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Cultivating Innovation through

Female Leadership: The Malaysian Perspective

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Abstract

Research indicates that innovation thrives under certain leadership styles.   However, existing typologies of leadership style do not adequately describe the female perspective, especially in a non-western society such as Malaysia.   The objective of the study, therefore, is to examine how Malaysian women entrepreneurs lead their employees and influence other stakeholders towards building an innovative organizational culture.   Due to the intended depth of the analysis, a qualitative approach is considered more suitable.   Based on the responses four distinct styles of female leadership are identified, which demonstrate that at least where innovation is concerned female leadership styles do not neatly fit into existing typologies.   Findings of the study have several theoretical and practical implications; in particular they provide direction on training issues to policy-makers and managers, as well as researchers in the areas of culture, gender, leadership and innovation.

Keywords: Malaysia, Women entrepreneurs, Leadership, Innovation

1. Introduction

The increasing prominence of Asian women entrepreneurs has raised a lot of debate about their characteristics, which have been shown to be significantly different from those of their male counterparts.   Compared to the men, they are said to be better at cultivating interpersonal relationships (Licuanan, 1992) but poorer at planning, organizing and controlling (Abdul Rashid, 1992).   Abdul Rashid (1995) demonstrates that Malaysian women entrepreneurs are less motivated by financial reasons, such as money and economic necessity, than the men.   Likewise, Turkish women surveyed by Hisrich and Ozturk (1999) indicate that one of their reasons for starting a business is boredom from being a housewife.   In a study in Singapore, Lee and Choo (2001) find that the women face specific challenges in the form of family commitments and sex-role conflicts.   Interestingly there are signs that even within the continent the women differ in some aspects; findings in a more recent study (Al-Riyami et al, 2002) suggest that in Oman, instead of hampering, families are a source of motivation and support for the women.

Although the above studies have helped to sketch a colorful profile of Asian women entrepreneurs, research on the subject is still very much at an infant stage.   There is a wide range of strategic issues which has not received in-depth scrutiny such as their styles of leadership and how that affects organizational performance.   Given that innovation is one of the most critical functions of entrepreneurship, an attempt is made in this study to examine female leadership in the context of cultivating innovativeness in business organizations.   The study is carried out in Peninsular Malaysia, where approximately 15% of businesses are owned by women (Department of Statistics, 2004).   Although small in numbers, this segment of the Malaysian business population serves huge social and political purposes, as discussed in the following section.

2. Women Entrepreneurs in Malaysia

Malaysian women's participation in commerce may exist in any of the four categories of employment status, i.e. as an employer, an employee, an own-account worker or an unpaid family worker.   As indicated in Table 1, the Malaysian Labour Force Report (Department of Statistics, 2004, p.44) documents that out of the total working female population in 2003, 77.5% were paid employees, 11.7% were own-account workers and 9.6% were unpaid family workers.   Only 1.2% were categorised as employers.   For men, the percentages were higher for the employers and own-account workers categories but lower for employees.   The fact that the number of unpaid female family workers is almost five times higher than the males' is particularly disturbing.   It seems to suggest that Malaysian women are being exploited and made to work for free by their own family members.

Based on that scenario, it is believed that some women become entrepreneurs to secure financial independence.   But financial independence alone cannot explain women's decision to set up their own business; after all 77.5% of Malaysian working women find financial independence by being employed.   So what are the real motives for entrepreneurial intention among these women?   Although previous research shows that the most common appear to be intrinsic such as self-satisfaction and interest in business (Sieh et al, 1991), a deeper analysis suggests that there are social and political factors too.   As voters, Malaysian women compose about half of the total eligible population (Department of Statistics, 2001).   In the elections, it is no secret that women both in the ruling party and the opposition play the biggest role in house-to-house campaigns and getting right down to the grassroots.   For the government, empowering women with opportunities in education and career is thus critical to ensure their political support.   Since career opportunities in the government and corporate sectors are limited, women are encouraged to become business players.   They are given training, funding, and counseling as incentives and business networks are provided through affiliation with political parties.   In addition, business equity has been used as a measure of social justice since the era of the New Economic Policy.   For UMNO, the Malay component of the ruling coalition, raising Malay equity symbolizes its success as the champion of Malay rights.   Unfortunately the young Malay male population suffers from a horde of social ills – from dropping out of school to illegal racing to drug abuse – and UMNO finds itself turning more and more to its womenfolk as role models.

According to the Malaysian Labour Force Report (Department of Statistics, 2004), out of the total number of women employers, a clear majority are located in urban areas and aged between 30 and 49 years.   Almost half are Malays, followed by 40% Chinese, and 5% Indians.   These data are summarized in Table 2.   In another study (Ariffin, 1994), it is established that Malaysian women entrepreneurs are most likely to be in the service industries, have prior working experience and are small operators i.e. with fewer than 20 full-time employees and earning less than RM100,000 per annum.   Their businesses are mainly funded by personal savings, and most are either sole proprietorships or partnerships.   They also tend to concentrate on local markets, with less than 10% going international.   These findings appear to affirm a widespread and long-term trend in female entrepreneurship.   Research in other parts of the world also shows that since the early 1990s female entrepreneurs have been in small, service-oriented sectors, have some previous work experience and are more likely than men to depend on personal sources of capital (Brush, 1992; O'Brien, 1994; Hisrich and Ozturk, 1999; Heilbrunn, 2004).

