehension), we should first know a succession of processes through which the sounds related to a particular utterance are transformed into meaning in the act of listening to and comprehending a spoken language. When the auditory system of the listener receives the sounds, a transient sensory store called echoic memory holds them for about one second. At this moment, the listener gives order to this series of sounds by using formerly learned patterns which group the sound stream of the language into meaningful units. As soon as the patterns that the sounds organize have been identified, they enter STM in the form of

words. If we define units in terms of syntax, they usually refer to words, phrases or clauses and change with the type of input and also with the listener's prior experience. As soon as sounds have passed into STM and have been organized into appropriate syntactic units, they are held only long enough to be interpreted in the meaning before they are removed from memory so as to vacate for new incoming sounds. Although the information that they conveyed will or will not enter LTM, the precise words in which the information was transmitted are rarely held for a long period of time. As soon as the meaning has been taken out, the precise words are forgotten.

Although both listening and reading are considered as receptive skills, aural comprehension is more difficult than reading. In reading one can look back at what was read before and also look ahead to get an idea of what is coming. The listener, however, can't do this and any inattention to what is being said at the moment may easily cause him or her to lose an important part of the message, or even all of it. Thus memory becomes important. Keeping in mind what they have heard as much as possible becomes many EFL listeners' goal. Since listeners have a limited memory capacity for the target language, they should make full use of different listening comprehension skills to facilitate them to acquire, store, extract, and use memory. Especially EFL listeners are usually deficient in language proficiency, and have immature vocabulary. Using good listening skill will make EFL listener retain the material in STM for a longer time and skillfully activate knowledge in LTM to enter STM. In a word, carefully designed listening strategy instruction programs can improve the performance of the learners and facilitate to promote the learner's autonomy.

Therefore, from the cognitive perspective, I approach the concept of STM as an important factor that may affect EFL listening comprehension.

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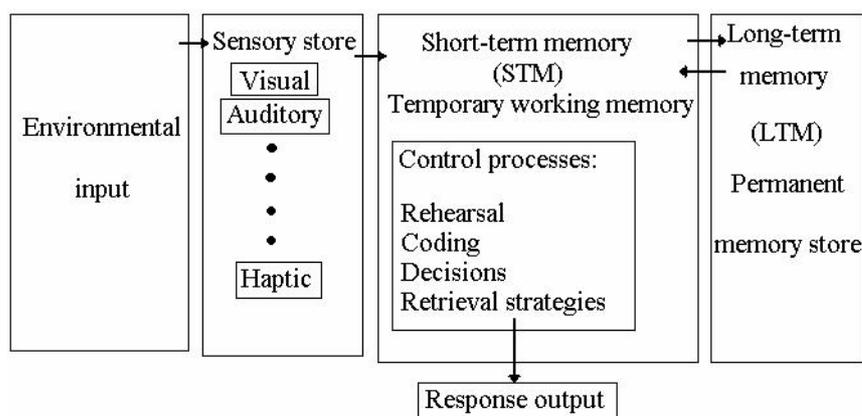


Figure 1. Atkinson and Shiffrin Model



A Brief Overview of English as a Language in Change

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Abstract

This paper will make a brief review of the reasons for language change, before addressing the issue of how the concept of the native speaker as a model for English is also being modified. Some examples will then be given of recent changes that have been noted in the English language, covering the modification of pronunciation over time, the addition of lexis, and changing syntactical and semantic rules or levels of acceptability, to demonstrate how words and phrases are being used now in ways which might not have been considered acceptable in the past.

Keywords: English language, Change, Lexical development, Syntactical and semantic rules

1. Introduction: Why and how do languages change?

Some languages change more rapidly than others: in contrast to Japanese, for example, which has changed very little in a thousand years, the changes in English are both major and relatively rapid. 600-year-old English looked and sounded very different from the English used today, as demonstrated by this extract from the beginning of Chaucer's General Prologue to the Canterbury Tales:

*“Whan that Aprille with hise shoures sote
The droughte of March hath perced to the rote, ...
Thanne longen folk to goon on pilgimages.”*

Which might today be translated as

*“After April's sweet showers
Have soaked dry March down to its roots ...
Then people want to start a pilgrimage.”*

As another demonstration of language change ‘in action’, as it were, here is just one phrase, as used in four different versions of the Bible, (1 Corinthians: 14) as edited in the English language, covering a range of around 600 years:

“If I speke with tungis of men” (Wyclif, 1395)

“Though I spake with the tonges of men” (Tyndale, 1525)

“Though I speak with the tongues of men” (King James, 1611)

“I may be able to speak the languages of human beings” (Good News Bible, 1994)

Why do languages change? In the past, many of the theories which were put forward tended to hinge around value-judgements that languages somehow became more decadent once they left behind all the complexities of Latin declensions (Lo, 1996-2005); ignoring the fact that in English, for example, particles and auxiliary verbs make the language complex in a different way. Another related (and similarly judgemental) theory of language change suggests that people have gradually become lazier in their pronunciation, and therefore, sound (and perhaps eventually spelling) changes occur when increasing numbers of speakers favour the ‘easier’ options. But who is to decide what is actually ‘easier’ to pronounce? Another theory in what might be thought of as the ‘quality slip’ group of explanations about language change is that we learn incorrect versions from our parents, but this theory ignores the fact that school and peer groups are also very powerful contributors to people's accents and vocabulary, as demonstrated by the fact that children of immigrants always pick up the language used at school.

These sorts of theories about language tends to be used by people who also favour the prescriptive approach to grammar, which, in effect, tells us what they think correct grammar ought to be. For example, a prescriptive grammar would probably indicate that one should never split an infinitive (an example of which ‘grammatical sin’ used to be heard at the beginning of every episode of the old American ‘Star Trek’ television series: ‘to boldly go’) – presumably on the grounds that it could not be done in Latin. Personally, I do not see a problem with splitting an infinitive apart from a

little stylistic clumsiness.

Another injunction of a prescriptive grammar might be ‘never start a sentence with ‘and’ or ‘but’. At this point I should admit that as a lecturer, I too, generally preach this latter rule, certainly for more formal writing, on the grounds that both ‘and’ and ‘but’ are conjunctions, and as such they function as ‘joining words’ that should come between two clauses, phrases or ideas within one sentence; but I am aware that in spoken English or informal writing, I and other native speakers (writers, even!) do not always follow this rule. My point is that some prescriptive rules that are found in grammar books do not reflect the changes in the way that English is actually being used by native speakers.

A more plausible theory to explain language change is that large-scale social, economic and political developments (in the past, events such as migration, invasion or colonization) may be responsible for bringing about language shifts. Trade and travel can influence languages, with people moving to new areas and bringing their vocabulary and pronunciation, for example settling in a small community which gradually develops its own further variations. This type of theory normally works in tandem with the descriptive approach to grammar, in other words describing what people actually write and say, rather than telling us what we ought to say.

Labov (1996) put forward a slightly different type of social theory suggesting that, at least for pronunciation, change happens when the particular vowel sounds used in certain words by a relatively small group come to be regarded as a sign of social and cultural identity, and so more people who wish to be part of that group copy or even exaggerate that sound, use it in other words that also have the same vowel sound, and gradually there is a sound change across a much larger group. A current example in Britain is the widening occurrence of an accent which is now referred to as ‘Estuary English’ (from southern Essex), which people seem to be copying from the influential sounds of young ‘personalities’ who appear regularly on television, radio and in films.

Because languages are dynamic, they can not only change and expand their range, but also die out. However, even the concept of a dead language has two different sides; Latin and Greek, for example, are sometimes described as dead languages, but this is not completely true, since native speakers of English use words that have Latin and Greek derivations all the time, often without knowing it, when they use words like ‘video’, ‘television’, ‘telephone’, ‘computer’, ‘centre’, ‘zone’, ‘pedestrian’ and ‘cinema’. The other side of language death, however, is much more serious. Many indigenous languages are indeed disappearing - at an alarming rate, according to sociolinguists - when there are no native speakers of that language left to keep using them. Let us consider, at this point, what is meant by the concept of ‘a native speaker’.

2. The ‘native speaker’; the best role model?

The old definitions of ‘native speaker’ were based, literally, on where you were born or what your mother’s first language was. While this may seem an obvious starting place, it is problematic in that it has the effect of linking the concept of native-speaker to class, education and colonial status. As an example, in Hong Kong it is common for an Indian whose first language is indeed English or who is totally fluent in the language, to be considered somehow not as ‘satisfactory’ a native speaker teacher as someone who has a strong regional accent, but who grew up in Scotland or Canada or Australia or America, whether or not they know anything about the grammar of their own language or can explain and teach it.

Partly because nowadays people are so mobile and there are many who are brought up with the benefit of two or more cultures and languages, a more inclusive definition of a native or near-native speaker is gaining ground: ‘someone who uses the language extremely confidently and well in all situations’. What is interesting about the use of English at the moment is that globally, the number of non-native speakers is greater than the number of native speakers by a factor of three to one. In this context of global English, the concept of being able to (for example) pronounce English ‘like a native speaker’ is therefore becoming less relevant as a goal, when most speakers of English in the future will not be native speakers anyway, and a better aim may simply be to function competently in English. To this end, many modern English language textbooks are already using role-models who are themselves competent users rather than native-speakers: ‘Ricky Martin rather than Elizabeth II’, as Cook (in progress) puts it.

If at this point you are now asking about English, ‘whose language is it?’ let John Simpson, the Chief Editor of the Oxford English Dictionary, provide an answer: “there is no longer one English - there are many Englishes. Words are flooding into the language from all corners of the world” (Dieu, 2005). So much so, in fact, that many words have been coined in order to describe what are now sometimes referred to as ‘international dialects with ties to English’ - Chinglish and Singlish, for example.

3. One example out of “many Englishes” : Hong Kong English

So what about the English used in Hong Kong, where the vast majority of the population are not native speakers of English? Most people would agree that there is such a thing as Hong Kong English, some of which consists of vocabulary items such as ‘shroff’, ‘amah’ or ‘chop’ which are not found elsewhere in Chinese or English, and some of which consists of a collection of typical fossilized errors due to the interference of the first language grammar (such as

tense confusions, ‘he/she’ and ‘his/her’ being applied interchangeably – which really does confuse native speaker listeners!) and pronunciation (difficulty in pronouncing consonant clusters, ‘lost’ consonants at the end of words, ‘l/r’ and ‘s/sh’ confusion), and so on. The fact that books, articles and websites discussing Hong Kong English invariably refer to these ‘problem areas’ does suggest that people see Hong Kong English as not conforming to the norms of ‘Standard English’ (Hong Kong English, 2008). At this point is perhaps worth noting that as far as grammatical usage is concerned, ‘Standard English’ (the kind of English that appears in published work, is spoken in educational situations and by the ‘professional class’; using a phrase like ‘I did it’ rather than the non-standard ‘I done it’) is in fact probably spoken natively by only about 10% of the population of Britain; however, there are in fact only a very tiny number of differences between standard and non-standard English in terms of either grammar or vocabulary.

In Hong Kong, as perhaps in many other areas where non-native speakers predominate, those non-native speakers tend to be the people who most avidly refer to grammar books, with the result that they may in fact be judging the target language from a rather idealized perspective which does not allow for anything but the most inflexible usage. In illustration of this, there was a recent exchange of letters in the South China Morning Post where a local headmistress accused the Exams Authority of making a mistake by writing ‘do not take away’ on exam papers. She quite rightly pointed out that ‘take’ is normally a transitive verb which needs an object; however she had perhaps forgotten that the object can be implied, if the notice appears on the object being referred to (like ‘push’, written on a door, or ‘keep upright’ printed on a bottle.) One reply to her letter suggested that “common usage is often a better indicator of “correct” English than pedantic theory” (Dengate, 2007) which brings us to the implication that a native speaker can never be wrong in their use of their own language, by virtue of the fact that they are native speakers – something which is hotly disputed by many native speakers, who do in fact frequently accuse each other of, at worst, sloppy grammar, pronunciation or vocabulary usage, or at best, “fuzzy judgement” (Li, 1994).

4. Pronunciation Changes

Shakespeare used the phrase ‘the King’s English’ (although it had been used before then) and nowadays we still use the phrase ‘the Queen’s English’ (or ‘Received English’, or ‘BBC English’ or ‘High British’) to refer to correct English in general, but also to a particular accent or pronunciation in particular, one which used, at least, to be considered the best model for BBC radio and TV announcers, and learners of English, to aim for. Recently, researchers have analysed the pronunciation used by Queen Elizabeth II, as her radio broadcasts every Christmas of her more than 50-year reign offer a unique record of the changes in one person’s pronunciation over time. It turns out that her pronunciation has modified slightly (Agence France-Presse, 2006): in 1952, her accent was of a variety known as ‘Upper Received’ (the sounds used by the upper class and those who have attended public schools) but it is now closer to ‘Standard Received’ (still a prestigious but more widely used variety). Where she used to say ‘blek het’, she now says ‘black hat’; her original version of ‘I’m lost’ was ‘aym lorst’ and ‘he’s gone’ was previously ‘he’s gorn’. Her earlier pronunciation ‘haym’ is now ‘home’; ‘may hise’ has become ‘my house’ and ‘in the sitay’ is now ‘in the city’.

It’s not only the Queen whose accent is changing. In a recent pronunciation exam, we planned to ask students which of the following words rhymed: ‘suit’, ‘shoot’, ‘glued’, ‘food’. One native speaker (whose accent is closer to Received Pronunciation) was adamant that ‘suit’ should be pronounced as ‘syoot’ and ‘glued’ should be ‘glyood’, while another two (slightly younger) native speakers from different parts of Britain not only agreed that all the words rhymed, but were supported in their argument by the Collins English Dictionary: an example that nicely combines a demonstration of language in transition, with the realization that there are more- or less-Standard varieties within English and so native speaker teachers could help make tertiary level students aware of the range of possibilities that are often ‘allowable’ rather than implying that there is only ever one possible way to sound, spell or make lexical, semantic and syntactic decisions.

5. Syntactical Changes

Sometimes, the differences of usage which emerge among certain areas of the population will gradually spread until the common usage is in fact different from, or at least an accepted alternative to the older version found in prescriptive grammar books. One example that I have noticed is that while grammar books (and teachers) still tell us to move the tense one stage back into the past for reported speech, in actual use, native speakers do not always do this, so we get the original quote “I did it yesterday” changing to reported speech ‘She said she did it yesterday’, with no tense change from past simple to past perfect. Another example of native speakers being more flexible than a grammar book (or again, than a teacher striving perhaps too hard to create a memorable rule to help students) is the area of conditional sentences, where the tenses are frequently much more mixed than a prescriptive grammar book would suggest, and the subjunctive ‘were’ is not always used, so you may hear native speakers saying something like “I wouldn’t have done that if I was you”, which a prescriptive grammar would declare to be an incorrect mix of second and third conditionals.

Prepositions are another area where it seems to me that English is changing to allow a greater range of possibilities than those which may be listed in a dictionary. Before giving my example, I must remind you of the enormous amount of media attention given to footballer David Beckham and his wife Victoria, or Posh, to use the nickname from her pop

singing days. Indeed, it's so hard to avoid reading about them in the papers that T-shirts started to appear with the slogan on them "bored of the Beckams". Truss describes her horror at what she considered the wrong preposition: "Bored *with* the Beckhams!" I would inwardly moan, reaching for the smelling salts in my lavender portmanteau. "Or even bored *by* the Beckhams", if you must. But "bored *of* the Beckhams"? Never, my dear, *never!*" (2006, p.103) The fact that she is (in part) poking fun at herself is also demonstrated by her deliberate use of the dated vocabulary: smelling salts and portmanteaus, while popular with Victorian ladies, are good examples of words that are virtually never used these days, when women don't feel the need have medicine at hand to stop them from fainting, and a suitcase as large as a portmanteau would never be accepted on airlines.

6. Lexical Changes

For many people, vocabulary may be the only area of language change they are aware of, and perhaps even participate in changing. New words can be created in many ways; one way is by blending or combining (that is, mixing two words and their meanings together: an example is the word 'rockumentary', a film or programme on TV which is a documentary about a rock group). Another way of creating a new word is by conversion or changing the way a word is used, such as changing a noun to a verb, a method much loved by Americans in particular, for example turning the noun 'chair' into a verb, 'to chair' a meeting. Sometimes only part of a word is used, such as 'fridge' instead of 'refrigerator', which I would think very few native speakers say anymore; a word can be extended by adding a prefix or suffix as in the words 'diskette' (now itself already virtually obsolete) or perhaps 'misunderestimate' (an example of President George Bush's mangling of the English language). New words can also be formed from the letters of a phrase (imagine for a moment, wealthy, retired parents going on a 'SKI-ing' holiday, on which they are 'Spending the Kids' Inheritance'). Many words that we now perhaps take for granted as English were originally borrowed from other languages, like 'guitar', 'lunch', 'zero' and 'luck': the sheer quantity of these loan-words explains why English has a much larger vocabulary than many other languages. One more, rather fun way to create new words is by using rhyming pairs, such as 'snail-mail' to refer to the ordinary postal service.

New technology is an obvious area which requires new vocabulary to describe it, and the rapid growth of the internet and mobile phone culture encourages even faster changes in vocabulary, which can become wide-spread long before dictionaries can be re-printed to include them. As an example of this time-lag effect, it took until 2001 for the compilers of the Oxford English Dictionary to ask people to help them find the earliest use of the phrase "I could murder a curry", although the playwright Alan Bennett, who has kept a regular diary for many decades, was able to look up an entry in which he had recorded his friend using a variant of the phrase at least thirty years earlier (2005, p.288). You can murder a cake or a beer, for example, if you're really hungry or thirsty. It may have derived from a phrase using a similar type of metaphor, "I would kill for a beer".