3. Entrepreneurship and Innovation

The notion of the entrepreneur as an innovator is believed to have been conceived by Schumpeter (1934) who argues that the function of an entrepreneur is to reform or revolutionize the pattern of production by exploiting new or untried technology and processes.   Since then, innovative skills have generally been accepted as one of the critical attributes of successful entrepreneurs (Drucker, 1985; Chell, 2001; Johnson, 2001).   Some of the most profitable companies in the world have associated their growth with innovation, which they perceive as the ability to change and reinvent themselves as a way to exploit opportunities.   In the words of Bill Gates, the founder and CEO of Microsoft Corporation:

"*The entrepreneurial mindset continues to thrive at Microsoft because one of our major goals is to reinvent ourselves – we have to make sure that we are the ones replacing our products instead of someone else.*" (Lowe, 1998, p.69)

In recent literature, studies have been focused on two major areas: To examine how exactly entrepreneurs use innovations to increase organizational performance, and to determine the organizational cultures which stimulate innovation.   In the first area, Zhao (2005) discovers that entrepreneurs use innovations to expand business scope and boost organizational growth.   Innovation is also a critical factor in the implementation of other sound management practices including total quality management (Ehigie and Akpan, 2004).   These findings support earlier hypotheses by Kanungo (1999) and Sundbo (1998) that entrepreneurs exploit the innovative culture as an opportunity for developing new products or services and penetrating new markets; thus innovation and growth make up a never-ending cycle.   The second area deals with the basic values and beliefs of an organization such as tolerance towards mistakes and conflicts (Martin and Terblanche, 2003) which promote creativity and innovation among its members.   In general the literature suggests that those values and beliefs flourish under certain leadership styles, implying a relationship between leadership and innovation.   This relationship is discussed further as follows.

3.1 The Role of Leadership in Innovation

Early theorists on innovation (Schumpeter, 1934; March and Simon, 1958; Rogers, 1962) argue that innovation is triggered and driven by certain individuals in the society who have the necessary characteristics to make it happen.   The perspective is supported by latter thinkers such as Bennis and Nanus (1985) and Nam and Tatum (1997) who also believe that entrepreneurs are the ones primarily responsible for initiating changes and novelties in the society.   The explanation offered for the theory is that entrepreneurs possess certain traits such as risk-propensity and ambitiousness that induce them to strive for better and greater things.   Entrepreneurs are held responsible too for educating the society on the need for new ways of life and solutions to life's problems.

Although the individualist perspective of innovation has been criticized as overly narrow and simplistic (Van de Ven et al, 1989), the notion of leaders as agents of change has received wide acceptance among management scholars (Kanter, 1984; Drucker, 1985).   Lately, researchers have attempted to support the notion with empirical evidence.   Zhao (2005) concludes that an open style which encourages and rewards idea development is positively related to innovativeness. De Jong and Den Hartog (2007) summarize in their review of literature that transformational, participative and employee-oriented leaders are more likely to encourage employee innovativeness.   However, they concur with Mumford and Licuanan (2004) that existing models of leadership have not been developed specifically to explain innovation-related behaviors.   The typology of women entrepreneurs compiled by Bruni et al (2004) accentuates the above argument.   The five categories of women entrepreneurs they have identified based on other previous studies - i.e. "aimless", "success-oriented", "strongly success-oriented", "dualists", "return workers", "traditionalists" or "radicals" – also do not appear to be relevant to innovation.

The current paper contends that a fresh typology of female leadership styles is needed which addresses this gap in the literature.   In the context of female leadership, the typology is expected to highlight the importance of her relationship not only with employees but other stakeholders as well (Stanger et al, 2002).   In collectivistic societies such as Malaysia the stakeholders may range broadly from family to supplier, competitor and customer, to the society at large (Ong and Sieh, 2003).

4. Study Framework and Methodology

The objective of the study is to examine how Malaysian women entrepreneurs lead their employees and influence other stakeholders towards building an innovative organizational culture.   Due to the intended depth of the analysis, a qualitative approach is considered more suitable.   Ten women entrepreneurs are identified and personally interviewed based on a series of open-ended questions.   These women are deliberately chosen from all over Peninsular Malaysia to represent various industries and personal backgrounds.   Each interview takes place at the respondent's business premise and lasts for approximately an hour.   In some cases, a brief tour of the premise is also provided which gives the author a first hand opportunity to observe some of the innovations implemented by the entrepreneurs.   The women are asked to describe the types of innovation carried out in their organizations and how they are implemented, the challenges faced in the process, and how these challenges are overcome. Their responses are then content-analysed to generate a typology of female leadership styles within the context of business innovation.

5. Discussion of Results

The profile of the respondents is summarized in Table 3.   As shown:

(1) Their age ranges from late twenties to early fifties;

(2) Two received tertiary education, seven higher secondary, and one lower secondary;

(3) Four of them are in consumer services, one in business services, two in distribution and three in manufacturing;

(4) Five have been operating for less than 5 years, three for 5 to 10 years and two for more than 10 years;

(5) Five of them are based in the Central region, two are in the East Coast states, two in the South, and one in the North.

5.1 Types of Innovation

The most common type of innovation among the respondents appears to be product or service-related (eight respondents), followed by administrative (five respondents).   The former is usually a result of keeping up with current trends and the latter mainly involves flexibility in the work schedule, either to meet customer needs or to accommodate other personal commitments.   The other types of innovation commonly found in the literature such as process, supply and market innovations (Zaltman et al, 1973; Drucker, 1985; Johanessen et al, 2001) are noticeably less popular. Process and supply innovations may not be very relevant because the majority of the women are either in low-technology industries or the service sector while the lack of market innovation may reflect the women's reluctance to venture too far from their families.

PI1: *We've churned out new products beside the chili sauce, which is still our main line. Just recently we started marketing our peanut sauce and ready-to-cook spices.   Also we've hired a graduate food technologist as quality controller.   Our market, too, has expanded from just the local sundry shops to multinational retail chains such as Carrefour.*

PI2: *I've experimented with new flavours and designs. Packaging is also very important now as some of my customers buy the cookies to give them away as presents.*

PI3: *The most continuous change is the introduction of new packages, which means offering a basket of products and services at an attractive price.   In terms of market, I've tried very hard to penetrate the government sector.   Basically my clientele consists of small, private enterprises but lately I've started to get orders from a few government departments.   I've also introduced a new computing software in the office to upgrade my administration system.*

PI4: *Not much, as I've only started the business. But to me in this line the key thing is being flexible with your operating hours. So I find myself adapting to my customers' schedule very often.*

PI5: *The latest trends are hair coloring and bonding, as well as palm and nail drawing.   So we began to offer those services some time back. Hair styling techniques too have evolved over time… now to dry hair, there's more than just hair dryers.   We can even iron hair, so that it's not only dry but also straight!*

PI6: *The business had to be relocated to this premise about 5 years ago because the previous one couldn't cope with the increasing size of operation. And then of course I had to acquire new machinery and additional staff.*

PI7: *We opened a retail outlet in KL 2 years ago whilst still maintaining the one in Alor Setar.   And as far as the product is concerned, we're constantly experimenting with new fabrics and designs.*

PI8: *We've had to move many times. As the business is highly dependent on the duration of contract, each time a contract expires we have to move on. And every time we get a new place, there are a lot of adjustments to be made. Change of staff, menu, price, size of operation…*

PI9: *I've expanded the number of vehicles from 2 to 6.   And in addition to the 2 full-time drivers, I now have 6, 7 part-time ones who can be called in at peak periods such as the weekends and school holidays. Being a single mother, I've also had to make a lot of adjustments in terms of striking a balance between the business and my children.*

PI10: *I've introduced new curriculum and teaching modules such as piano and ballet lessons. Also I find that the operating hours need to be extended and altered from time to time to accommodate the needs of the parents.*

5.2Typology of Female Entrepreneur-Leaders

Based on their description of how the innovations are implemented, as well as how specific challenges are overcome, four distinct styles of female leadership are identified.   These styles, referred here as the "Mother", the "Teacher", the "Boss" and the "Chameleon", are described as follows.

The "Mother"

This style reflects a family-oriented approach in the management of business innovation.   The four women who fall into this category, namely PI2, PI7, PI8 and PI9, view their employees and other stakeholders as their extended families. They are extremely protective of others, and often get involved in the personal affairs of those they perceive to be under their care.   These women frequently use phrases such as "*help each other out like brothers and sisters*", "*they respect me like their own mother*", and "*I scold them if they do anything wrong*".

In their organizations, innovation is often treated with caution.   Each time the entrepreneur decides to embark on a new project, she tries it out herself first.   When she is absolutely sure of its success, she demonstrates in detail to others how exactly she wants things to be done and takes great care to minimize the chances of failure.

PI8: I will try out the new recipe several times and when I am completely satisfied, I will show my girls how to do it. Otherwise, they won't have a clue whatsoever, and end up putting too little or too much of everything.

She also has very little reservation about asking for personal favours from suppliers and customers.

PI2: My customers are my best source of ideas.   I often borrow women's magazines from them and look up the creativity section to learn about the latest packaging designs.

PI7: When I want to get information about my competitors, I will ask my supplier who also delivers material to the other stores.   Like for instance, what type of cloth they use, the quantity of order and the price they pay for it.   Then I will decide whether I want to follow suit or not.

The "Teacher"

The style displayed by PI1 and PI10 closely approximates that of an educationist.   The women believe in the good of academic qualification, training and continuous upgrading of skill and technology.   PI1 tells of her latest recruit, a Chemistry graduate, who is hired as her food technologist and quality controller.   And PI10 apologises at the outset of the interview that she only has an hour before having to rush off to Singapore for a workshop on childhood education.