Globalisation is another force that can be blamed, or simply noted as a reason for new vocabulary use spreading quickly. Starting with the lexical field of food and drink as an example, the vocabulary connected with coffee drinking has been widened considerably. In some places, you can't just ask for 'a cup of coffee' the barrista wants to know if you want a grande mocha soy whipped with sprinkles, or a tall, lite, latte, with syrup... and that's at your nearest café. If you go further abroad then the food and cooking styles change, and the names with them, even if you think you're still speaking English. Back in 1887, Oscar Wilde said that the British 'have really everything in common with America nowadays except, of course, language'. Most people would still agree. Truss tells a story about a friend's first visit to America, where she tried to order sausage for breakfast and was confused to be asked by the waitress "links or patties?" The American company Merriam-Webster's on-line dictionary, defines links as 'segments of sausage in a chain' (Link, 2007-8) and a patty as 'a small flat cake of chopped food', like the meat in a burger, round and flat (Patty, 2007-8). Truss dismisses this latter as "surely not a genuine sausage within the meaning of the word". (Truss, 2006, p.87) In Scotland, just to confuse things, you can also get square slices of sausage, though no doubt Truss would not call those sausages either.

There are many more examples of words which have changed their meaning as they cross (and perhaps re-cross) 'the Pond' (The Atlantic). In American vocabulary usage, if you 'slate a meeting' it means that you plan a date for it, not (as in British usage) say how awful it is. So a headline like "Third Harry Potter film slated" would mean they liked film number two in the U.S.A. enough to plan a third film, but in Britain, they thought that film three, already made, was rubbish. One more example: if someone asks you in America if you want hot milk in your coffee, you could answer "I don't care", meaning "I don't mind" in British usage. But if you answer "I don't care" to the same question in Britain, you may end up with a reputation for grumpiness or an inability to make up your mind.

Perhaps it is fair in a discussion of language change to consider also the curious phenomenon of words that refuse to change: those which are used so rarely, they ought to be obsolete, but survive because they are brought out for brief but regular usage at certain times of the year, the most obvious being at Christmas, as Alan Bennett points out (Bennett, 2005, p.301): that's virtually the only time we ever say or read words such as 'tidings', 'abiding', 'swaddling', 'lo!' and 'abhors', largely perhaps because the first three appear in the King James version of the Bible, which was published

in 1611, and the last two are from the carol 'O come all ye faithful, first translated into English in 1841. (Hymns and Carols of Christmas, n.d.) I think everyone would agree that this vocabulary is now obsolete and confusing ('tidings' being replaced by 'good news', 'abiding' by 'spending the night', and 'swaddling' by 'strips of cloth' in the 1994 Good News Bible; my 'translation' of 'lo' would be 'look' and 'abhors' would be 'avoids'). What is interesting is that many people of my age or older in Britain, having heard the language of 1611 read out or sung every Christmas in church, school, radio or TV broadcasts still feel that it somehow sounds more beautiful than modern translations, and we are therefore reluctant to abandon or modernise it.

However, clearly not all unusual words survive if they can be replaced by a more common or simpler variant. In the children's nursery rhyme, the little grey rodents who ran up the clock are mice, the irregular plural form of 'mouse'. However, as far as technology goes, it is now quite acceptable to ask the IT department to order three new mouses; (Do you Speak American? 2005) the more 'standard' way to make a plural form being used even by technophobes (to use another relatively new combination word).

7. Why do people become upset about language change?

Now and in the past, there have always been some people who get very irritated by what they consider to be un-necessary change or incorrect use of language, be it syntactical, lexical, spelling, pronunciation, or punctuation. But why do people get so upset about language which is not used in the way they expect it to be? Truss thinks that it is connected to the way some people get equally upset about what they feel is rudeness: She writes "We all draw the wavy contour line between polite and rude behaviour in a different place, much as we draw our own line in language use" (2005, p. 16-17). To me, this nicely sums up that language use is at once both personal and shared, but it is not stagnant. Whether we get annoyed by language changes or see them as new challenges, we cannot stop languages developing, which leads me to my final quote from that famous author, 'anonymous', combining at once an acceptance that the world moves on, with modern frustration at technology, and at the same time a demonstration of the flexibility of the English language, by punning on the different possible meanings of 'change' as 'progress' and as 'coins':

*"change is inevitable ...
except from vending machines."*

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In the Current Real Estate Macroeconomic Regulation and Control Should Pay Attention Questions

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Abstract

Follow the real estate market to elevate temperature, government to real estate market macroeconomic regulation and control into social economy hot topic. In order to enable the macroeconomic regulation and control policy to achieve the expectation effect, this article proposed the real estate macroeconomic regulation and control should pay attention several questions.

Keywords: Real estate, Macroeconomic regulation and control

In China, did not have a profession to be able to look like the real estate industry to receive the state economy social environment the influence to be such big like this, also does not have any profession development to transform likely the real estate industry equally industrial policy influence like this big. For the control investment in real estates scale, the attack congenial, maintain the steady market, Our country Government enlarge unceasingly regarding real estate market macroeconomic regulation and control policy dynamics, since 2003, national synthesis methods and so on utilization administration, finance and taxation, finance, land, have increased the real estate macroeconomic regulation and control dynamics gradually, but the effect is not entirely as desired, the house price rises continually, but since at the beginning in 2007 the house price rise pressure further intensifies until now, may say that the house price is rises in every month, house price trend and regulative goal existence certain disparity. The State Statistical Bureau data demonstrated that in October the national 70 big or media-sized cities house selling price rose 9.5% compared to the same period, the increase scope raises 0.6 percentage point compared to the last month; The link compared to rose 1.6%, the increase scope is lower than 0.1 percentage point the last month.

Has reconsidered 20 for many years our country real estate industry development process, to housing supplies and in expense understanding, when formulation real estate macroscopic policy, the related decision-making has some erroneous zones, because or the economic society situation's fast change, our policy has had some deviations in the execution, or the policy basis situation change prompt adjustment, has not caused in the present real estate industry development deep level question to be getting more and more prominent objectively, is contradictory getting more and more complex. In 2004 Nobel main Jinan studied prize winner grave Delander and Prey has Skate to propose "the real trade cycle theory", tried hard to prove did not have the market malfunction, the government has not intervened the market economy the necessity. The theory innovation has subverted the traditional regulation theory completely, reminds the people fundamentally to reconsider and the vigilant macroeconomic regulation and control, several years have passed by, China's macroeconomic regulation and control one round another round, the government may say that is busy upside down, but the effect is not ideal, particularly real estate regulation. Because the real estate industry interrelatedness big, foundational strong, the price influencing factor is numerous, therefore, must enable the real estate macroeconomic regulation and control policy to achieve the expectation effect, should pay attention to the following questions:

1. The macroeconomic regulative policy should avoid "the Local authority behavior"

Having many researchers put the blame on the house price rise in concerns with the local authority behavior. Its logical relation is, the land question and the Local authority has the close relations, the local finance becomes is worthy of the reputation "the land finance". Therefore, the Local authority craves in the management land. According to the Council Development Research Center land topic-based group to Zhejiang's investigation, the real estate which industry brings by the urban expansion and the architecture industry development, becomes in the local finance budget the prop income, many Local authorities manage the land the income to occupy the local finance income more than 50%; The land fees from sales amount is huge, becomes the Local authority finance extra-budgetary income the most important source, some places occupy 60% above; At the same time, becomes Local authority various departments with the land related charge to improve welfare's important way. "the land finance" twisted Local authority's public government behavior seriously, possibly and causes the bureaucratic business-people to collude with and so on illegal act, simultaneously

may also explain reasonably the Local authority lets the land through each method rise in prices, the house to rise in prices, obtains a higher benefit. Local authority's behavior and our country implement "the land to authorize the system" to concern. Some people pointed out that our country's land authorizes the system is studies Hong Kong, only sells the land employment right, but the land ownership belongs to the government to possess. But we study Hong Kong to study not thoroughly. Hong Kong implements at present the land sells the system materially is authorizes the system and the annual rent system mix system, what inland implements is sole authorizes the system; Hong Kong land authorizes half income turns over to work as the time government, the other half income will enter the land fund to turn over to the government to use in the future. Moreover, what Hong Kong implements in the housing system aspect is the high house price and the high welfare (low-rent housing) parallel, some 50% Hong Kong people live in public building our country which provides in the government implement "the land to authorize the system" at the same time, on the other hand, practices "the strictest land management system", defends the national cultivated land many in 1,800,000,000 Chinese acres this line. This means that the land supply is scarce, particularly the housing land reduces, in the national big or media-sized cities is the common phenomenon. Its result is, passes land which "a move of racket hangs" brings, as a result of cost rise, but possible to bring about the house price rise, also, because the land supply reduced causes the housing overall supplies not to be able to meet the market needs. Take Shenzhen as the example, in 2007 the first half of the year, Shenzhen newly built commercial housing authorization sells in advance the area is 2,641,700 square meters, drops 22.47% compared to the same period; and the housing authorization sells in advance the area 2,424,100 square meters, drops 15.16% compared to the same period. Why will Shenzhen pass through in 2006 to regulate later increases the land housing supply in 2007 the housing still to be but insufficient? Because of the years land insufficient supply, for instance in 2005, Shenzhen housing land accounted for in the past the actual land supply total quantity 3.26%, although compared reduces 48.16%, 2006 years to have the growth last year, but increased the land supply impossible to transform within one year as the housing supply, this was not difficult to explain that Shenzhen in 2007 the house price rose. The national situation and Shenzhen are also similar.

2. The macroeconomic regulation and control is not the short-term policy, should be the fluidity which medium and long-term policy

Current our country exists too much has the global background. The global fluidity surplus impact oil price, the gold, the stock market and the real estate market, because the global resource product price and the property price unceasing rise. According to zhongliang trade combine announcement's data, in 2007 the global real estate direct investment total amount creates historical new high again in the first half of the year, amounts to 382,000,000,000 US dollars, compared with the same time last year rises 16.6%, has surpassed in 2003 the annual investment cost. The whole world investment in real estates continual 16 quarter sustained growth, the Americas, Europe and the Asian and Pacific area create historical new high. We must pay attention, looking from the international experience, the fluidity surplus often adds fuel to the flames to the stock market and the real estate market, tries to overtake each other, encourages the property price to climb unceasingly.

Under the fluid surplus big background, the Commercial bank competition intensifies, and may loan the opportunity to be limited, this causes the microscopic main body to form gambling frequently by the advantage behavior with government's macroeconomic regulation and control. Central Bank in 2007 surrenders to the state the bank reserve against deposits rate repeatedly, reduces the credit quota, but the Commercial bank may through own assets structure adjustment, reduce the excess reserve and the high risk, the low income property, retains the high income, the low risk expense credit property and the real estate credit property. Why is this also in the deflation policy, the investment in real estates continuously the reason which paces back and forth in the top digit? In 2007 1~ in June investment in real estates rate of increment is 28.5%, is higher than the cities investment in the fixed assets 26.7% increased ranges. In addition, the fluidity too much means that the deposit/investment favors strongly favors the expense, this will also be the short-term property price - - house price continues to climb goes far beyond the common consumable rise in price the substantial clause.

Initiates the global fluidity surplus reason to be very complex, what but has a point to be possible to be affirmative, in these factor impossible short-term to change immediately. Similarly, in our country's fluid surplus condition impossible short-term to obtain the radical reversal. The support fluidity surplus such as trade surplus, the export will grow, factors and so on high savings ratio to exist in quite times. In addition, our country in 5~10, along with our country economy's sustained growth, the large-scale urbanization still will continue next, the Renminbi revaluation anticipated and the pressure will still exist. At the same time, we must pay attention, rises the quick city at our country some real estate markets, in the later several years, has the large-scale international sports or display, for instance in 2008 Beijing's Olympic Games, in 2010 Shanghai's World Expo and Guangzhou's Asian Games, in 2011 Shenzhen's world Universidad and so on, conducted the country and the host city experience looking from the past some, these activities possibly boosted real estate market's rise. Therefore, from this angle, we must set up the real estate macroeconomic regulation and control policy is the medium and long-term goal, but cannot anticipate has the getting quick results change, regarding this must have the full understanding.

3. The macroscopic accent policy's goal is comprehensive, but is not sole

The housing has the consumable and throws the inborn nature the dual characteristics, this had decided the government has the dual goals in the real estate macroeconomic regulation and control, on the one hand must pay attention throws the inborn nature price, avoids the property price froth produces to final being disillusioned when for the macro economic having the influence; On the other hand, the housing takes the consumable, must meet resident's basic housing need, the safeguard livelihood of the people. However, in the government dual goal's emphasis points should be different. Therefore the real estate macroeconomic regulation and control must have the leading goal, under long-range goal unification instruction, but must resolve the most prominent contradiction. The current our country real estate macroeconomic regulation and control's short-term goal is: The solution market supply and demand's constitutive property is contradictory, maintains as soon as possible the market supply and demand the overall balance, suppresses the house price the excessively quickly rise; And, the long-range objective is resolves the industrial development deep level contradiction, the restructuring real estate market value system and the bare bone. Must take the resources and the environment restriction as the premise, the rational distribution social resource, advances the housing construction coordinated, the science, determines our country urban construction and housing construction each target reasonably; Must transform the expense idea, the advocate moderate reasonable expense, the construction resource conservation and the environment friendly society; Must insist that the housing marketability the policy, insisted consummates market system's construction, maintains the market overall the supply and demand balance, suppresses the house price the excessively quickly growth; Must insist that the housing multi-channel supply systems, try to enlarge the economy to be suitable the room and the low-rent housing standard construction, speeds up the housing system of safeguard's establishment; Must advance the housing industry vigorously the independent innovation, enhances the housing industrial production the level, raises the housing technology content, with the technical method, realizes the housing to expend truly from the pure pursue quantity to the pursue quality transformation.

4. The macroeconomic regulation and control policy should suppress the demand to look prominently to stable house price function

From the past several year stable house price regulative practices, the supplies adjustment measure was not obvious to the stable house price's effect, but was few to the demand regulation measure's function attention, therefore generalized analysis, reasonable localization supply and demand regulation measure in stable house price function especially important. The supplies adjustment is bigger than the short-term to the stable house price's long-term effect. From "adjustment structure, stable house price" the goal, past several years, we spends the big strength to adjust the housing supplies structure, but because the housing construction cycle needed about two years the time, the housing supplies structural adjustment needed two years to be able at least to be slowly effective, causes the supplies policy to implement from the formulation to the display effect existence long time lag. Therefore, the regulative supplies are in a short time limited to the stable house price's function; But in the long run, adjusts the housing supply structure, measures and so on science plan land supply structure, can raise the land use efficiency the way, increases the housing supplies effectively. In short-term planted agent prominent to demand regulation in stable house price function. Compares with the supplies policy, the adjustment demand is in a short time more obvious to the stable house price's effect. Through the science formulation tax revenue, the housing credit policy regulation buying homes demand, guides the resident purchasing power health, the order release, will prevent the long-term agglomeration the purchasing power strongly to release in a short time and forms to the future purchasing power overdraws massively, achieves protects resident's normal consumer demand, the refrain speculation demand, the promotion buying homes demand reasonable balanced growth, will be advantageous in avoids the house price major rises and falls, will maintain the home price to be stable.

5. The macroeconomic regulation and control pays great attention between policy synchronesh

The many policy implementations to have the possibility to present the composition effect should pay attention to the different department, between the different level policy coordination. In the real estate macroeconomic regulation and control process, various Functional departments should strengthen the communication, promote the mutual recognition, establishes the synthesis which participates by the related department to be coordinated as soon as possible, the consultation mechanism, the overall plan all quarters strength, forms the regulative joint effort, strengthens carries out dynamics to the macroeconomic regulation and control goal. If in the State Council retransmits seven ministries and commissions "after Completing Stable Home price Work Opinion" the notice, various local various departments have released the corresponding executive regulation, this has formed the policy composition effect imperceptibly, enlarged the regulative policy to the real estate market inhibitory action, does not favor the overall market the healthy development. As a result of social economy's mutual influence, a policy function's scope completely is by no means independent, the policy function has the time delay effect generally, therefore, a special operational policy measures' releasing, should have the science proof beforehand, and to do to its implementation's possible effect appraises in advance, simultaneously considered the policy implementation possibly brings the side effect, finishes the guard promptly. Only then like this, can play the correct guidance and the regulative role truly to the real estate market.

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The Artistic Charm in *Matrilocal Dog*

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Abstract

With the creation named *Matrilocal Dog*, Yoko Yawada won the Akuta Kawa Prize and became known to the public. Interlacing the reality and irreality, the story tells about the relationship between Mitsuko Kitamura, who works as a teacher in a private school and Tarou, a man turned from a dog. This paper will analyze the artistic charm mainly from the story's technique of creation.

Keywords: Linkage, Narrative insertion, *Matrilocal Dog*

1. Introduction

Yoko Tawada's *Matrilocal Dog*, covered in Group Imagery in December, 1992, is a masterpiece full of special artistic charm with which, Yoko Tawada won the 108th Akuta Kawa Prize in the year of 1993. Being known to everyone in Japan, she still has to be introduced to Chinese readers. Yoko Tawada was born in Tokyo and graduated from the first department of literature in Waseda University. She went to Germany and lived there in 1982. Later she received the master degree in Hamburg University and won the Chamisso Prize for literature in 1996. She writes both in Japanese and German and has a name for her respect to language and her critical attitude towards traditional Japanese language. Short story *Saint Gotthard Railway*, long story *Flying Soul* and drama *Luminous Crane's False Face* are included in her main works.