The women have a very open attitude towards the learning process, and regards mistakes as a natural part of it.   They encourage their employees to try out new things on their own and the organizations often develop new ideas by trial-and-error.   Computerisation and automation are integrated within the process flow to improve quality and maintain standards.   They even educate their customers on the benefits of innovation.

PI10: I tell the parents what new modules we have, and why their children should enroll in a particular module.   I remember a girl who had a natural gift for music. I suggested to her parents that she should try out our piano lessons. They were reluctant at first because they wanted her to concentrate on the academic stuff but I convinced them that in

this age academic excellence alone is not enough.   They relented in the end, and now the girl is already in Standard 3, every time they bump into me, they can never thank me enough for introducing piano to their child.

The "Boss"

This particular style describes the entrepreneur's emphasis on the formalization of innovation.   Novelties are adopted as official business targets tied to the employees' performance evaluation and remuneration packages.   Instructions are given in a precise and orderly manner.

PI5: I give incentives to my staff if they are willing to be flexible about their schedule.   Most of the time they know exactly what's expected of them.   As long as I give clear instructions, they will carry them out accordingly… When I promote someone I take into consideration their ability to master the latest styles and trends.

PI6 relates of her initial difficulty to get her employees to be cross-functional but says that with persistent assertiveness the problem is gradually ironed out.   PI6 also stresses the need for implementing changes systematically.

PI6: My workers are mostly immigrants so they have special requirements, especially in terms of work permits, accommodation, and transportation.   I make sure they are well looked after, and I expect them to carry out their jobs well.   Otherwise, I will terminate their services and ask for replacements…When I introduce a new material, I will record the manufacturing batch number.   Then I will track its movement until the point of consumption.   If there are any complaints from the customers, I will immediately call my supplier and cancel other orders from the same batch. Then I will either ask for another supply or switch to another supplier.

The "Chameleon"

This style reflects the entrepreneur's tendency to be situational.   She believes in adopting different approaches to different individuals and circumstances.   According to her, to be effective an entrepreneur needs to understand the exact needs and wants of various customers and strive to fulfill each in many different ways.   Innovation is perceived as merely a means to an end, and not something which should be actively encouraged.   PI3 says she visits government and business clients with two different sets of product catalogue, because she knows that each has a different budget. Therefore, even though she knows which product is the best, she feels that there is no point in educating the customer about the product simply because the budget will not allow for it.

In the case of PI4, she carries products from four parent companies and adjusts her presentation package and style according to the customer.   She does not see anything wrong with the practice because she is not legally bound to any one of them.

PI4: Take health supplements, for instance, there are people who prefer Company A's products and there are those who like Company B's.   So I carry both and promote each accordingly.

6. Conclusion

The study demonstrates that as far as innovation is concerned existing typologies of leadership styles do not adequately explain the female perspective.   Dimensions such as transformational versus transactional, participation, and entrepreneur-employee relationship fail to consider the importance of relationships with other stakeholders than employees.   The finding supports earlier observations (Al-Riyami et al, 2002; Ong and Sieh, 2003) on the significance of networking to women entrepreneurs, especially in collectivistic societies.

Results of the study show that some women leaders assume traditional roles such as "mother" and "teacher" so that the society will be more tolerant and accepting towards their leadership.   This may be explained by the theory of social conditioning (Best and Williams, 1997; Ismail and Ibrahim, 2008) which argues that because society conditions women to be gentle and nurturing, they behave as such.   Bruni et al (2004) acknowledge that women often have to resort to alternative leadership styles possibly because social expectation makes it difficult for them to wield formal authority in organizations.   Having said that, there are women leaders (as typified by the "boss" personality) who are not afraid to exercise their formal authority.   This is quite likely in the Malaysian society which is moderately masculine (Hofstede, 1998) and thus allows some degree of gender role equality.

Of course, due to the limited sample size, it would be presumptuous to conclude that the study's findings can adequately explain female leadership styles in every setting.   As leadership is highly cultural, different cultural groups are expected to have different tendencies towards a particular style.   For instance, in highly masculine societies such as Japan (Hofstede, 1998), women leaders may only adopt the "mother" and "teacher" styles while the "boss" may be a clear exception.   It is also important to determine which style is more effective for women entrepreneurs: Is the organization more innovative when she behaves in a specific manner?   To make reasonable conclusions, obviously more data is required.   Hence quantitative studies involving larger samples of women entrepreneurs are recommended to ascertain the following:

(1) The relationship between culture and leadership style.

(2) The effect of leadership style on organizational innovation.

In so doing, other criteria including the validity and reliability of the leadership style scale will first have to be met. Future studies may also raise additional issues such as the measure of organizational innovation in women-owned enterprises. For instance, researchers may now want to focus on developing the instruments for product/service and administrative innovations among women entrepreneurs. One particular issue would be: Apart from flexibility in work schedule, what other typical constructs of administrative innovations are there for women?