2. Main Content

The story *Matrilocal Dog* centers on the relationship between the teacher Mitsuko Kitamura and the unknown man Tarou. It begins with the description of the teacher Kitamura by telling that she came to a plot and earned her living by opening a training course for the children in that district. When summer vacation came, a man named Tarou appeared and settled down in Kitamura's house without any modesty. Then they had intimate relationship with each other spontaneously. Tarou was so tame and used to doing the cooking. He liked sniffing. Yet he often went out in the dead of night.

One day, Mrs. Orita, the mother of one of the teacher's students saw Tarou and told the case: Tarou was a following of her husband called Hnuma and already had a wife called Yoshiko. Guided by Mrs. Orita, Yoshiko came to the teacher's home and recognized the man was her husband Tarou Hnuma, yet she didn't speak out on the spot. She asked the teacher to come to her house the next day and told her the whole story about Tarou and herself. Besides, she also told the truth of the secret meeting at night between Tarou and Toshio Matsubara. The girl called Fukiko, always has been tormented by classmates and loved by the teacher, was the daughter of Toshio. She was brought up by her father Toshio after her mother died.

At the end of the story Tarou and Toshio both disappeared and the teacher ran away with Fukiko.

It seems that the complicated relationship among the characters makes people suffocate. Yoko Tawada used various styles and fashions to make her creation *Matrilocal Dog* decadently charming. There are almost long sentences in this story with hardly any full stop. The matrilocal dog with homosexual-prone and the ran away teacher with a little girl seem never appear before, "from then on, scarcely anyone had ever come to the south district." It looks like that those people were covered by a dark fog and faded away. Though the end comes, you still can stretch your imagination to feel the illusive mythical color, which is the special artistic charm of this story.

Uniting the folktale and the modern residential district skillfully, *Matrilocal Dog* shows the modern society existing between illusion and reality. Yoko Tawada expresses her unique experience of life through using multiple experience of body such as sense of vision, hearing, touching, tasting and smelling. The nonstandard expression can set off the atmosphere of this story by contrast on real and unreal perfection. Some people criticized that this story staked the field of standard contemporary fiction and can be called as a "brand new fiction". Yoko Tawada's fictions have the supreme artistic charm in the way of conception.

3. Analysis of the Way of Creation

3.1 Linkages

There is a deep origin between China and Japanese. For the reason of transnational communication in literature, the culture between this two countries and the way of creation of the writers in these two countrys have a lot in common.

In the whole story, despite the complicated relationship of the characters, the plot is also complex. In fact, the writer used a technique of linkage to make the narration. Several stories are linked with each other but independent and interlaced on the other hand. Inside the main story there are other subordinated stories. The unknown origin of the characters seems to appear suddenly and disappear suddenly, which makes the reader confused but keeps them within bounds when it is understood. The successful point of this story is that it caters for readers' expectation. The writer sets suspense to make a strong contrast between readers' expectation and the sudden ending, which leaves questions to readers.

The plots in *Matrilocal Dog* are linked together in which the plot of Mitsuko Kitamura and Tarou is the most important. It is the major one on which the whole story is centered. Yet, inside this plot exist the stories of Tarou and his wife Yoshiko, the story of Tarou and his lover Toshio Matsubara and the story of Kiramura and Fukiko.

Similar to the way of linkage is the work *Ashes of Eaglewood- the Second Burner* of Zhang Ailing. In this book, the main setting goes with a story told by Clementine. Yet under which exist different situations: the "inside" caused by the two main characters—Roger and Susie—their wedding – Mrs. Michelle's education of sexology towards the sister Frances and Susie; Frances and her husband Frank's marriage and the latter's death; Frances's education before marriage toward Susie.

The writers of the two stories set the whole structure like building maze. You will have to dig and seek inside them step by step like a detective clearing up a case to find the truth because the plots that are linked interlaced. However, when it comes to the ending, there are differences between the two stories. In *Matrilocal Dog*, the two characters disappear at last, while in *Ashes of Eaglewood- the Second Burner*, the hero commits suicide.

3.2 Narrative Insertion

In *Matrilocal Dog*, the writer used a special way, that is narrative insertion. At the beginning of the story, the teacher Kitamura tells a tale about a matrilocal dog—people have intimate relationship like the animal with her students. Coincidentally, the story tells the very tale—the relationship between the teacher Kitamura and the doglike man Tarou. Is it a real story or just a fairy tale created by the writer? It evokes the readers' strong thought fluctuation. This special technique unites the real and unreal, the absurd and the reality and provides readers multiple angles of thought conversion. When using this technique, Yoko Tawada sets a foreshadowing at the very beginning and leads readers to consider whether it is the case. Also, the foreshadowing plays an important role in readers' receiving the ending. In the story, after hearing the tale of matrilocal dog, the children are unable to retell the whole story without anything missing due to their lacunae of the memory, which leads two different situations of the story. Like the ending of story, the readers can just give the characters an ending by their imagination.

Bajin also used this technique to implicate the ending of the character in his novel *Family*. First it shows Juehui's opinion about the characters in *Treasure Island*. He thinks the hero is a "black dog", who is not as gentle as Dr. Lee. Being Gentle is useless while those who don't obey the rules of the society like black dogs are useful. Juehui's such opinion has something to do with the proneness of *Family* in which the bold traitor Juehui is somebody while Juexin, who scrupulously obey the salutations is nobody. And at the end Juehui's leave is the very heroic behavior as a matter of course.

Second, when telling the story, the writer mentions Tolstoy's *Resurrection* many times especially when Juehui decides to give up Mingfeng and chooses business. Juehui's subconscious forms a one-to-one correspondence in mapping with Nekhledov. Even in the dream, Juehui still gives a fig for Mingfeng's position as a soubrette. His belief in business first shows his mind of business is more important than Mingfeng and he doesn't show enough respect to Mingfeng. When he is deep in thought after hearing the Resurrection, that is when he is thinking whether he has the right reason to give up Mingfeng, we can consider that Juehui's subconsciousness doesn't allow him to give it up and he is confessing for the abundant. He has to resurrect thought in some ways.

Compared with this two stories, Yoko Tawada uses the narrative insertion to serve the whole structure and the insertion itself is just prophesy to tell the ending of the story. *Matrilocal Dog* joints the folktale and the whole story to present a real modern society in shadow land. The nonstandard expression can set off the atmosphere of this story by contrast on real and unreal perfectly. Yet Bajin's *Family* places special emphases on characters and the movement of the whole matter. Above is the difference in using narrative insertion in the two stories.

4. Conclusion

Yoko Tawada uses the techniques of linkage and narrative insertion skillfully in *Matrilocal Dog* and presents to the

readers a creating angle of the writers in contemporary Japan. In literature creating, Yoko Tawada shows her special vision and leaves readers unlimited thinking.

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Instilling Moral Values in Report Writing Course

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Abstract

This topic may raise eyebrows of its relevance, significance and approaches. Very often than not several soft skills initiatives have been put forward by the top leaders of the country, of which are very commonly known as, for example, *Rukun Negara*, *Pelan Integriti Negara* (PIN), and the recent one – *Kemahiran Insaniah*. All these are targeted to the working population of the country. However, these are noble values that need to be instilled at much tender age of our youths. Being teachers at tertiary level, do we play a part in this work of nurturing the nature. If we are not obligated to, is our teaching merely facts dissemination and completing the syllabus? If we have the sense of responsibility being citizens with these noble values, do we impart them to our students? And just how do we do that? In a small area of focus, teaching Report Writing entails much trust in the choice of topic, data collection, researching for literature, drafting and writing. These are the tasks that need to be carried out by the students. They are the process owner of their project and in conducting so, the trustworthiness sometimes may swerve to plagiarized work, cut-paste practice or copying from others in carrying out their assignment. Can we inculcate values in every juncture of progress that they make? This paper attempts to address so by providing pertinent teaching-learning strategies.

Keywords: Moral values, Report writing, Soft skills, Teaching-learning strategies

1. Introduction

The original title of this paper was intended to read “In Paper We Write, In Values We Rely”. Being a language educator in an institution of higher education, much has been experienced in imparting knowledge and information via reading, writing, listening and speaking. Also, much has been seen in the types of students that are admitted into the university. These are the raw resources that need to be nurtured and refined to provide for the country in terms of economic returns. Many of them that come for further studies are intellectually ready. They are the products of various levels of the national examinations that are held throughout their lives within the education system. However, being equipped with intellectual capital may not necessarily deem them fit to create a holistic society. It is not sufficient for a total person to become, with only intellectual capital, as two other elements are necessary to make one a total person and these are social and spiritual capitals. (Agustian, 2005).

Thus, in the attempt to create a healthy society, every educational curriculum lauds to be effective. In Malaysia, from the beginning of the schooling age, the education system has placed emphasis on creating a holistic person in preparation to be a desirable citizen. This is clearly stated in the National Education Philosophy:

“Education in Malaysia is an ongoing process towards further effort in developing the potential of individuals in a holistic and integrated manner; so as to produce individuals who are intellectually, spiritually, emotionally and physically balanced and harmonious, based on a firm belief in and devotion to God. Such an effort is designed to produce Malaysian citizens who are knowledgeable and competent, who possess high moral standards, and who are responsible and capable of achieving a high level of personal well being as well as being able to contribute to the betterment of the society and the nation at large”

in which much emphasis is placed on character building of every learning individual. The education system has not failed to provide learning experiences in moulding the character of the young people. As part of the philosophy, there is a place for value education that every young learner has to undertake in the system. Values which have been widely defined in literature encompass all things from eternal concepts to behavioral actions. They are criteria that determine the levels of goodness, worth and beauty. These important elements which include responsibility, self-esteem, sociability, integrity and honesty are important to ensure that they act as filter for the selection of inputs involving the choices of right-and-wrong, ethical-and-non ethical and desirable-and-undesirable.

Nevertheless, many initiatives are planned, accepted, launched and recorded on paper. These sets of values, after being found appropriate, are ready for inclusion in the curriculum via various relevant subjects. The next issue is the imparting process so that this values education takes place in the learning process. The next important issue proposed in this paper is how do language educators play their role in contributing to nurturing the resources, in particular the students. Needless to say, these are the raw resources that need to be instilled with those values propagated in the initiatives. Thus, the writer intends to share some highlighted national soft skills initiatives and suggest ways in which values inculcation can be incorporated in one of the language courses offered by an academy of language studies of a local university and that is Report Writing Course.

2. Soft skills initiatives

In support of the already existing educational curriculum, other initiatives supplement the inculcation of values not only among the young learners in institutions of learning, but also for working community in the society. Several attempts have been made by the authority to put forth the requirements of churning desirable citizens. These initiatives carry noblest aims as they intend to nurture the ambition of a developing nation as perfected in the National Education Philosophy. In this paper only three commonly highlighted ones : the *Rukun Negara*, *Pelan Integriti Negara* and *Kemahiran Insaniah* are cited for discussion purposes.

2.1 Rukun negara

In 1969, May 13, a serious race riot took place in the country. This incident has evident the fragility of a multi-racial Malaysia which in turn will endanger the country stability. In its reaction a Malaysian Pledge of Alliance was instituted and thus Rukun Negara (. It is not necessarily a soft skill initiative but a philosophy and national ideology. The objectives of the allegiance include:

- (1) Achieving a more perfect unity amongst the whole of the Malaysian society
- (2) Preserving a democratic way of life
- (3) Creating a just society where the prosperity of the country can be enjoyed together in a fair and equitable manner
- (4) Guaranteeing a liberal approach towards her rich and varied cultural tradition and
- (5) Building a progressive society that will make use of science and modern technology

However, to achieve these ambitions there are mission statements that need to be pulled up in order to meet the ends. These are the five principles that entail the philosophy and they warrant every citizen to embrace:

- (1) Believe in God
- (2) Loyalty to king and country
- (3) Upholding the Constitution
- (4) Rule of law
- (5) Good behavior and morality

In providing the intellectual input and equipping them with the knowledge to these young people, more often than not, teachers may notice that there is an absence or lack of effort in imparting the desirable social elements when they display social misconduct. Some of these behaviors warrant the provision for input from the teachers through inculcation and action learning in which these students by chance or choice may commit academic misconduct in their learning process.

For this paper the focus is on the Report Writing Course as there are strategies adopted by students which may amount to academic dishonesty such as plagiarizing, cut-paste strategy and editing exercise by content expert, just to name a few. Nonetheless, these coupled with undesirable social behaviors like absenteeism, unpunctuality and defiance may cause ripple of undesirable characters among the young people. These are some of the observed behaviours in the classes taught at the university.

2.2 *Pelan integriti neggara (National Integrity Plan)*

The National Integrity Plan is another noble strategy to create a holistic society. In upholding the aspiration of the country's leader, Malaysia is forging ahead to become a developed nation in its own mould (Badawi, 2005). To achieve this, the nation has to address the shortcomings amongst its citizens and thus the need to strengthen ethics and integrity. In the Prime Minister's words, he states that "The government has implemented the PM Directive No. 1 of 1998 which aims to enhance the integrity of the government administration. There is also the needs to involve other sectors too, such as the private sector, political parties, non-government organizations, mass media, women, youth and students. The formulation of the National integrity Plan has been based on the spirit and principles of the Federal Constitution, the philosophy of the *Rukun Negara* and the aspiration of Vision 2020. With its objective "to establish a fully moral and ethical society whose citizens are strong in religious and spiritual capitals imbued with the highest ethical standards",

this initiative will only remain on paper if efforts to develop desirable character amongst the citizens, particularly the young ones are not implemented.

This initiative should not remain so if it were to be successfully manifested in the society commitment for a healthy nation. The cooperation and coordination programmes have to start from the grass roots right up to the highest level of the society. These include the family, community civil society and socio-culture including the education sector. Thus, being in one of the comprehensive sectors, teachers have a definite role to play. In the objective, this presentation attempts to share the teaching experiences where ethics and integrity can be part of the mechanism not only to produce academic work that goes through ethical process, but also to nurture future leaders to achieve national aspiration.

2.3 Kemahiran insaniah

As proposed in the paper, the author attempts to present another noble initiative launched by the authority, with the effort of developing the young people with skills that make them fit for the society. These soft skills are requirements that every student must possess. This particular initiative is targeted to the young people, especially to those studying in the university. These skills are integrated into the teaching-and-learning system. The students need to conduct self-evaluation and self-improvement to find out the level they have achieved in the development of these important skills that they need in life.

The Ministry of Higher Education Malaysia has made the acquisition and mastery of these soft skills mandatory for every university student when they graduate. These skills include communication skills, critical thinking and problem solving skills, entrepreneurial skills, team working skills, lifelong learning and information management, professional ethics and moral and leadership skills.

Thus, for these skills to be acquired, inculcation should proceed on even at tertiary level as students are exposed to the learning process that they may not have gone through at primary and secondary levels. In the multitude of duties, a teacher can play his role through his lessons, to infuse these skills during the class hours. To teach these skills per se is possible, but that requires supplementary programmes like those organized by Universiti Teknologi MARA Department of Student Affairs in which a systematic curriculum exists in these programmes and they are separated from the normal teaching hours. This indicates extra commitment is required by the teacher and learner associated with these programmes.

3. Teacher's role in incorporating values in report writing

3.1 Academic challenges

An earlier task undertaken by the students during the Report Writing Course is the choice of report topic for approval by the lecturers. For this first step, lecturers suggest themes of areas for students to report so that students are not given the liberty to pick up a topic which may have been worked on in previous semesters by other students. As an example, teaching students from the Faculty of Business and Management, topic scope involves investigation on business entities. With the advent of technology, there are wide chances of undesirable academic activities such as plagiarizing, cut-and-paste practices (read malpractice) and using unauthorized content editor in carrying out the assignment.

It is during this class session that students are made aware of various practices of academic dishonesty with the intention that they know what they are and how to inculcate the awareness of the repercussion of committing so. One of the acts is plagiarizing. The question as to whether plagiarism is on the rise, at Yale University and perhaps elsewhere, the answer is "maybe". However, the administration is not taking any chances (Yale Alumni Magazine January/February 2007). Plagiarizing involves the practice of directly quoting published or unpublished work of another person without clearly stating the author with footnote, citations or bibliographical reference and this act can be addressed through examples from previous students' work.

During the recent marking of an examinable project, a student's report has displayed a case of cut-and-paste malpractice. In doing so, the acknowledgement page of the report carries not the name of his own lecturer but another who is not teaching him. This typical case has been reported in previous semesters.

3.2 Teaching-learning strategies

In every teacher's attempt to complete the Report Writing syllabus which is a mandatory English Language course at first degree level, some teaching strategies that assist in the inculcation of values helps to train students to observe rules and procedures in order to keep them in check from committing academic dishonesty. In terms of language proficiency level, students are taught different techniques of editing strategies. These techniques like paraphrasing, different approaches in the technique of acknowledging, making use of collocations in report writing and editing may help the students handle the writing process well during the course.

Therefore, teachers do have a role to play and perhaps they need to 'cooperate and coordinate' their teaching duties during lecture and tutorials to make these initiatives not only to remain on paper, but also to be embraced by the

students under their tutelage. The provision for the effort is there and is readily available. In teaching a language course, students are exposed to some strategies that can assist them in the development process. This is interrelated with the demand of higher education in which young people got admitted to the university are then exposed to the needs far beyond their self-expectation as to what entails in higher education, particularly in the subjects that they may not be too familiar with.

The following teaching-learning strategy in Table 1 is adapted from the typology proposed by Huitt (2004). The value laden elements are laced with the methods used in carrying out the report writing assignments. Huitt (2004) includes five basic approaches to values education: inculcation, moral (ethics) development, analysis, value clarification and action learning. Using these elements, this presentation attempts to incorporate the tasks involved in carrying out the report writing exercise using both knowledge input as well as value laden elements that intend to keep students in check of any malpractices. (See Table 1)

4. Summary

Teaching involves disseminating information both of knowledge as well as values. When students are clearly informed of the different types of academic dishonesty, lecturers are providing favors for these young people not to commit those practices. Having been in the university for almost two decades, the author is aware of the wide diversity of social and cultural background these students come from. Being a university student requires one to ideally uphold righteousness to be successful both on paper and simultaneously in 'spirituality' too.

From the above picture, the author throughout her years of teaching experience has always believed that apart from teaching and completing the syllabus, inculcation of good behaviour and moral values to strengthen ethics and integrity and developing the young people's soft skills should be incorporated during teaching, no matter how tight class time is. This is not a research paper but a teaching experience which intends to be shared with other aspiring teachers/lecturers who believe that they play a small, if not, significant role to help students develop holistically.

And finally as a reminder to all Malaysians, if not all humankind, these words of Father of the Indian Nation, M.K. Gandhi, should act as the bastion of survival in the journey of life towards excellence, glory and distinction:

If wealth is lost, nothing is lost

If health is lost something is lost

If character is lost, everything is lost.

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Table 1. Overview of Values Education Approaches in Report Writing Class

Approach	Purpose	Methods
Inculcation	<p>To introduce to the students the kinds of topics relevant within the scope of research.</p> <p>To introduce the use of individual portfolio (final grade given)</p> <p>To teach students that comments, feedback, problems or complaints are best addressed through writing</p>	<p>To discuss the different issues that students encounter on and outside campus.</p> <p>Guidance is provided so that topics chosen are not taken from previous students' report.</p> <p>Topics are recorded in the portfolio for continuity of discussion throughout the semester.</p>
Analysis	<p>To help students pick up relevant issue to design questionnaire/interview protocol</p> <p>To help students use objective and analytical process in relating questions with the problems that may be observed or found</p>	<p>Discussion on the topic scope and pertinent, relevant issues that need to be asked during data collection process.</p>
Values clarification	<p>To practice writing of acknowledgements</p> <p>To assist student in writing conclusion and recommendation remarks for the report assignment</p>	<p>Students are directed in group to collect 3 – 5 published books to scrutinize the language use in writing sections of report e.g. Acknowledgement</p> <p>The students learn to incorporate phrases, clauses and collocations that are relevant in writing acknowledgements, statements for conclusion and recommendation.</p>
Action Learning	To train students in writing	<p>In writing component, students are taught the technique of paraphrasing. It is writing in own words what someone else has said or written.</p> <p>The ability to paraphrase helps students to recognize when another writer has restated his ideas.</p> <p>When writing reports, paraphrasing helps to avoid using direct quotes.</p>

Ethics Development	To help students develop regularity and reliability in time management	<p>Students keep an individual portfolio that requires them to present to lecturer on regular meeting appointments outside class hours.</p> <p>Time management skill is applied where students keep to their appointments and meetings.</p> <p>Written tasks are presented to the lecturer. Early drafts are checked and filed. Using the amended draft, the next portfolio presentation is conducted on another meeting.</p>
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Foreign Language Teaching Reform and Improvement of College English Teaching Quality

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Abstract

With the development of China's reform and opening, it is quite necessary for Chinese college students to improve their English competence, hence calling for reform in current college English teaching and strengthening practical English teaching. After analyzing the problems in China's English teaching, this article puts forward some solutions.

Keywords: Practical English teaching, Education management system, Assessment system, Multi-level teaching, English test

With the further development of China's reform and opening, college graduates are demanded more in their English competence. Facing the integrity of global economy and internationalization of science and technology in our new times, it appears to be particularly important to reform college English teaching in China. In order to achieve that, finding out causes of problems should come before planning for any effective measures. In our opinion, the factors influencing the development of China's college English teaching mainly include the following ones.

1. Imperfect Education Management System

At first glance, Chinese college students' poor English competence are caused by some problems in college English teaching, however, a second thought would reveal that the real reason lies in the inconsistency between college English teaching and that in primary and middle schools. Actually, this problem can be reflected in teaching materials, teaching contents, arrangement of courses, experiment environment as well as teaching methods, which has resulted in a waste in teaching resources and time, even students' reluctance to study (Shujing Wu, 2003). In addition, because there are some repeated parts existing in English teaching in college, middle school and primary school, some students who did well in middle school English even believe that they have achieved little in college English learning (Raouxue, Zhang, 2002).

2. Unscientific Assessment System

Due to the large area and population in China, regional high school entrance examination and national college entrance examination are adopted in which it is impossible to conduct oral tests. Accordingly, English teachers in middle schools take every effort to improve students' examination grades instead of their comprehensive abilities, hence resulting in so-called "deaf English" and "dumb English". As for CET-4 and CET-6, they have really made great contribution to China's college English teaching by drawing the attention of education departments, college directors and the whole society to English, especially college English, laying down higher objectives for college English learning and helping teachers to make some positive adjustments in their teaching courses. As a result, many universities even bind students' performance in CET-4 and CET-6 to their job assignments after graduation. However, with some changes in our social demands, students' oral English is more important than before. In this case, CET-4 and CET-6, as standardized tests, seem unsatisfying with their inability to test students' practical English competence, low passing rate caused by over difficult questions and therefore, a great waste of manpower and material resources (Shujing Wu, 2003). Therefore, it is quite necessary to reform *College English Curriculum* and the test system of CET-4 as well as CET-6. Actually, CET-4 and CET-6, designed by the Ministry of Education to examine the implementation of College English Curriculum at college, shouldn't be connected with Students' graduation and jobs. Instead, students' practical abilities in English should be attached importance to (Raouxue Zhang, 2002).

3. Unscientific Teaching Objectives

At present, teaching objectives of college English are set mainly on students' reading abilities and less on comprehensive English competence. It must be admitted that this objective really exerted some positive functions when we only relied on document resources to learn about the development of science and technology in other countries due to our lack in transnational exchanges. However, this reading-oriented objective, due to its unscientific positioning and lack of classified instructions, tends to cause the failure in improving students' listening and speaking abilities, that is

so-called “deaf English” and “dumb English”, and will certainly fail to satisfy the demands for a variety of talents in social economy, science and technology and culture. Therefore, only starting from our reality and scientific demonstrations to form teaching objectives and plans shall we stand the examination in practice (Yuan Gao, 2003).

4. Insufficient Attention and Input to English Teaching

This problem can be revealed in the following two aspects:

- (1) There are not enough language laboratories and multimedia classrooms for students to study in.
- (2) There is a severe shortage of teaching faculty in quantity as well as quality (Raoxue Zhang, 2002)

Taking the above problems into consideration, I think some measures should be taken at present:

1. Converting ideas to promote English teaching reform. First of all, enough attention should be paid to the whole society's dissatisfied reactions with present college English teaching, and accordingly, we should reflect on how to set our objectives for college English teaching and what standards should be fixed for college graduates' English competence and so on. Students' comprehensive competence should be emphasized rather than reading abilities only, in which listening and speaking should come first and the four skills should be developed in an overall way. Only in this way shall we succeed in cultivating the practical high-quality English professionals for the whole society. Accordingly, *College English Curriculum* should be set above the one for high school English, based on which different universities should lay down their own ones according to their different realities (Shujing Wu, 2003, Yuan Gao, 2003).

2. Further strengthening English teaching reform (Raoxue Zhang, 2002) .

3. Abolishing the current college English test system, through which the socialization of English test should be fulfilled and students will not be organized by their universities to take this test (Shujing Wu, 2003).

4. Strengthening the construction of teaching faculty and adding more high-quality teachers. First, a great number of high-quality English teachers should be cultivated and be qualified as soon as possible for teaching practice. Second, foreign teachers as well as teachers in specialized English should be made full use of to improve teaching quality.

Meanwhile, teaching reform should be strengthened with the emphasis on cultivating practical talents in English. First, in teacher materials, reading should give way to listening and speaking to some extent. Second, in teaching forms and methods, interactive and multimedia teaching should be conducted with full use of language labs and network, and small classes should be organized in English learning, in which teachers' one-way teaching and students' cramming should be avoided. According to different situations in different universities, bilingual teaching and college English teaching should complement each other, through which the objective of bilingual teaching will be achieved finally (Raoxue Zhang, 2002).

5. Increasing input to improve teaching conditions. Greater amounts of input should be given in language labs, multimedia classrooms, network construction, teacher training and teaching allowances and so on.

6. Establishing and conducting multi-level English teaching system. According to students' English competence, we can divide them into two levels: the common level and the advanced level. In order to strengthen the latter students' competitiveness and ability to communicate with others in English on some academic issues, special teachers should be assigned to teach them and dynamic management system should be adopted to form a competition system among them. In this way, these students will be able to finish their basic English learning earlier to spare more time learning other English courses, hence preparing themselves better for their future.

7. Establishing reasonable assessment and evaluation system. English teaching cannot do without test. In spite of the indispensable functions of CET-4 and CET-6, more attention should be paid to students' practical English competence, which should be our main objective for college English teaching (Shujing Wu, 2003, Raoxue Zhang, 2002).

8. Reforming teaching methods. No matter in basic English courses or in optional ones, practical exercises and activities, such as discussions on hot issues, journalists' interviews and forums, are required in class to realize the interactive functions of the English language. Some principles should be stuck on in English teaching, such as emphasizing students' participation and avoiding onefold class activities, advocating activity and avoiding passive learning style, calling for interactions and avoiding teachers' one-way teaching, emphasizing practice and deemphasizing studying for examinations. All in all, we are pursuing the development of students' comprehensive English competence.

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The Effect of Lengthened Writing Approach on L2 Vocabulary Acquisition

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Abstract

Based on empirical research and qualitative analysis, this paper aims to explore the effects of Lengthened Writing Approach on L2 vocabulary acquisition. The results show that, during L2 vocabulary teaching process, the proper application of Lengthened Writing Approach can effectively facilitate the memorization of new words, and this teaching approach is welcomed by most subjects. This study highlights the role of Lengthened Writing Approach in L2 vocabulary acquisition, and sheds light on the college English learning and teaching.

Keywords: Lengthened Writing Approach, L2 vocabulary teaching, Memorization of new words

1. Introduction

China, with the largest population of the earth, has the largest body of L2 English learners. Since Chinese and English belong to different language families, Chinese English learners, especially beginners and intermediate learners, feel it very difficult to memorize English words. English practitioners have been trying to find out ways of helping English learners remember English words quickly and effectively. They try their methods in their classes, write or compile books, make software for the self-learners, etc. But there have been relatively few methodological proposals on how best to systematically approach the teaching and learning of vocabulary which really suits Chinese EFL learners.

Lengthened Writing Approach is a kind of foreign language learning and teaching method first initiated and advocated by Chinese scholar Wang Chumming. In view of the characteristics of Chinese EFL learners, he integrated various approaches and proposed this method with a teaching focus on the creative task design which will stimulate the learners to express their true feelings and arouse their writing impulse, in accordance with the laws of foreign language learning, the instructors adjust the requirement of the length of the learners' compositions at different learning stages (the higher, the longer), so as to facilitate the learners to overcome the tough barrier to foreign language learning, enhance their confidence and sense of achievements, and hasten the transformation from knowledge to application competence. (Wang C.M, 2000)

For the intermediate L2 learners, especially the college students, researchers of Lengthened Writing Approach hold that, since the affective variables such as attitudes, anxiety, motivation and self-confidence play an important role in making individual differences in language learning, this method may effectively solve this problem, and by encouraging the learners to write freely, Lengthened Writing Approach may give them a sense of achievements, this, in turn, will enhance their self-confidence. What this approach stresses is the learners should write to learn, rather than the traditional way—learn to write. Most important is that, through long writing, the learners' knowledge of foreign language may be gradually internalized and consolidated.

2. Hypothesis

Theoretically, we may hypothesize that, Lengthened Writing Approach has a positive effect on Chinese EFL learners' vocabulary acquisition, or to put it in another way, Lengthened Writing Approach is an effective way to enhance Chinese EFL learners' lexical competence. But there is still a lack of empirical research to further test this hypothesis. Therefore, this study, with a reference to Yun (1989) and Wang (2005), intended to provide some additional information in this respect by conducting experiment and analyzing the experimental data. Specifically, this study attempted to answer the following questions:

- (1) Whether the new words retain longer in the learners' memory, after being used in their writings,
- (2) What the reactions of the subjects to the Lengthened Writing Approach are.

3. Method

In order to find answers to these questions, 4 research instruments—written task, tests, questionnaire and retrospective interview—were administered to the subjects (112 first-year undergraduates of non-English majors at Qingdao

University of Science and Technology, including 55 in experimental group, 57 in control group). The first-year undergraduates were selected because they had no college English education experience and similar personal English learning background, standing at the same starting point.

Data were collected over a span of more than 8 weeks; the subjects were given two English passages inside class. The researcher picked out 60 words or expressions that may be unknown to the subjects. These words or expressions were printed and made into test papers. The first test was carried out in the classroom settings. The subjects were required to decide which word or expression was known to them and write down the corresponding Chinese meaning within 30 minutes. All the participants in the test cooperated with the researcher, followed the directions strictly and took the test seriously. The researcher collected all the test papers after the subjects finished.

After the first test, the subjects learned the 60 new words and expressions under the help of the teacher, and then it came to the writing task. The subjects were given an assignment: writing a piece of composition after class. The subjects were required to write as long as possible, but must finish within two days. There was a difference in requirements to the experimental group and the control group. For the experimental group, the subjects were required to use the 60 words and expressions as many as possible, the more, the better; especially the unknown ones in the first test; while there was no such requirement to the control group. And the researcher collected all the compositions when they finished two days later. Two weeks later, all the subjects participated in the second test. The test paper was made up of 60 English sentences, each sentence contained one word or expression from the above-mentioned 60 ones, and the other words in each sentence were all the frequently used ones. This test required the subjects to translate all these sentences into Chinese. The purpose of the second test was to see how many words or expressions which were acquired two weeks before could be remembered, so as to check whether there was any difference in memorizing the new words between the two groups. Eight weeks later, the third test was conducted in the classroom to all the subjects. The purpose of this test was the same as the second one, checking whether there was any difference in remembering of the new words between the two groups after eight weeks. The test method was still the English to Chinese translation of 60 sentences which were different from the second test in meaning and sequence, but still contained those 60 target words or expressions. The test paper was modified to give the subjects a sense of freshness, so as to ensure the validity of the test.

Questionnaires and the retrospective interview were given to the subjects on two different school days after they finished the third test. The questionnaires were administered in classroom within 10 minutes, and when completed, they were collected immediately by the researcher. Interviews with small groups of 6 to 8 were carried out after class in an informal way. Though with some key questions in mind, the researcher did not interrupt them when the subjects were talking. Instead he followed and asked more questions once the subjects said something worth exploring. Such a pleasant atmosphere led to a relaxed and honest outflow of personal views. The interviews were conducted all in Chinese so that the subjects could express themselves accurately and thoroughly. And the researcher made notes while subjects contributed something valuable and meaningful.

4. Results and Analysis

The results have been fed into SPSS (12.0) and analyzed using independent sample T-test analysis.

Table 4.1 shows the means comparison of Test 1 from the outcome of independent sample T-test in SPSS. It indicates that in Test 1, Experimental Group (E Group) and Control Group (C Group) are quite similar in the means (E Group is 48.78, while C Group is 48.77), this means both groups have nearly the same new words and expressions size (about 49) in the given two passages, and though control group is a little lower, it ($P > 0.05$) has no significance at all.

Therefore, the results of Test 1 proved again that both groups started at the same or similar vocabulary level before the experiment which provides an ideal reference for the following experimental tests.

Based on the number of the each subject's unknown words and expressions, how many of these unknown words and expressions were used in his/her composition were counted. Table 4.2 shows the means comparison of the counted numbers from the outcome of independent sample T-test in SPSS. It indicates that in the writing task, in the numbers of the new words and expressions used in the compositions, E Group and C Group are quite different in the means (E Group is 15.22, while C Group is 4.53), and the difference is statistically significant. ($t = 13.47$, $P < 0.01$). This means that, in the experimental group, most subjects could consciously put what they have learned in the two passages into their compositions, while in the controlled group, the subjects' performance in using the new words and expressions is much poorer.

Based on the above analysis, there is only one possible explanation that accounts for the different performances of the two groups, that is, in the task assignment stage, the subjects in experimental group were required to use the 60 words and expressions as many as possible, the more, the better; especially the unknown ones in the first test; while there was no such requirement to the control group.

Therefore, the subjects' performance of using the new words and expressions can be greatly affected by the teaching requirements. And the teacher's purposeful guidance in the task assignment stage plays a positive role in arousing the

consciousness and interests of the subjects to use the words and expressions they have just learned in their writings.

Test 2 provided the researcher with two kinds of data statistically (Data A and Data B). Data A was the scores of the test which showed how many new words and expressions could be remembered after two weeks. Then with a reference to their compositions, the researcher could work out Data B, that is, among the remembered new words or expressions, how many of them were actually used in their compositions. In the following, the two results will be presented and described respectively.

Table 4.3.1 shows the means comparison of Data A in Test 2 from the outcome of independent sample T-test in SPSS It indicates that, after two weeks, in the numbers of how many new words and expressions could be remembered by the subjects, E Group and C Group are different in the means (E Group is 22.44, while C Group is 16.96), and the difference is statistically significant. ($t = 7.51, P < 0.01$). This means that the subjects in E Group acquired the new words and expressions better than those in C Group

From Section 4.2, we know that the experimental group and control group had different performances in using the new words and expressions in their compositions. Does this contribute to the different performances of the subjects in memorizing the new words and expressions? So it's quite necessary to make a statistical analysis of how many of these memorized new words and expressions were used in the subjects' compositions.

Table 4.3.2 shows the means comparison of Data B in Test 2 from the outcome of independent sample T-test in SPSS It indicates that in the numbers of how many of the remembered new words and expressions were used in the subjects' compositions, E Group and C Group are different in the means (E Group is 9.89, while C Group is 4.04), and the difference is statistically significant. ($t = 11.83, P < 0.01$).