From the practical point of view, the study is expected to help trainers develop better training programs for women entrepreneurs. Having understood that innovation is very much related to interpersonal relationships within and beyond the organization's boundaries, entrepreneurship training should also incorporate modules on cultural values as well as communication and social skills. In Malaysia, where entrepreneurship training programs are mainly concerned with the development of business plans, this proposal requires changes even at policy level since it also involves retraining the trainers or recruiting new ones. In particular there ought to be an increased effort to rope in more female trainers due to their greater understanding of the unique characteristics and needs of women entrepreneurs.

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Table 1. Distribution of Malaysian Working Population by Gender and Employment Status, 2003

Gender	Total Population	Employer (%)	Employee (%)	Own-account Worker (%)	Unpaid Family Worker (%)
Male	6,323,600	4.6	75.5	17.7	2.2
Female	3,546,100	1.2	77.5	11.7	9.6

Source: Malaysian Department of Statistics, 2004.

Table 2.   Distribution of Malaysian Women Entrepreneurs by Ethnicity, Stratum, and Age Group, 2003

Distribution Variable	**% out of total**
Ethnicity:	
Malay	47.1
Chinese	39.6
Indian	5.0
Others	8.3
Total	100.0
Stratum:	
Urban	79.8
Rural	20.2
Total	100.0
Age Group:	
Below 20	0.1
20 – 29	16.2
30 – 39	34.4
40 - 49	31.8
50 and above	17.5
Total	100.0

Source: Malaysian Department of Statistics, 2004.

Construction of the Grand Canal and Improvement in Transportation in Late Imperial China

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Abstract

In this paper, I outline how different major segments of the Grand Canal were built in the Ming and Qing periods. It is necessary to note that the construction was extremely arduous. It was over 1,700 kilometers long, crossing the four provinces of Hebei, Shandong, Jiangsu and Zhejiang. Many of its segments were built on uneven slopes, which added great hardship in maintaining navigable water levels. Because of these construction difficulties, the construction of the Canal was a continuous project for three centuries, starting from the early fifteenth century and ending with the late seventeenth. I show that in this long process of the construction how the Ming and Qing governments solved the problems they met, and finally succeeded in improving the transportation between northern and central China. I also discuss whether the Grand Canal was the major factor which stimulated the growth of long-distance trade between northern and central China.

Keywords: Grand Canal, Transportation, Late Imperial China

1. Introduction

Adam Smith argued that trade resulted from unequal advantages. In response, Karl Polanyi pointed out that the institutions for trade had to be established before unequal advantages could be exploited. The terms of trade resulted in price, and where people bought and sold markets might be created. But not all exchange created a market.

According to Polanyi, long-distance markets, that is, markets serving long-distance trade, do not develop from local trade or local markets. Local markets are essentially neighborhood markets, frequented by housewives, where growers of grain or vegetables and local craftsmen offer their wares for sale. Though local markets are important to the life of the community, they are not the origin of long-distance trade. Long-distance trade has to overcome the difficulty of transportation, which is not a major problem in local trade. (Note 1)

Scholars, Wu Chengming for instance, have stressed the importance of the construction of the Grand Canal to the development of long-distance trade between northern and central China in late imperial China. (Note 2) Although G. William Skinner suggests the prevalence of macro-regional economic independence in the nineteenth century, he agrees that the "great sideways T", which was composed of the Yangzi River and the Grand Canal, succeeded in reducing the transport cost between north China, middle Yangzi, lower Yangzi, southeast coast and Lingnan, the five of China's eight marco-regions. (Note 3) Further his study, Yeh-chien Wang shows a formation of an integrated market of rice encompassing these regions in late imperial China. He finds that the price level of rice was increasingly higher from Suzhou to its northern cities, like Jinan and Tianjin, on the Canal. (Note 4)

In this essay, I shall outline how different major segments of the Grand Canal were built in the Ming and Qing periods. It is necessary to note that the construction was extremely arduous. It was over 1,700 kilometers long, crossing the four provinces of Hebei, Shandong, Jiangsu and Zhejiang. Many of its segments were built on uneven slopes, which added great hardship in maintaining navigable water levels. Because of these construction difficulties, the construction of the Canal was a continuous project for three centuries, starting from the early fifteenth century and ending with the late seventeenth. I shall show that in this long process of the construction how the Ming and Qing governments solved the problems they met, and finally succeeded in improving the transportation between northern and central China. I shall also explore whether the Grand Canal was the major factor which stimulated the growth of long-distance trade between northern and central China.

To begin with, the following section discusses why the Ming government needed a canal. It must be realized that canal, or other inland routes, was not the only channel for people to travel from the Yangzi delta to Beijing. Before the Ming dynasty, the Yuan (1279-1368) had built its capital at Beijing, and, without the benefit of the Canal, had transported grain from the delta to the capital successfully via the coast.

2. The abandonment of sea transport

The reason for building the costly Canal was administrative - the transport of grain tribute from the provinces to the imperial capital, Beijing. Beijing is located on the arid North China Plain. Because of the dry weather, the Plain was unable to produce sufficient grain to support the bureaucracy that was centered at Beijing and an army that was not only stationed at the capital but also spread out over the northern border regions. This endemic shortage of grain was occasionally aggravated by famine caused by flood and drought. One of the major causes of these natural disasters was the silty nature of loess, found widely distributed over the North Plain. (Note 5) As loess could not retain water, during the summer season, heavy rainfall would cause flood, but too little would cause drought. (Note 6) As a supplement to the local grain supply in the capital, a continuous transport of tax grain from the provinces, especially the agriculturally productive lower Yangzi, was necessary.

In the Yuan, the government transported tax grain to Beijing by sea. Every year, sea-going junks, laden with three million *shi* of rice, traveled from Liujia *gang* in the Yangzi delta to Tianjin near Beijing. The sea transport of grain proved successful. By the 1310s, the sea junks had been taking 2 million *shi* to the capital annually. By the 1320s, the annual volume increased to about 3 million *shi*. (Note 7)

Despite the success, the sea transport of tribute grain was terminated in the Ming because the new dynasty relocated the imperial capital. In 1368, the Hongwu emperor (1368-98) set up the capital at Nanjing. As Nanjing was located on the Yangzi, the transport of tribute grain became much easier. Instead of using the sea routes, grain boats transported grain to the capital on the Yangzi River. Because of this change, in the Ming, sea transport of the Yangzi grain became no longer necessary, except for a small shipment to the military garrisons in Liaodong. During the Hongwu reign, according to Wu Jihua, this shipment was less than 750,000 *shi* annually. (Note 8)

The sea transport of tribute grain was not revived even after 1421, when the Ming government had moved its seat back to Beijing. (Note 9) Going beyond the Yuan model for the grain tribute transport on the coast, the Yongle emperor (1403-24) decided to build canals on a large scale.

The superiority of canal transport over the coastal route is well argued in a memorial in 1412 by Song Li, the official in charge of the canal construction. Song pointed out that the same money needed to build a sea boat that could carry 1,000 *shi* of grain, could be used to build twenty canal boats with a total carrying capacity of 4,000 *shi*. (Note 10) From this memorial, it looks as if the cost of canal transport was a quarter that of sea transport. In fact, Song compared only the cost of boat construction, but did not account for the huge sums of money needed in the building and repair of canals. For this reason, despite Song's persuasive figures, it should not be concluded that the Yongle government preferred canal transport because of its low cost.

Hoshi Ayao, in his work on the Ming grain tribute system, suggested that the hazard in coastal transport was a reason for the building of the Grand Canal. As evidence, he cited the frequent accidents in sea transport of military rations from the Yangzi delta to Liaodong in the early Ming. (Note 11) However, it is necessary to note that the Liaodong military shipments were conducted on a journey much longer than the grain tribute transport in the Yuan with Tianjin as its northern terminus.

The discontinuity of coastal transport was probably based on an administrative concern. In the early Ming, the so-called Japanese pirates (*wokou*) had been active along the coast. In 1371, in the hope of stopping the pirates from communicating with the continent, the Hongwu emperor imposed a strict ban on private sea travel. However, the measure was of little avail. From the late fourteenth to the early fifteenth centuries, there were still frequent reports of piracy along the coast. (Note 12) These pirates robbed sea junks, taking from them, among other goods, shipments of government food ration being transported to the Liaodong military garrison. (Note 13) Failing to suppress them, the Ming government probably moved the transport from the coastal route to an inland route so as to guarantee the safety of the grain tribute delivery after the move of the capital to Beijing.

Nevertheless, the shift of the bloodline to an inland route was by no means easy. The Canal came about in stages as the Ming government tried to solve the problems it had to face.

3. Constructing the northern segment of the Canal

Map 1 shows the rivers and canals that linked Hangzhou and Beijing in the early Ming. In the south, two canals built in the Sui dynasty, which were known as the Jiangnan Canal (Jiangnan *he*) and the Li Canal (Li *he*), provided for transport between Hangzhou and Huaian. (Note 14) Huaian city located near, but not on, a tributary of the Yellow River. (Note 15) On this tributary, nevertheless, boats could sail upstream into the Yellow River to Xuzhou, and then from Xuzhou through the Si River to Jining. The transportation from Jining north to Linqing also seems to be easy. Two canals built in the Yuan, known as the Jizhou Canal (Jizhou *he*) and the Huitong Canal (Huitong *he*), had linked the two cities. (Note 16) From Linqing to the north, boats could travel to Tianjin via the Yu River and then to Tongzhou via the Bai River. On the last segment of the transport route, the Yuan government also built the Tonghui Canal (Tonghui *he*) in 1293 to facilitate transport between Tongzhou and Beijing. (Note 17) Therefore, in the early Ming, in-shore water

transportation had been quite convenient, except for a short distance by land from the Huaian city to the Yellow River.

However, it is hard to appreciate transport difficulties on a two-dimensional map. When the actual geographic relief is taken into consideration, in-shore water transport from Hangzhou to Beijing was a more complicated matter than is presented above. It must always be borne in mind that the Ming government delivered no less than 3,000,000 *shi* of grain every year via this route. Therefore, any small barrier on the route could be a huge obstruction to grain movement. From the south to the north, the first transport difficulty was on the short land route from Huaian to the Yellow River. It is necessary to note that land transportation, even for a few kilometers, posed great difficulty to the delivery of bulky products like grain.