It is not surprising to have such difference since from Section 4.2; we know that the subjects in E Group used much more new words and expressions in their compositions than those in C Group. What the researcher most concern in Data B is presented in Table 4.3.3. It clearly shows that, in E Group, 65% of the new words and expressions which were used in the compositions were still retained in the subjects' memories two weeks later; while the ratio is much higher in C Group, which amounts to 89%. That is, for both groups, most of the new words and expressions which were used in the compositions had been memorized after two weeks. This means that, during the L2 writing process, if the newly acquired words or expressions have been creatively used, they will retain longer than those without in the users' memories.

The same as Test 2, Test 3 also provided the researcher with two kinds of data statistically (Data I and Data II). Data I was the scores of the test which showed how many new words and expressions could be memorized after eight weeks. Then with a reference to their compositions, the researcher could work out Data II, that is, among the memorized new words or expressions, how many of them were actually used in their compositions. In the following, the two results will be presented and described respectively.

Table 4.4.1 shows the means comparison of Data I in Test 3 from the outcome of independent sample T-test in SPSS. It indicates that, after eight weeks, in the numbers of how many new words and expressions could be remembered by the subjects, E Group and C Group are still different in the means, (E Group is 28.31, while C Group is 25.07), and the difference is still statistically significant. ($t = 4.52, P < 0.01$). But the difference is not so sharp as that in Test 2 (E Group is 22.44, while C Group is 16.96, $t = 7.51, P < 0.01$).

This means that, eight weeks later, the experimental group still remains its dominance in the acquisition of those new words and expressions. But in terms of the total numbers of the new words and expressions that could still be remembered by the subjects, the control group has got close to the experimental group. What's more, both groups' performances are a little better than those in Test 2. This may due to the fact that, during the eight weeks, the subjects had been learning English continuously, and they may directly or indirectly go over those words and expressions. This is the negative factor which the researcher cannot control during the experiment. But that does not affect the explanation of the test results.

Table 4.4.2 shows the means comparison of Data II in Test 3 from the outcome of independent sample T-test in SPSS It indicates that in the numbers of how many of the remembered new words and expressions were used in the subjects' compositions, E Group and C Group are different in the means (E Group is 10.63, while C Group is 4.07), and the difference is statistically significant. ($t = 18.63, P < 0.01$).

We may also resort to table 4.4.3 to see the revelation of the result. It clearly shows that, in E Group, 70% of the new words and expressions which were used in the compositions were still retained in the subjects' memories eight weeks after they finished their compositions; while the ratio is much higher in C Group, which amounts to 90%.

And just as Data B in Test 2, this again proves that, in L2 vocabulary acquisition, if the new words and expressions have been consciously used in the writings, even after a long time, they will still retain in the learners' memories. That is, using the newly acquired words or expressions may facilitate the acquisition of them.

The purpose of questionnaire and interview is to explore all the subjects' personal and subjective feelings about the questions that the researcher is interested in. For each item, the means of the subjects' marking were figured out. And Table 4.5 shows the results of means of both groups in the questionnaires. It clearly reflects the subjects' attitudes towards different items related to the Lengthened Writing Approach. We may note that all the means are over the dividing value 3, which means, in general, the subjects' opinions about the items being investigated are positive.

Item 1(I have confidence in writing a long composition in English) mainly concerns about the affective factors of the subjects. According to the creative construction model of Burt and Dulay, the affective filter screens incoming language data and constitutes the first main hurdle that incoming language data must encounter before they are processed further. That is to say, the affective factors play an important role in making individual differences in language learning. It is, therefore, necessary to look at the affective reactions of the subjects to the Lengthened Writing Approach. And the means of this item shows that most subjects (especially E Group, with the means of 3.39) have self-confidence to write long composition, and being able to writing a long composition in English gives them a sense of achievement, which builds on their confidence in learning English.

Item 2(I like to write a composition which is related to what we have just learned.) was designed to see whether the subjects like to a composition with a topic related to what they had just learned. This may also belong to a kind of affective factors and directly related to the first two stages of Lengthened Writing Approach, materials input and task design. The means of both groups are up to or nearly to 4, which shows that, if the subjects are exposed to a certain task-related materials, a materials-related writing task is no longer a tough thing for them, for they know how to express what they want to say.

The means of Item 3(Writing long composition is helpful to use the new words and expressions we have learned) shows that, most subjects hold positive idea on the role of writing long composition. And E Group's better performance in the experiment may account for why the mean of E Group is a little higher than that of C Group.

Item 4 (Writing long composition makes me review the new words we've learned so that I could find some useful ones) and Item 5(Writing long composition makes me read more so that I could find more useful words and expressions) were used to survey what the subjects have done during their writing process. The means of these two Items, though a little lower, together with the retrospective interview, prove the researcher's assumption, that is, the material-related writing task may arouse the subjects' learning interests, and they actively go over what they've just learned and expand their reading after class in order to finish their composition assignment.

The means of Item 6 (Through writing long composition, I found I can remember more new words and expressions) are not very high (with only 3.56 in E Group and 3.22 in C Group), which may be due to the facts that when the questionnaire were conducted, the subjects had only experienced three times of writing long compositions, some of them hadn't realized the potential effects of such method on their acquisition of new words and expressions. But it is enough to show that most subjects approve this item.

And Item 7(I think writing long composition after class is an effective way in English vocabulary learning) is the summary of the whole questionnaire. In terms of the means of both groups (E Group is 4.13 and C Group is 4.09), a conclusion can be safely drawn: generally speaking, the subjects have approved the positive effects of Lengthened Writing Approach on their English vocabulary learning. And some of the opinions of the subjects during the retrospective interview are presented below to further illustrate the conclusion.

5. Conclusion

The following are the major findings of the present research

(1)In consolidating word form and meaning in memory, using the word may be an effective way, for the data gained from the tests has approved that, if being used once in the writings, the new words or expressions will retain longer in the user's memory than those without.

(2)The results of questionnaire and retrospective interview indicated that, Lengthened Writing Approach was welcomed by most students; it did strengthen the students' confidence and arouse their interests in English learning, urge them to consult various resources, motivate them to find more useful words and expressions in their writings, so as to enhance their abilities in English vocabulary acquisition.

The present study first contributes to the theories of second language acquisition, especially the functions of L2 writing: Lengthened Writing Approach, to some extent, is an attempt to bridge across reading and writing while awakening a producing desire and consciousness in learners throughout the process of input, promote the transition from input to output by timely practice of long writing after reading, and thereby to make the Chinese EFL learners more efficient and effective. While reading is a way of learning, writing, as a more accurate kind of output, is another. "Writing reinforces grammatical structures, idioms and vocabulary." "Writing is a unique way to reinforce learning."(Raimes, 1983) Meanwhile, this study calls for more importance to be attached to the role of written output in L2 vocabulary learning.

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Table 4.1 Means Comparison for Test 1

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	48.78	2.29	.024	.981
Control Group	57	48.77	2.05		

Table 4.2 Means Comparison for the New Words and Expressions Used in the Subjects' Writings

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	15.22	5.32	13.47	.000
Control Group	57	4.53	2.71		

Table 4.3.1 Means Comparison for Data A in Test 2

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	22.44	4.08	7.51	.000
Control Group	57	16.96	3.63		

Table 4.3.2 Means Comparison for Data B in Test 2

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	9.89	3.15	11.38	.000
Control Group	57	4.04	2.24		

Table 4.3.3 Means and Frequency comparison for Writing Task and Data B in Test 2

	N	Mean of the new words and expressions used in compositions	Mean of the memorized new words and expressions in Test 2 which were used in compositions	Proportion (%)
E Group	55	15.22	9.89	65%
C Group	57	4.53	4.04	89%

Table 4.4.1 Means Comparison for Data I in Test 3

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	28.31	3.53	4.52	.000
Control Group	57	25.07	4.02		

Table 4.4.2 Means Comparison for Data II in Test 3

	N	Mean	Std. Deviation	t	Sig.(2-tailed)
Experimental Group	55	10.63	2.14	18.63	.000
Control Group	57	4.07	1.56		

Table 4.4.3 Means and Frequency comparison for Writing Task and Data II in Test 3

	N	Mean of the new words and expressions used in compositions	Mean of the memorized new words and expressions in Test 3 which were used in compositions	Proportion (%)
E Group	55	15.22	10.63	70%
C Group	57	4.53	4.07	90%

Table 4.5 The Result of Questionnaires

Item	Group	<i>Strongly Agree</i>	<i>Agree</i>	<i>Neutral</i>	<i>Disagree</i>	<i>Strongly Disagree</i>
		5	4	3	2	1
Item 1	E Group	3.39				
	C Group	3.43				
Item 2	E Group	4.01				
	C Group	3.92				
Item 3	E Group	4.17				
	C Group	3.61				
Item 4	E Group	3.61				
	C Group	3.32				
Item 5	E Group	3.92				
	C Group	3.63				
Item 6	E Group	3.56				
	C Group	3.22				
Item 7	E Group	4.13				
	C Group	4.09				



Improving Soft Skills of University Students Through Software Development Team Projects

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Abstract

The success of a software project depends on many factors. It requires project team members to be well-equipped with technical knowledge and good soft skills. Among the many soft skills, the two basic soft skills that all project team members should possess are communication and negotiation skills. Today, communication skills are found to be lacking among the university graduates. This situation has resulted in the unemployment of 3 942 information technology graduates in 2006. A study was initiated to incorporate the teaching of communication and negotiation skills in the Project Management (PM) course through team projects undertaken by members of multi-racial composition. This paper presents feedback from 67 students on the teaching of communication and negotiation skills, and project management concepts through team projects.

Keywords: Communication skills, Negotiation skills, Software development, Team project, Project management course

1. Introduction

The successful development of software systems is often the result of software project team efforts. Thus, software projects require project team members who are not only knowledgeable in software development issues but are also good team player under the leadership of a competent project manager (Gorla & Lam, 2004). The attributes of a competent project manager include good technical software development knowledge, ability to communicate effectively and negotiate with customers and project team members to resolve project management issues and problems. Project managers who possess good communication and negotiation skills often complete software systems on time, within budget and fulfill software quality requirements (Marchewka, 2006; Brewer, 2005). According to the 2002 and 2004 statistics reported in two Malay newspapers, Utusan Malaysia and Berita Harian, a total of 24 728 and 48 100 Malay graduates were unemployed (Darwi, 2002; Razak, 2004). A report in a newspapers (Star, April 14, 2005), among the main reasons that caused their unemployment include poor academic results, poor attitude, poor English, poor interaction and communication skills (Omar, 2003; Pua, 2005). As at June 2006, 20 217 graduates who registered with the Malaysian Human Resource Ministry's Job Clearing System, were still unemployed. Out of this figure, 3 942 (19.5%) unemployed information technology (IT) or computer science (CS) graduates were also found to be lacking in technical and soft skills. Poor communication skills are also found to be one of the main reasons for their unemployment (Ram, 2006). Hence, incorporating some of the soft skills which can be taught in classes could be an effective solution to this serious unemployment problem.

In the computer science (CS) programme offered by the University of Malaya, students who specialise in software engineering (SE) are required to undertake the course Project Management (PM) as one of the core departmental courses in the second year. This course introduces practical project management theories and concepts to equip the students with fundamental project management knowledge and experience (Bachelor of Computer Science Programme Handbook, 2006). The PM theories and concepts are taught through lectures, followed by tutorial questions to enhance students' understanding. This lecture-tutorial based teaching method does not help to build up or enhance the communication and negotiation skills among the students.

In view of the serious unemployment problem which is partly attributed to poor communication skills among the CS graduates, the teaching of soft skills is now incorporated into the PM course. Two main soft skills – communication and negotiation skills are taught via team projects. The following sections explain the formation of project teams and the research methodologies used to conduct the study.

2. Formation of project teams

The PM course is a 3-credit hour course comprising two hours of lectures and one hour of tutorial. During lectures,

students are introduced to the theories and concepts of project management. During the tutorial session, the students are required to apply the PM theories and concepts to manage a software development project. In this study, the sixty-seven (67) students who registered for the PM course made up the study population. Although PM is a core departmental course for SE students, it is also an elective course for students in the information science (IS) major, and students of the Bachelor of Information Technology (BIT) programme (Bachelor of Information Technology Programme Handbook, 2006). In this study, two BIT students had registered for the PM course.

Students taking the PM course are second year students. Students who are extrovert often make friends and communicate well with students of other ethnic groups easily. On the other hand, students who are introvert may not know any student of other races even after studying the first year together. Also, students who are given the flexibility to form project teams, often team up with those of the same gender, thus, resulting in teams comprising male or female students only. Hence, before forming project teams, the students were given a list of software development project titles and team structure guidelines. After a student has decided on the project title, project teams with 9-10 members were then established. The project teams usually consist of students who have chosen the same project titles. Each team must comply with the guidelines for formation of the team structure with respect to ethnic and gender composition.

Figure 1 shows the team structure of the seven project teams established. There are four teams which have Chinese, Malay and Indian students (Teams 1, 2, 4 and 6), two teams with Chinese and Malay students (Teams 5 and 7) and one team (Team 3) with Chinese and students of other races (Bidayuh, from the Sarawak state of East Malaysia). The purpose of having this multi-racial team structure is not only to teach communication and negotiation skills to students of different races, but also to promote harmony among the university students. Also, based on the author's past experience, it is more effective to teach communication skills through interaction among students of different races in a project team. Each team selects one of their members to be the project leader.

As there were seven project teams, three separate tutorial classes were formed and run on non-parallel sessions. There are two teams in each tutorial class except for the third tutorial class which has three teams. During the tutorial session, the team leader will lead the project discussions and distribute the workload among the project teams. The teams carry out project management tasks/activities assigned to them after each lecture. Each project team was also given opportunities to clarify doubts about the lectures, if any, and the project leader was required to give a brief report on the progress of the project during the tutorial sessions. This is aimed at monitoring the project progress and to observe the communication and negotiation skills among the seven project team members.

3. Research methodology

The methodologies used to conduct this study include observation, questionnaire survey and analysis of the questionnaires using a statistical package. Observations were made during the tutorial classes. Generally, all seven teams showed cooperation and good teamwork within each team. As all seven project leaders were highly concerned about their team's image, none of them expressed unhappiness or gave adverse comments about their team members.

The questionnaire survey was chosen to obtain feedback from each student as this method allows the students to express themselves freely on paper regarding their opinions, feelings, and comments about themselves and other team members. During the last tutorial session, each student was given a questionnaire to answer. The questionnaire was aimed at getting feedback from the students pertaining to their communication and negotiation skills, their relationship with other team members, and the learning of practical project management concepts through the team project. A sample of the questionnaire is given in Appendix A. The returned questionnaires were checked for completeness prior to data coding. After coding, the data were entered and analysed using SPSS® for Windows Release 13.0 (SPSS® 13.0 for Windows, 2004). The results of data analysis are presented in the next section.

4. Analysis of survey outcomes

In this survey, 67 sets of questionnaires were distributed and used for analysis. Of the 67 students, 34 (51.0%) are male students and 33 (49.0%) are female students, respectively (Figure 2). The students comprise 46 (69.0%) Chinese, 10 (15.0%) Malays, 9 (13.0%) Indians, and 2 (3.0%) from other ethnic group (Figure 3).

4.1 Opinions on communication skills

As software project managers need to communicate with customers, project team members, vendors and top management personnel, the ability to communicate well is one of the important soft skills that good project managers must possess. Every one of us exhibit communication skills when we communicate daily with people in our neighbourhood, study environment and workplace. The communication skills of a person depend on how well he/she interacts with others. According to Jeffrey L. Brewer (2005), communication skills can be taught in classes. Hence, this study was initiated in 2006 to investigate the opinions of the 67 students with poor communication skills before they were involved in a team project but who have shown improvement in their communication skills after completion of the team project.

Table 1 shows the crosstabulation of the students' opinions on communication skills before participating and at the end

of the team project, according to project team number. One student each from team 3 and team 6 indicated that they disagreed that they have poor communication skills before taking part in the team project. This implies that they do possess communication skills and they strongly agreed that the team project helped them to improve those skills. In analysing and summarising the results of the crosstabulation, 33 (49.3%) students from the seven teams disagreed or strongly disagreed that they have poor communication skills. The remaining 34 (50.7%) students agreed or strongly agreed with having poor communication skills. Irrespective of their communication skills before taking part in the team projects, 55 (82.1%) students agreed and strongly agreed that the team project helped them to improve their communication skills. Only 12 (17.9%) students disagreed or strongly disagreed with the opinion. Overall, team projects do help the majority of students (82.1%) to improve their communication skills.

4.2 Opinions on negotiation skills

Software project managers often need to negotiate with customers when software project problems arise. These problems include cost overrun, or the inability to deliver software system on time. The project managers will have to negotiate for additional costs or extension of delivery date. Besides, negotiation skills are also needed; to deal with difficult project team members who refuse to perform the tasks assigned or to work overtime; to negotiate with vendors on cost of project resources or rental of equipment/machinery; and to negotiate with top management personnel for management support in prioritising projects (Gray & Larson, 2006). Hence, negotiation skills are important soft skills that good project managers must possess. All of us possess negotiation skills as we have to deal with various people to get tasks/jobs done everyday. The negotiation skills of a person depend on the persuasiveness of a person. Negotiation skills can also be taught in classes (Brewer, 2005). This study investigates the opinions of the 67 students with poor negotiation skills before they were involved in a team project but who have shown improvement in their negotiation skills after completion of the team project.