Sailing on the Yellow River from Huaian to Xuzhou, however, was no easy matter either. The stretch of the Yellow River from Huaian to Xuzhou was shallow, and, therefore, dangerous for heavy grain boats. In the river segment near Xuzhou, huge and sharp rocks hidden or exposed dotted the river. These rocks created rapid currents that made this the most dangerous stretch of the river on the way to Xuzhou. (Note 18)

Leaving the Yellow River, grain boats arriving in Shandong met with new navigation difficulties. First of all, the terrain of the route between Xuzhou and Linqing was not even. It was like a high bridge with Nanwang as the highest point. Therefore, from Xuzhou to Nanwang, boats actually crawled on an uphill route against the flow of the small Si River. Second, the two canals built in the Yuan dynasty had, by the early Ming, largely become silted because of poor maintenance. Third, even after these canals were dredged, they were still too shallow to meet the anticipated increase in traffic. It must be realized that when the Yuan government built the canals in Shandong, it aimed to facilitate the annual delivery of a much smaller amount of grain than the Ming dynasty quota, for the Yuan grain fleet delivered to the capital only 300,000 *shi* annually, collected in Shandong, compared to 3,000,000 *shi* in the Ming, collected in the lower Yangzi. (Note 19) In other words, between the Yuan and the Ming, the traffic was increased by about ten times.

The last transport problem occurred in the metropolitan areas. The distance between Tongzhou and Beijing was only about 35 kilometers, but the transportation was carried out on land with an elevation of 40 meters. In the late thirteenth century, as mentioned above, the Yuan government had built a short canal, known as the Tonghui Canal, to improve the transportation of this route. Nevertheless, the Tonghui Canal had been deserted in the early Ming.

To summarize, in the early Ming, in-shore transportation required great improvement before it could be used for grain tribute delivery. The improvement works had had to solve the following problems: (1) the awkward transportation overland between Huaian and the Yellow River; (2) the shallowness of the Yellow River between Huaian and Xuzhou; (3) the malfunction of the Yuan canals between Xuzhou and Linqing, and (4) transportation overland between Tongzhou and Beijing. In 1411, by the order of the Yongle emperor, and in preparation for the move of the capital, Song Li began a transport improvement project. Under Song Li's supervision, by recruiting hundreds of thousands of laborers and investing tremendous state resources, the Ming government solved the first three problems within a few years.

Song improved the navigability of the Yellow River and the Shandong canals. With the help of 300,000 laborers, he rebuilt and enlarged the Yuan canals in Shandong. As illustrated in Map 2, the new waterway, called the Huitong Canal, connected Linqing in the north to Xuzhou in the south. In order to raise the water level of the transport route south of Nanwang, Song re-directed a tributary of the Yellow River at Henan province to Jining, flowing from Jining to Xuzhou, and then to Huaian. In 1412, the improvement works were basically completed. In that year, Beijing was able to collect 1,000,000 *shi* of grain through this new waterway. Three years later, with new-found confidence, the Ming government formally abandoned the sea transport of grain. (Note 20)

In 1415, alongside the abandonment of sea transport, the Yongle emperor ordered Duke Chen Xuan to take charge of the inland transport of grain tribute. Chen built a fleet of 3,000 flat-bottom boats for the shipment of 3,000,000 *shi* of grain from the Yangzi region. (Note 21) These boats were hauled up to Huaian, but from there, they were one by one put on rollers made of tree trunks and pulled by trackers to the Yellow River. This method of transportation was obviously arduous, slow and costly. In response to this transportation problem, Chen dug a short canal from Huaian City to Qingkou, where it joined the Yellow River. This canal was called the Qingjiangpu Canal (See Map 2 inset). (Note 22) The Qingjiangpu Canal was only about 10 kilometers in length, but it played the important role of linking the Li Canal to the Yellow River. With the completion of the Qingjiangpu Canal, a continuous inshore transport route by water was accomplished between Hangzhou and Tongzhou, near Beijing. The last leg of the journey from Tongzhou to Beijing was conducted over land.

Because Tongzhou was located at the end of canal transport for the Yangzi, it became the northern terminus of the grain boats. As the delivery of the grain tribute from Tongzhou to Beijing by cart was slow, the Ming government built imperial granaries at Tongzhou for the storage of grain. A century later, Censor Wu Zhong (*jinshi*, 1517) attributed the under-development of this route to objection by cart owners and customs officials in Tongzhou who feared that their benefit would be lost if any change was introduced. (Note 23)

In short, although the Yuan dynasty's Tonghui Canal, which linked Tongzhou to Beijing, was not rebuilt in the Yongle reign, after construction of canals on a large scale in northern China, the inland transportation in the Ming empire was greatly improved. By the Yongle reign, a boat leaving the Yangzi could sail all the way to Tongzhou. This was unimaginable before the Ming. Because of this transport advancement, the transport cost between Hangzhou and Beijing was reduced.