Table 2 shows the crosstabulation of the students' opinions on negotiation skills before their participation and at the end of the team project according to project team number. Two students indicated that they disagreed (from teams 5 and 6) and strongly disagreed (from teams 3 and 6) that they have poor negotiation skills before taking part in the team project, respectively. This implies that they do possess negotiation skills and they strongly agreed that the team project helped them to improve those skills. In analysing and summarising the results of the crosstabulation, 30 (49.3%) students from the seven teams disagreed or strongly agreed that they have poor negotiation skills. Thirty-six (53.7%) students agreed or strongly disagreed with having poor negotiation skills. One (1.5%) student indicated that the team project did not have any impact on his negotiation skills before participating in the project or at the end of the project. He indicated in the questionnaire form that he was the project leader of team 1. His team members were helpful and cooperative, hence, he did not have to negotiate/persuade them to perform the tasks assigned to them. As he has no opportunity to exhibit his negotiation skills, he indicated in the questionnaire form that negotiation skills as Not Applicable to him. Irrespective of their negotiation skills before taking part in the team project, 59 (88.1%) students agreed and strongly agreed that the team project helped them to improve their negotiation skills. Only 7 (10.4%) students indicated that they disagreed or strongly disagreed with the opinion. One (1.5%) student indicated Not Applicable as explained above. Overall, the team projects do help the majority of students (88.1%) to improve their negotiation skills.

4.3 Opinions on the understanding and application of practical project management concepts

In the study, feedback was also obtained from the students on their understanding of practical project management concepts through the team projects. Throughout the team projects, students are required to apply various project management concepts that they have learned from the lectures. These include preparing the work breakdown structure (WBS), flexibility matrix, responsibility matrix, estimating project time and cost, drawing of network analysis diagrams, planning risk management, performing project progress and performance measurement and evaluation using tracking techniques and earned value analysis, and carrying out project audit and closure (Gray & Larson, 2006). As shown in Figure 4, 13 (19.4%) students and 49 (73.1%) students, respectively, strongly agreed and agreed that they understood and were able to apply the practical project management concepts through the team project. Only 2 (3.0%) students and 3 (4.5%) students, respectively, disagreed and strongly disagreed that they learned practical project management concepts through team project. Overall, based on the positive feedback from 62 (92.5%) students, team project is an effective way to introduce and help students to learn the practical project management concepts.

4.4 Opinions on understanding and applying management skills in software development

In the team project, students communicate with team members through discussions, and apply their negotiation skills when they were unable to complete project development tasks on time. Besides, the project leaders also have the opportunity to develop or enhance their leadership skills. Feedback from the students show that the project management course has helped them to understand and apply management skills in software development. This is reflected by 19 (28.3%) students and 46 (68.7%) students, who strongly agreed and agreed with the statement, respectively (Figure 5). However, 1 (1.5%) student disagreed and another student (1.5%) strongly disagreed with the statement. Further analysis on these two students revealed that both of them indicated that they did not communicate well with all the project team

members. This implies that they do not have good relationship with other team members and hence, they could not work well with the team to apply the management skills taught in the PM course.

4.5 Opinions on the need to have team project

The students were also asked to comment on the need to have team project in the PM course. Out of all 67 students, 66 (98.5%) students strongly agreed and agreed that there is a need to have team project in the PM course (Figure 6). Only 1 (1.5%) student disagreed with the statement. Further analysis on the team project and the final examination results of this student shows that she performed poorly in both the assessments. Obviously, her negative comments imply that she did not understand project management concepts and was not able to apply PM knowledge and management skills in the team project.

4.6 Project management course assessment and performance of students

To investigate if the students have gained practical PM knowledge and acquired the two soft skills through the team project, assessment was made based on project presentation, project report and a final examination paper. The project presentation and report contributed 10% and 30%, to the overall course assessment, respectively. The project presentation aims to assess the verbal communication skills among the project team members. On the other hand, the project report is used to assess the written communication skills (writing skills) of the students on their understanding and application of practical PM concepts to manage the development of a software system. The final examination, which contributes 60% of the overall assessment, examines the understanding of the students on the PM concepts and theories and their ability to apply these knowledge in solving management problems. Table 3 shows details of the PM course assessment.

The final results of the 67 students were crosstabulated with their opinions on the understanding and application of practical PM concepts through team project. Table 4 shows that some students agreed that it is necessary to have team project but disagreed that team project could help them to understand and apply practical PM concepts in software development. Despite having such opinions, these students performed well in the PM course. This is reflected by 1 student (1.5%) who scored grade A, 2 students (3.0%) who scored grade A- and 1 student (1.5%) who scored grade B+. Only 1 student (1.5%) who agreed with similar opinions did not perform well in the PM course (scored grade C+). This situation could possibly be due to the fact that they agreed with the need to have team project, but this alone is not sufficient to make them understand and be able to apply practical PM concepts in software development.

From the survey, there are students who strongly agreed and agreed to the team project and also strongly agreed and agreed that team project helped them to understand and apply practical PM concepts in software development. Despite their support of the team project, these students did not perform well in the course. This is reflected by two students who scored grade C+ and two students who scored grade C. On further investigation, these four students see the effectiveness of team project in helping them to understand and apply practical PM concepts in software development, but they did not perform well in the final examination.

Interestingly, there is one conflicting opinion from one student who agreed that team project helped her to understand and apply practical PM concepts in software development, but disagreed with the need to have team project in the PM course. Further analysis on the feedback indicated that she was shy and unable to communicate fluently with other team members in English. Hence, she disagreed on the need to have team projects in the PM course. Obviously, her poor command of English could also possibly be the reason for not performing well in the final examination of the PM course, as she scored a grade C.

Generally, students who strongly agreed or agreed with the need to have team project and strongly agreed or agreed that team project helped them to understand and apply practical PM concepts in software development show good performance in the PM course. This is evident from the results of 17 (25.3%) students, 12 (17.9%) students, 10 (14.9%) students, 14 (20.9%) students, and 4 (6.0%) students, who scored grade A, A-, B+, B and B-, in the PM course, respectively (Figure 7). In this study, only 5 (7.5%) students who indicated similar opinions did not perform well in the PM course, with a grade of C+ (3 students, 4.5%) or C (2 students, 3.0%) . Overall, it can be concluded that the team project is an effective learning method which has helped 57 (85.0%) students to understand and be able to apply practical PM concepts in software development and to achieve good performance in the PM course.

5. Discussion and conclusion

The outcomes of the survey reveal aspects related to the opinions and results of the students on the teaching of the Project Management course through team project. Opinions expressed by the students indicate that the team project helps to improve the communication and negotiation skills of the students. Besides, team project also helps the majority of students to understand and be able to apply project management concepts in software development. The practical contents of the Project Management course have helped students to understand and be able to apply management concepts and skills in software project development.

Based on the students' feedback, the multi-racial composition of the team has a significant impact on improving the communication and negotiation skills of the students. It is, however, also important to investigate why the team structure did not help to improve the soft skills or performance in the course for a minority of students. Also, conducting

a follow-up study on the 67 students after their graduation will provide good indicators if the teaching of communication and negotiation skills via team project is effective in overcoming the unemployment problem among the computer science graduates. Comments from the employers should also be sought to find out the quality of these students as well as their satisfaction with regard to their employer communication and negotiation skills. The results of such study will provide good guidelines to further improve on the implementation of teaching communication and negotiation skills via team projects. Based on the outcomes of this study, it can be concluded that the team project is an effective way to help alleviate the unemployment problem that resulted from poor communication skills. This study also shows that communication and negotiation skills can be taught effectively in a course through team project with multi-racial team members.

Acknowledgement

The author would like to thank all the students of the WKES2202-Project Management course of academic year 2005/2006, of the Faculty of Computer Science & Information Technology, University of Malaya, for their assistance, cooperation and participation in the survey.

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Table 1. Team No. * Poor Communication Skills (Before Taking Part in the Team Project) * Team Project Helped to Improve Communication Skills Crosstabulation

Team Project Helped to Improve Communication Skills			Poor Communication Skills (Before Project)				Total
			Strongly Agree	Agree	Disagree	Strongly Disagree	
Strongly Agree	Team No.	3			1	0	1
		6			1	1	2
	Total				2	1	3
Agree	Team No.	1	2	3	2	1	8
		2	1	2	3	2	8
		3	1	4	1	1	7
		4	0	6	2	1	9
		5	0	5	4	0	9
		6	0	1	2	0	3
		7	0	4	1	3	8
Total			4	25	15	8	52
Disagree	Team No.	1	1	0	0		1
		3	0	1	0		1
		4	0	1	0		1
		6	0	1	0		1
		7	0	0	2		2
Total			1	3	2		6
Strongly Disagree	Team No.	2		0	1	0	1
		3		1	0	0	1
		5		0	1	0	1
		6		0	1	1	2
		7		0	1	0	1
Total				1	4	1	6

This table shows the opinions of students pertaining to their communication skills before and after the team project. Their opinions are grouped according to project team number.

Table 2. Team No. * Poor Negotiation Skills (Before Taking Part in the Team Project) * Team Project Helped to Improve Negotiation Skills Crosstabulation

Team Project Helped to Improve Negotiation Skills		Poor Negotiation Skills (Before Project)					Total
		Strongly Agree	Agree	Disagree	Strongly Disagree	Not Applicable	
Strongly Agree	Team No. 1		1	0	0		1
	3		0	0	1		1
	5		1	1	0		2
	6		0	1	1		2
	Total		2	2	2		6
Agree	Team No. 1	1	2	1	2		6
	2	0	3	2	2		7
	3	0	7	0	1		8
	4	3	6	0	1		10
	5	0	3	4	0		7
	6	0	2	1	1		4
	7	0	2	8	1		11
Total		4	25	16	8		53
Disagree	Team No. 1		1				1
	2		1				1
	Total		2				2
Strongly Disagree	Team No. 2		0	1			1
	3		1	0			1
	5		0	1			1
	6		2	0			2
Total		3	2			5	
Not Applicable	Team No. 1					1	1
	Total					1	1

This table shows the opinions of students pertaining to their negotiation skills before and after the team project. Their opinions are grouped according to project team number.

Table 3. Project Management Course Assessment

a. Project Presentation (10%)		
Greetings, introduction and conclusion (2%)	Facial expressions, eye-to-eye contact and hand gestures (5%)	Ability to articulate facts to audience and engage audience's attention (3%)
b. Project Report (30%)		
Contents – application of PM concepts in software development (20%)	Report arrangement, illustrations using tables, figures and charts, etc. (5%)	English grammar, formatting, citation of references, etc. (5%)
c. Final Examination (60%)		
Examine the PM issues pertaining to strategic planning, project costs estimation, project scheduling, risk management, and resource management.		

This table shows the assessment schemes of the Project Management Course. The assessment is classified into: project presentation (10%), project report (30%) and final examination (60%).

Table 4. Necessary to Have Team Project * Team Project Helped to Understand and Apply Practical Project Management Concepts in Software Development * Final Grade Crosstabulation

Final Grade			Team Project Helped to Understand and Apply Practical Project Management Concepts in Software Development				Total
			Strongly Agree	Agree	Disagree	Strongly Disagree	
76-100 (A)	Necessary to have Team Project	Strongly Agree	1	4		0	5
		Agree	2	10		1	13
	Total			3	14	1	18
72-75 (A-)	Necessary to have Team Project	Strongly Agree	2	5	0	0	7
		Agree	0	5	1	1	7
	Total			2	10	1	14
68-71 (B+)	Necessary to have Team Project	Strongly Agree	0	3	1		4
		Agree	1	6	0		7
	Total			1	9	1	11
64-67 (B)	Necessary to have Team Project	Strongly Agree	1	7			8
		Agree	2	4			6
	Total			3	11		14
60-63 (B-)	Necessary to have Team Project	Strongly Agree	1	2			3
		Agree	0	1			1
	Total			1	3		4
55-59 (C+)	Necessary to have Team Project	Strongly Agree	1	1		1	3
		Disagree	0	1		0	1
	Total			1	2	1	4
50-54 (C)	Necessary to have Team Project	Strongly Agree	2				2
		Agree					
Total			2			2	

This table shows the opinions of students on the need to have team project, and opinions on team project to help them understand and apply practical project management concepts in software development. Their opinions are grouped according to their final grade obtained in the Project Management course.

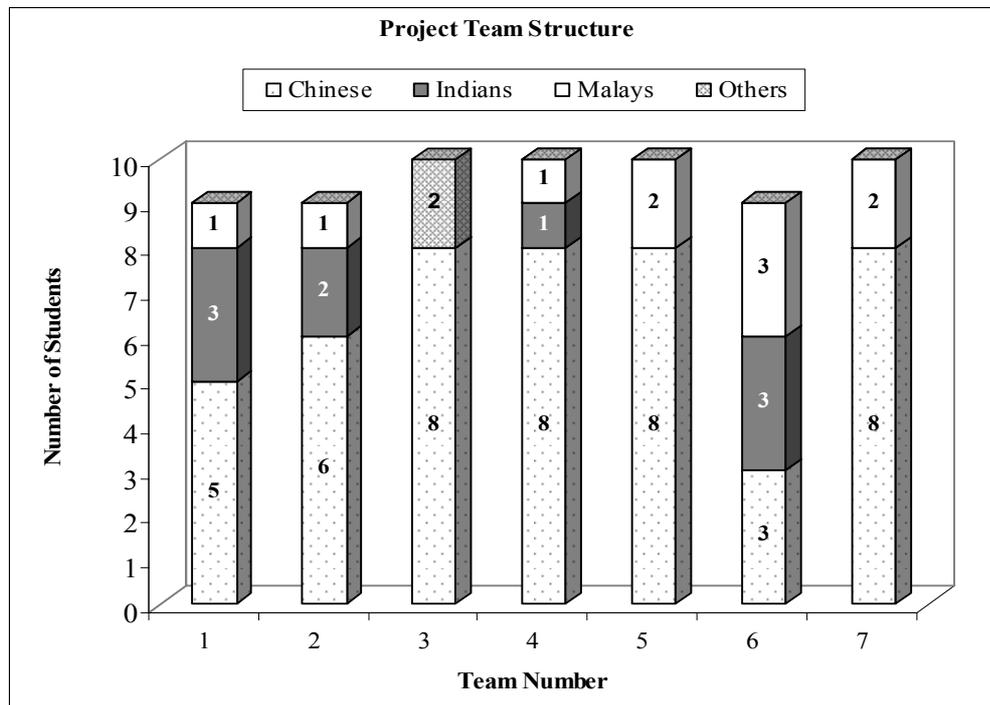


Figure 1. Distribution by Races in Project Teams

This figure shows the team structure among the students taking the project management course.

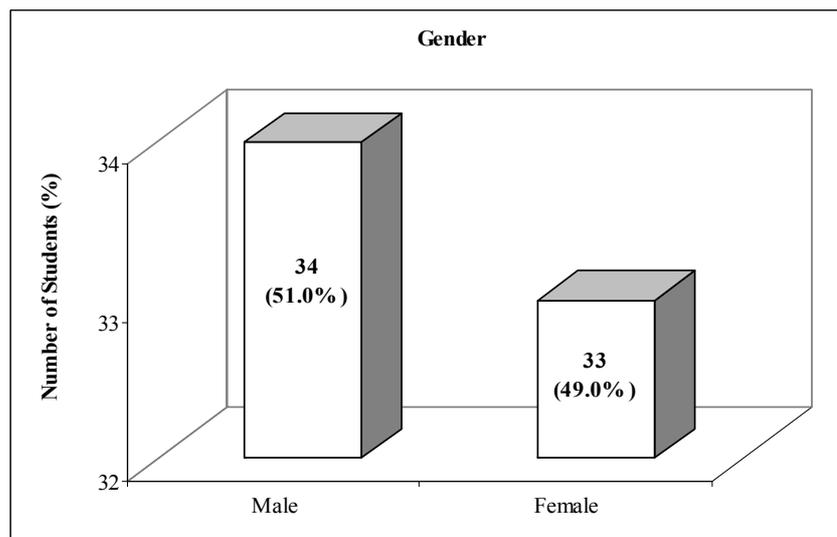


Figure 2. Gender of Students

This figure shows the distribution by gender among the students taking the project management course.

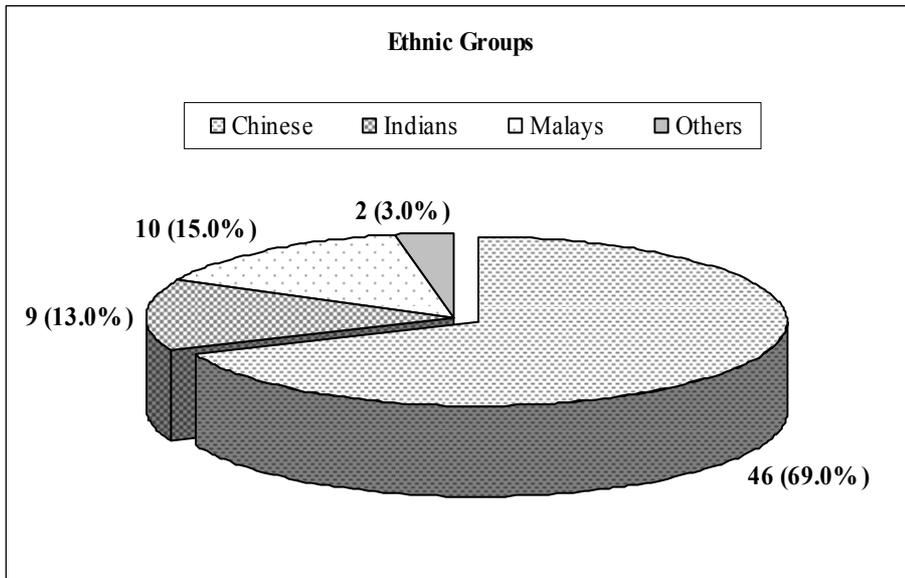


Figure 3. Distribution by Ethnic Groups Among Students

This figure shows the distribution by ethnic groups among the students taking the project management course.

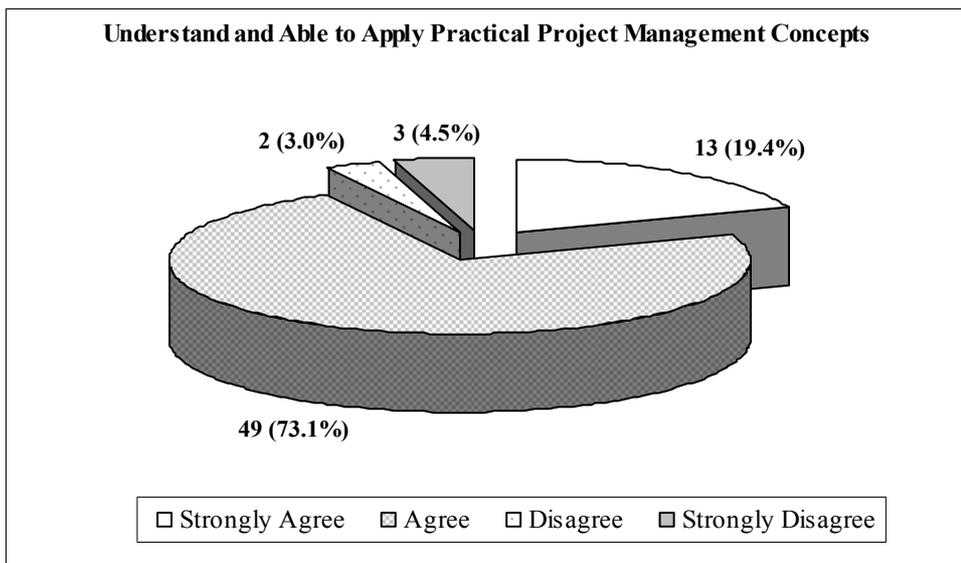


Figure 4. Understanding and Application of Practical Project Management Concepts Through Team Project

This figure shows the opinions of the students on their understanding of practical project management concepts through team project.

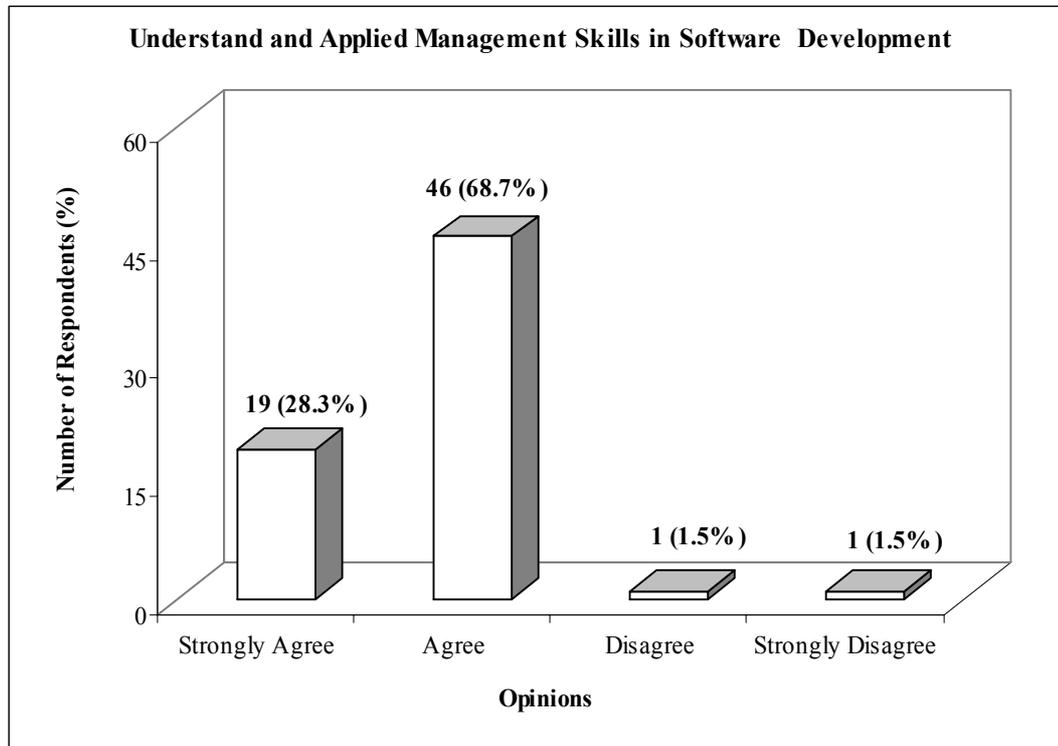


Figure 5. Understanding and Application of Management Skills in Software Development Through Team Project

This figure shows the opinions of the students on their understanding and application of management skills in software development through team project.

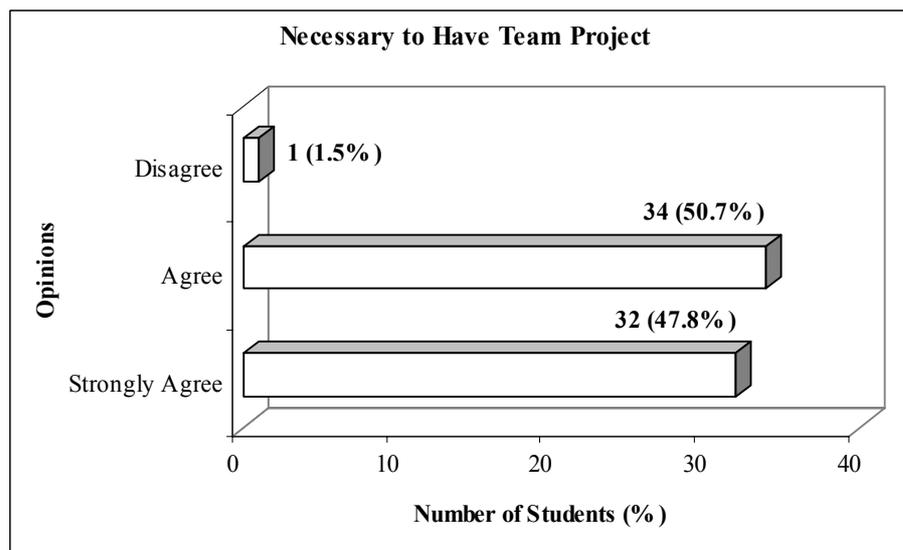
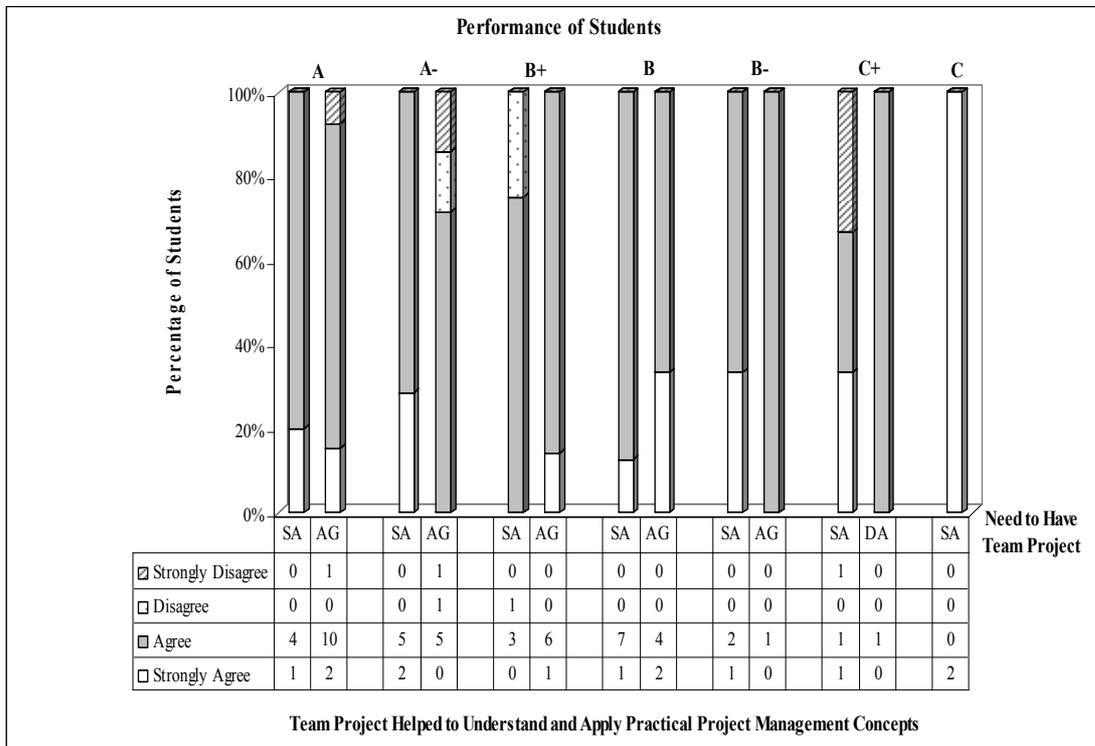


Figure 6. Opinions on the Need to Have Team Project

This figure shows the opinions of the students on the need to have team project in the project management course.



Keys: SA – Strongly Agreed AG – Agreed DA – Disagreed

Figure 7. Performance of Students in the Project Management Course

This figure shows the performance of the students according to grades together with their opinions on the need to have team project, and their opinions on team project to help them understand and apply practical project management concepts in software development.

APPENDIX A

**Faculty of Computer Science & Information Technology
University of Malaya**

Fill in your particulars or tick (✓) one of the options provided.

Name: _____ (optional)

Date: _____

Matriculation No.: _____

Team No.: _____

Position in the Team: Team Leader Team Member

Gender: Male Female

Race: Malay Chinese Indian Others, please specify: _____

Feedback – Course Contents and Team Project for WKES2202

OPTIONS

1. Strongly Agree
2. Agree
3. Disagree
4. Strongly Disagree
5. Not Applicable

Instructions:

Evaluate this course by reading the following statements, and then choosing the option that is closest to your experience. Be as honest as you can: if your answer is *Strongly Agree*, write 1 in the box provided; if it is *Agree*, write 2 in the box provided, and so on. If the question is irrelevant to you, write 5 in the box provided.

	Answer
1. I'm afraid to speak in English at the beginning of this course.	<input style="width: 80px; height: 25px;" type="text"/>
2. My communication skills are poor / unsatisfactory at the beginning of this course.	<input style="width: 80px; height: 25px;" type="text"/>
3. My negotiation skills are poor / unsatisfactory at the beginning of this course.	<input style="width: 80px; height: 25px;" type="text"/>
4. I like to work with my team members.	<input style="width: 80px; height: 25px;" type="text"/>
5. I communicate well with all my team members.	<input style="width: 80px; height: 25px;" type="text"/>
6. Occasionally, there are conflicts among team members during project discussions.	<input style="width: 80px; height: 25px;" type="text"/>

- 7. We use English during project discussion.
- 8. The team project has helped me to improve my communication skills.
- 9. The team project has helped me to improve my negotiation skills.
- 10. The team project has helped me to understand and be able to apply practical project management concepts in software development.
- 11. The team project has helped me to understand and apply management skills in software development.
- 12. It is necessary to have a team project in this course.
- 13. The multi-racial team structure is good.
- 14. The multi-racial team structure has helped me to establish good relationship, friendship and team spirit with other races.
- 15. I understand the course contents clearly.

Please provide comments or suggestions to improve the teaching of this course (if any):

Thank you for your participation and cooperation.



The Character Development of Angel

Clare in *Tess of the D'urbervilles*

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Abstract

Through the analysis of the character---Angel Clare in Thomas Hardy's *Tess of the D'urbervilles*, this essay tries to show the effects of Angel Clare's experiences on the development of his character. And it also presents the goodness and the evilness of man's nature.

Keywords: *Tess of the D'urbervilles*, Angel Clare, Character

Whether human nature is good or evil has remained a controversial problem for centuries. Actually everyone has his good side and evil side. In a certain stage of one's life, when the good side of man's nature takes upper position, and the person appears to be a good person who is accepted by others, and vice versa. This essay attempts to show the effects of experiences of Angel Clare (one of the main character in Thomas Hardy's *Tess of the D'urbervilles*) on the shaping and developing of his character. In the developing process of Angel Clare's character, the good side or evil side takes superior position to the other alternately due to his different experiences.

In the novel, *Tess*, who is born into the family of poor rural tradesman, is sent to work for the D'urbervilles for a living. Unfortunately she is seduced by the son of the master, Alec D'urbervilles, who is rich and sensuous. By him she has a child who dies in infancy. Under the pressure from poverty and the attack of losing her son, Tess leaves for a milking farm where is far away from her home. There, she meets Angel Clare, a free-thinking son of the clergyman, whom she loves with her whole being and who abandons her when he hears, immediately after their marriage, of her earlier violation. With the mental agony and physical suffering, she becomes Alec's mistress once again. However a few years later, Angel Clare comes back from Brazil with sincere regret for his past misdeeds. So strong is Tess' love for her husband, and so powerful her disgust at what Alec has forced her to become, that she kills Alec. Husband and wife, united but on the run from the police, spend a few days of loving reconciliation together before Tess is arrested. And Tess is sentenced to death for murder and executed.

Angel Clare was the son of a parson and the youngest of the three brothers; he did not enter college as his siblings, despite his superior intellect, but rather diverged from the career path his father intended for him, the ministry, so study agriculture so that he might become a farmer. He has a nebulous, preoccupied quality, for he is a man with no very definite aim or concern about his material future. He sees something new in life and humanity, making close acquaintance with natural phenomena. Therefore, he loves Tess, whom he idealizes as a "fresh and virginal daughter of nature" (p124, Thomas Hardy, 1895), so deeply that he finally marries Tess without caring about his family's strong opposition. He particularly appreciates her words: "I do know that our souls can be made to go outside our bodies when we are alive" (p124, Thomas Hardy, 1895). When he discusses his marriage with his family, he mentions Tess as "a woman who possessed every qualification to be the helpmate of an agriculture", "she was a regular church-goer, of simple faith, honest-hearted, receptive, intelligent, graceful to a degree, chaste as a vestal and in personal appearance exceptionally beautiful" (p166, Thomas Hardy, 1895). Hardy indicates: "It was for her that he loved Tess, her soul, her heart, her substance-not for her skill in the dairy, her aptness as his scholar, and certainly not for her simple, formal faith-professions" (p167, Thomas Hardy, 1895). Tess refuses Angel because she believes that her history prevents any possibility of happiness with Angel Clare. With Angel's persistence and the intensity of his love, she cannot find a good opportunity to tell him her past story until the wedding day. In Angel's eyes, Tess is special because of her innocent. So, Angel is an equal symbol of purity and goodness, as shown by his name and his demeanor.

Despite holding more liberal opinions than his father and brothers, Angel Clare is nevertheless equally dogmatic and obstinate. He has a deeply theoretical mindset just as Hardy describes, "Early association with country solitudes had bred in him an unconquerable, and almost unreasonable, aversion to modern townlife." (p121, Thomas Hardy, 1895). And it is this quality that causes him to reject Tess when he learns the information about her past that contradicts his

idealistic view of her. In the wedding evening, Angel promises to tell Tess all of his faults and admits how in London, he plunged into a forty eight hour dissipation with a stranger, which seems worse than Tess's single moment of weakness. When Tess tells Angel about her sin, a tragic irony results from Angel's reaction to Tess's similar admission. Tess finishes her story, which she had given in a monotone and without any displays of emotion. Angel's face withers as he cries out that this cannot be true. She begs for his forgiveness, "In the name of our love, forgive me! I have forgiven you for the same! Forgive me as you are forgiven!" But Angel answered coldly, "Tess, forgiveness does not apply to the case! You were one person; now you are another." "I will obey you, like your wretched slave, even if it is to lie down and die." "You are very good. But it strikes me that there is a want of harmony between your present mood of self-sacrifice and your past mood of self-preservation." From their dialogue, we can see clearly the intellectual character of the love that Angel feels for Tess becomes apparent in Angel's reaction. He speaks calmly and rationally rather than resorting to a burst of anger at the news. His behavior is cold and clinical and his words cautious and precise. This contrasts sharply with Tess's motional behaviour, as she vows that she would die for Angel if he were to so demand. So the intellectual and free-thinking Angel is the "slave to custom and conventionality", and the relatively ignorant Tess is the true humanist. In conclusion, Angel's dogma and selfishness results in the tragedy of their marriage.

However, it takes Angel a year of traveling and suffering during which "he had mentally aged a dozen years" before he can throw off his strictly moral upbringing and realize the validity of Tess's viewpoint. Hardy indicates that Angel's suffering in Brazil has influenced this development. Angel returns to England aged and sickly, having suffered greatly and matured from the obstinate idealism he once displayed. So, when Angel inquires here and there and finds the way to meet Tess, he said huskily, "Tess! Can you forgive me for going away? Can't you come to me?" "But don't you love me, my dear wife, because I have been so pulled down by illness? You are not so fickle-I am come on purpose for you -my mother and father will welcome you now". But Tess replies, "It is too late." (p365, Thomas Hardy, 1895). So the hardship he experiences in Brazil has influenced to be a perfect man with considerate and tolerant characteristics.

To some extent, the character of Angel Clare is shaped and developed by his early career, his dogmatic and obstinate thoughts and his difficult experience. When he is a young boy, his career, studying agriculture and being a farmer, leads him to love nature. So, he falls in love with the 'daughter of nature'-Tess. Then, his dogmatic thoughts prevent him from forgiving Tess's past 'stains'. But, after his experiencing the hardships in Brazil, he becomes a mature man with noble character.

Through the analysis, we may conclude that one's living environment and experiences have a great influence on the development of an individual's character. Only as we experience all kinds of hardships, can we realize the most valuable thing which is always neglected when we have it while we regret when we lose it.

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Japanese Invasion Baffled Radically the Modernization of China's Judicial System

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Abstract

It is the critical time for China to generate and develop the modern judicial system when Japan invaded. Japanese aggression interrupted China's recovering its legal right and the process to promote the modern judicial system. The invasion brought a great loss to the judicial resources. The relatively stable colonial rule, as well as the war itself, was harmful. Both stood on the way of China's judicial modernization.

Keywords: Japanese aggression, Chinese judicature, modernization

The aggressive war waged by Japan was a great disaster to Chinese people. The casualties are estimated to be more than 35 million. The economic loss is about 100 billion US dollars, and the indirect economic loss over 500 billion US dollars. The worse of the worst is that it results in the discontinuity of the process of modernization. For this case, the academic community has given a macro research and put forward different reviews in various fields. But they always pay much attention to the process itself while ignoring the influence of the war on Chinese society (Xin Ping, 1937). As for the impact of the war on China's modernization they often stress such fields as economy, education, science and culture. Professor Luo Rongqu gave a rough calculation. He said that the war delayed China's modernization in industry at least 20 years (Luo Rongqu, 1993, p.317). Professor Xin Ping mainly gave his research on economic layer besides the aspects of education, science and culture. This text, based on recalling the process of modernization of judicial system before and after the War of Resistance against Japan, reveals that the aggressive war and the colonial rule destroyed and baffled China's modernization fundamentally.

1. China's judicial modernization required that judicature should be modern with Chinese characteristics. It should be in the Chinese territory and fit for ordinary Chinese people. The most important was that it should be controlled effectively by the Chinese government. For a China in the state of colonial and semi-colonial conditions, it was an urgent task to recover the judicial sovereignty usurped by those invaders.

Article 13 in Statute of Five Treaty Ports, a treaty signed by Chinese and British government in 1843, prescribed that how to punish British people who committed a crime in China was judged by British consular according to the constitution and law made by the U.K. Since then, Britain had got the consular jurisdiction and wide extraterritorial privileges and rights, which seriously destroyed the integrity of China's legal right and harmed the interests of the Chinese people. Of course, it was inconsistent with the principles of international law. Consular jurisdiction is an exception that destroys the principle of territorial sovereignty (Liang Jingdun, 1943, 1-3). The diplomatic staff that did not have the legal knowledge was in charge of judicature, which conflicted with the modern judicial specialization and the principle of neutrality. Different countries might have different laws so the verdicts were of uncertainty, which did not conform to the principle of legal equality and equity.

In order to recover the legal right, all the Chinese governments in history had made their great efforts. Sino-British Commercial Treaty in 1902 said the UK would abandon its extraterritorial jurisdiction as long as they knew China's law and adjudication and all the related issues were to be consummate (Wang Tieya, 1959, p.109). In 1917, China declared war against Germany and Austria-Hungary and abolished their extraterritoriality in China. 1920 saw that the Soviet Union gave up automatically its extraterritorial jurisdiction in China. But in the Paris Peace Conference and the Washington Conference, China failed to recover her legal right. In 1926, a survey conference of the legal right concluded with no results.

By the end of 1920s, it seemed a bright future for China to recover her legal right. In August 1929, the Judicial Yuan of Nanjing government passed the Constitution of Steering Committee of Recovering Extraterritoriality. By that time the Sino-Japanese treaty had expired. Japan was always uncompromising so that Nanjing government made a decision to start from the UK, France and the USA. (Wang Jianlang, 2000, p.254). In August 1929, the League of Nations planned to refuse to discuss the proposal of abolishing the extraterritorial privileges in China. The representative of China, Wu Chaoshu immediately claimed that China would not hesitate to withdraw from the League of Nations if it did so. In

December 1930, Wang Zhenqing, the Foreign Minister even said that if the whole world declared a war against China, the Chinese people would meet the challenge and exert utmost to achieve the goals (Wang Jianlang, 2000, p. 271). Scared, the invaders were ready to make major concessions.

1.1 China made a dent in taking back the legal right but failed at last.

In that case, the Nanjing government frequently took measures. On December 28, 1929, Nanjing government announced a special order. Since January 1, 1930, all the foreigners residing in China entitled with foreign consular jurisdiction should abide by all the laws and acts promulgated by the Chinese government. On May 1931, Implementing Statute of Ruling Foreigners in China was passed to prescribe all the foreigners entitled with consular jurisdiction were subject to Chinese court since January 1, 1932. Shortly after, China and the UK reached a preliminary agreement to abolish the extraterritorial rights on some conditions. China and America were planning to do that before the end of the year.

But 9.18 Incident made it evaporate to recover the legal right. On December 29, 1931, the Kuomintang (KMT) regime announced that the implementation of the ordinance for managing the foreigners would be delayed for enough preparations had not been made and since there were so many natural disasters that year (National State decree, 1931, 693-1). It is true there were natural disasters but the most important reason is the incident of Japan's invasion. China must focus its foreign policy on Japan and she needed the support from Britain and America.

On the eve before Japan staged the war against China, its policy toward China took on a sign of relaxation. In February 1937, the KMT Third Plenary of the Fifth Session decided to make further negotiations on its legal right. In March, while Spanish civil war was going on, Nanjing government announced to take back its extraterritoriality in China. But when the United States and the UK were ready to discuss abolition of extraterritoriality with China, Japan launched a comprehensive aggressive war against China. And the negotiations of abrogating the treaty came to an end.

1.2 There existed the biggest stumbling block in negotiations for China to recover her legal right.

Historically, Japan has suffered deeply from the consular jurisdiction. In the mid-19th century, Western powers obtained the privilege in Japan. After the Meiji Reform in Japan and for nearly 30 years of efforts, it was not until 1899 that Japan recovered consular jurisdiction (Wang Xiangrong, 1987, pp.156-165).

But what is surprised is that Japan made a strong resolution to prevent China taking back the consular jurisdiction. Firstly, Japan played an active role in imposing pressure on the Chinese government in their collective action. Yuan Shikai was a case in point. He announced the statement to recognize the unequal treaties proposed by the Japanese minister and the government (Wang Jianlang, 2000, p.24). In July 1928, the Nanjing government delivered a note to Italy, France and Japan, saying that the old treaties had expired to be invalid. Japan gave its strong opposition. As a result, all except Japan signed the tariff treaty with China before the end of the year. Sino-Japanese Treaty was postponed to the end of 1930. Secondly, Japan asked for more benefits and rights by aggression in the name of exercising and abolishing the consular jurisdiction.

Japan had been the tougher nut to crack for Chinese government and diplomats to recover the legal right. There is no exception of the Northern government and the KMT government. Taking America and Britain as the main object to negotiate with aimed at forcing Japan into submission. In fact, Japan, the diehard, impressed every country in the world a lot by its stubborn attitude. In 1929, China gave note to six countries such as Britain, the United States, France, etc. and Japan was not included. But the six powerful countries wanted it to be involved. The French government urgently hoped that the Japanese government, and other powers as well, took actions unanimously to express their views on the consular jurisdiction to Chinese government, even though China did not actually issue a note to Japan (Wang Jianlang, 2000, p.257).

2. To advance the judicial modernization, China, a country practicing administrative adjudication for a long time, must first establish a new sound judicial system. New courts were established across the country to secure that all the Chinese people were guaranteed, which was the core of the judicial reform and an assiduous goal for the modern Chinese people to achieve.

In September 1906, the court of Qing dynasty changed the Ministry of Punishment into the Ministry of Law as the judicial administrative organ, changed Dali Si into Dali Yuan as the highest justice organ. It instituted the General Procuratorate Office as the highest procuratorial organ. Higher Trial Chamber was set up in province, local trial chamber in the Fu, the Zhou and the counties respectively. Junior Chambers were built in important towns. And the Procuratorate Chambers were instituted respectively and correspondently. In 1908, the Qing dynasty worked a list to make a nine-year plan to set up courts all over the countries. In 1912 and 1919, the Republic of China once made blueprints but failed to implement it due to the tyranny by warlords and the disintegration of the country.

By the end of 1920s, the National Government unified the country and brought the chaos into the end. And the judicial reform was still in the ascendant. First, the unity system, that is, court was in charge of trial and inquisition, was established. The Supreme Public Prosecutor's Office was independent. A prosecuting attorney was appointed by the

corresponding court at the same level. Second, the three-tier and three rounds of trial system were set up, that is, the District Court (in cities and counties), the High Court (in province) and the Supreme Court. Third, the project in detail, a six-year plan, was made to institute the courts universally across the country (Judicial Communiqués, 1929.).

2.1 The process was interrupted of instituting the courts across the country.

In 1930, the six-year plan of establishing the courts across the country was put into effect. In 1931, 9.18 Incident broke out. The Northeast of China was occupied by Japan and the North of China was in danger. So less attention was paid to the popularization of the courts from the Government and the people. Resource configuration was tilted into the armies and industry. Outlay for judicial organs was reduced. Ju Zhen, head of judicial Yuan, once said that the failure of the implementing the six-year plan resulting from the financial shortage. In accordance with current law, the local judicial outlay was funded by the provincial government. But almost all the province got in trouble with the finance. And some people had different opinions about the judicial outlay. Therefore, it was difficult to fulfill the plan. 1935 saw all came to nothing when the six-year plan came to its deadline (Wang Yongbin, 1936, Vol1).

In September 1935, the national judicial conference was held in Nanjing. The judicial outlay was decided to be in the charge of the state treasury. And a 3-year plan was made to set up courts all over the country. From July 1936 to the end of 1937, 1436 judicial branches would be located in the counties in three batches. From January 1938 to June 1939, county judicial branches would be changed into district courts by three steps. All the governors began to carry out the plan when the war resistance against Japan broke out. The first step to set up county judicial divisions was not completed. And the second step was still in conception. It had to stop due to the unusual time when the outlay was in deflation (Compiling Department of Judicial Yuan, 1941, p.261). Again cracked the three-year plan.

2.2 The judicial resources were lost and the judicial order was destroyed.

The War stopped the construction of the court organization and it also caused a great difficult for the courts to practice. First, the application of the general law greatly shrank. The court in the war zone closed and the administrators resumed the judicial power. The military trial at the home front lost its features and became normalization. Second, the modern system and principles were destroyed. The traffic in the war area was out of gear so the roving judicial authorities had to be advocated. The judicial practice was changed to be as simple as it can. So in practice, modern judicial principles and system became a mere scrap of paper. Third, the system of execution was seriously destroyed. Abnormal measures were taken to make convicts work or land reclamation or serve the army. Neither commuting nor releasing could be practiced in accordance with the law. Many criminals lost their lives in transfer or evacuation or in the war (Xie Guangsheng, 1948, pp.16-19).

The more far-reaching impact was the loss of the modern judicial resources. Half of the courts in Guangdong province were destroyed when occupied by Japanese invaders. The original sites of forty courts were totally ruined in Guangzhou and Zhongshan city. 20 courts were destroyed half including the provincial Supreme Court and some in Dongguang city. And 16 district courts were damaged partly in Shantou city and some other places (Shi Yancheng, 1947, p. 34). Furthermore, the loss of judicial professionals was proved to give greater influence in the future development of China's judicial modernization. The brutal Japanese slaughtered numerous Chinese legal experts. According to a survey in 1942, 118 legal specialists lost their lives in the war, such as Yu Hua (the well-known head of the Court of Shanghai, and later his younger brother Yu Dafu was also killed by Japan in Indonesia), Qian Hongye, Wu Tingqi, Lu Baoduo (head of Jinhua district court), Tao Dongya (a prosecuting attorney), He Jing Cen (an ordinary), etc. More people died on the way of retreat. And the survivors were out of practice because of poverty. It was said till 1942, more than 480 judicial people at work died of illness due to the poor wartime conditions (Wang Jibao, 1954, p.56). Some judicial professionals, unable to withstand the stick and tricks, turned into traitors, e.g. Dong Kang, Yang Honglie, Zhu Shen and Zhu Lu etc. So the judicial professionals were greatly demanded for the postwar judicial modernization.

3. Some part of China became the colony of Japan, which also baffled the judicial modernization in China.

3.1 It is of great difficulty to advance the judicial modernization.

Generally speaking, the judicial system under colonial rule was comparatively modern to feudal rule. It was likely for colonial rulers to boost the establishment and development of the modern judicial system. But Japan's rule failed to obtain any achievements.

Firstly, little efforts were exerted on promoting the modern organization of judicature. In colonial area after 7.7 Incident, Japan was inactive to promote modern judicial institution. Take Guangdong province as an example, courts had been established widely, but Japan restored the system that head of the county was the magistrate. In five counties, such as Shunde, there was only one judicial assistant. And in some other counties, it was magistrate who replaced the judicial assistant to undertake the task of judicature (Censoring Report on the Case that Head of County in charge of Judicial Affairs, Fonds 11, files 22, file 260). Since late Qing Dynasty, the judicature in Northeast of China had always been on the top list of the country. It still remained the first after the war. Taiwan was occupied and became the colony of Japan in 1895. Its judicial reform started early but its conditions were not good. Before Taiwan came back to China, the Island had 18 counties and cities, one High Court and eight local courts, a total of 66 magistrates (i.e. subcontractors, or judges)

and 33 prosecutors. There averages one judge out of 100,000 people (Wang Taisheng, 1999, pp.164-165) the same as the average of 1947 (i.e. 2389 ordinaries, 1774 the prosecutors, and 2074 judges) (Xie Guangsheng, 1948, appendix).

Secondly, the judicial system was not modern enough. Japan's judicature had been underdeveloped. A Japan jurisconsult exclaimed why there were so small number of lawsuits and so few lawyers in Japan (Kawamagi, 1994, p.172). The practice of modern judicial system was also a problem. And the colony had no resolution to popularize it. The judicial system carried the color of military justice. Trial activities were subject to the need of the war. It was the Japanese army not the civil affairs departments that controlled the judicature. What was applied was not general law, but the fascist decree deviating from the principle of modern judicature (Jiang Niandong, 1991, pp.218-222). Peace Preservation Law, issued by Manchuria State prescribed that judicial, procuratorial organs and the military police took combined actions. Judges, prosecutors, accompanied by military police, should give a judgment on the spot and the criminals should be executed on the scene (Sun Bang, 1993, p.771).

3.2 There was gap between the Chinese social life and the alien judicature.

The judicial system of colony ruled by Japan was modern. But it was the tool of colonial invasion. So the judicial body carried a strong feature of foreign color. Lack of inadequate native foundation, the judicial practice was detached from the life of Chinese common people.

First, the judicature was the colonial one that served the interests of Japan. Its prime task was to safeguard Japan's national interests and the privileges of those Japanese in China. In 1935, the emperor of Manchuria State issued a rescript after coming back from Japan for a visit. So there existed an odd and absurd article of undermining the loyalty to Japanese or breaching the unity with so-called friendly Japan. In Guangdong regime, department of judicial affairs should be responsible for the Japanese occupation authorities. Judicial administration, even the trial organs must report the process of judicial affairs to Japan in detail. And the verdicts of criminal cases were forced to report to Japan. Whatever Japan demanded, they should obey and reported in detail (Organization of Maintaining the Public Order in Guangdong, 11-22-561).

Second, Japanese institutions were detached from Chinese society. In Manchuria, the judicial body, as well as other colonial administrative organs, was in the charge of Japan. Japanese assumed the office of general director and chief of every department. So a dictatorial situation appeared. The office of Corrections was directed by Japan instead of employing traitors as agents. In trial and procuratorial organs, numerous positions such as judges, prosecuting attorneys, secretaries and translators were placed by Japanese judicature.

In Taiwan, judicial organs bore more color of Japanese. It was not until 1931, when Japan ruled Taiwan for 36 years, that the first Taiwanese occupied the post as a judge. By 1946, among 66 judges of all Taiwan, only six or 7 were Taiwanese. For fifty years, there were only 10 people. But of 33 prosecutors, no one was from Taiwan. Of course, it was not an exception. North Korea was ruled by Japan for 35 years. No Korea people were appointed in the judicial body except some unimportant post of temple (Wang Taisheng, 1999, p.178). These Japanese did not know Chinese and majorities of Chinese people did not know Japanese. So the judicial practice greatly separated from Chinese social life.

3.3 The colonial policy hindered the generation and development of Chinese judicature.

The colonial authorities unreasonably forbid the natives to study law and involve in judicial affairs, resulting in a serious shortage of local judicial talents, and the obstacles of the judicial modernization after it got rid of Japanese rule. Chinese people had little opportunities to receive law education. Northeast colleges and universities were in small scale and paid more attention to Sciences than liberal arts. In addition, it seemed they were for Japanese rather than for Chinese. Such case was even worse in Taiwan. In Taipei Imperial University (the former Taiwan University, founded in 1928), students were mostly Japanese. For example, in 1941, there were 59 students in political disciplines. 56 of them were from Japan and only three from Taiwan. Why? Because Japanese rulers believed that law education would only arouse dissatisfaction among Taiwanese, or even caused their rebellion. As a matter of fact it became a practice for Japan to restrict the colonial people to study laws. Korea is a case in point. In its colonial period, law students were almost Japanese in the law discipline (Wang Taisheng, 1999, pp. 169-171).

There were little channels to become a judge. Despite many restrictions, many Taiwan people still studied the law and passed judicial examinations. The question is that if passing the same exam, a third of Japanese could become judges while a Taiwanese did not have such a big chance. Taiwanese had never been a prosecuting attorney in Taiwan because the colonial authorities had no confidence in them. Prosecuting attorneys were in charge of a work involving in the highly political events. They thought people of Taiwan were not of loyalty (Wang Taisheng, 1999, p.177).

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