Nevertheless, the Yongle reign was only the initial stage of the canal age. After the Yongle period, the Ming government continued to make improvement to that imperial waterway. In 1527, for instance, under constant threat from northern nomadic tribes, the Ming court repaired the Tonghui Canal to speed up the transfer of grain stock from Tongzhou to Beijing. (Note 24) The repair work was completed in the same year. The repair of the Tonghui Canal, however, did not reduce the status of Tongzhou as the northern terminus of southern grain boats. Since the distance from Tongzhou to Beijing was an uphill route, the repaired Tonghui Canal was too shallow for the employment of heavy grain boats. To deal with this transport problem, the government had to build three hundred lighters (*bochuan*) for the transshipment of grain at the Tongzhou terminus. Despite this inconvenience, the Tonghui Canal reduced the transport cost from Tongzhou to Beijing by half. According to Wu Zhong, the official in charge of the repair, the transport cost was 0.1 tael by cart, but only 0.55 tael by lighter. (Note 25)

Greater transport improvement, however, was to come in central China. In the following section, I shall show how an independent canal was constructed in the Ming and the Qing periods when the Chinese government had to deal with the transport problem posed by the Yellow River.

4. Restraining the Yellow River

From the Yongle reign onwards, the segment of the Yellow River in Jiangsu province, from Qingkou to Xuzhou, became the southern transport route for the grain boats from the Yangzi delta (See Map 3). However, the Yellow River was too unstable to be a reliable transport route because of silting. (Note 26) In the lower reaches of the river, where the gradient was gentle, the silt carried down by the river accumulated rapidly on the riverbed. As the silt raised the level of the riverbed, the river burst its banks and shifted its course, not only causing large-scale flooding but also disrupting the Canal.

In the first half of the fifteenth century, the Huai River system flowed fast enough to carry the silt brought down by the Yellow River out to the sea. Starting from the mid-fifteenth century, however, the grain transport was increasingly endangered by the gradual instability of the Yellow River, as a reaction to silting in its lower course, it shifted back to its northern course to find new outlets to the sea. A disastrous shift occurred in 1448, when the Yellow River overflowed its northern bank into Shandong, departing from the course of the Huai. The raging floods not only destroyed the dykes guarding the Huitong Canal, but also left tons of silt at the bottom of the canal. In the south, the transport route between Xuzhou and Qingkou, which had been supplied with water from the Yellow River, also dried up, paralyzing the grain transport. Similar shifts happened again in 1452, 1489 and 1493. The Grain transport was stopped on each occasion of these shifts. (Note 27)

In its attempt to maintain the course of the Yellow River in the south, the Ming government began to construct stronger dykes. In the early sixteenth century, powerful dykes guarded the northern bank of the course between Xuzhou and Qingkou. (Note 28) From the east of Henan province to the sea, a long wall of dykes was built.

The dykes from Henan eastward prevented the Yellow River from shifting back to the north, but could not solve the chronic problem of silt accumulation in the lower course of the river. Prevented by the dykes from breaking out onto a northward course, the Yellow River shifted its course frequently to their south. In the sixteenth century, especially during the Jiajing reign (1522-66), the Yellow River shifted frequently between the courses known as the Wo, the Ying, the Kuai and the Sui Rivers before merging with the Huai River. (Note 29) (See Map 2) As the flow of the Yellow River changed from time to time, it was hard for the Ming government to maintain a navigable water level on the transport route between Xuzhou and Qingkou.

In response to the instability of the Yellow River, the Ming government attempted to construct more canals. For example, in 1560, the New Nanyang Canal [Nanyang Xin *he*] was dug to facilitate the transportation in the southern segment of the Huitong Canal. The project was in fact a removal of the short transport route from the west to the east of the Zhaoyang Lake between Nangyang and Liucheng (See Map 3). The new channel was protected from flood attacks from the Yellow River because it was located on a higher landscape, while the Zhaoyang Lake could serve as a buffer for the flood water coming from the west. (Note 30)

However, the construction costs of the canals were high. The New Nanyang Canal was budgeted at 70,000 taels, but the actual cost was ten times this amount. (Note 31) From then on, the Ming government was cautious about constructing more canals.

Instead of constructing more canals, in the second half of the sixteenth century, the Ming government turned to stabilizing the Yellow River. The prevailing theory of river conservancy was "binding the rivers to scour the sediments"

(*shushui gongsha*). Under that theory, a high velocity of water flow not only prevented the sediments in the water from being deposited on the riverbed, but also scoured the riverbed of the sediments that had accumulated there. In order to increase the velocity of the Yellow River, officials Zhu Heng (1512-84) and Pan Jishun (1521-95), who put this theory into effect, blocked all tributaries, and left only a single outlet from Xuzhou to Qingkou. They built strong dykes along not only the northern bank, but also the southern bank of the Yellow River. This was the first time in Ming history that the southern bank of the Yellow River was also heavily guarded with dykes. (Note 32)

However, in reality, it was impossible to build dykes in every segment of the Yellow River in central China. The government had to leave gaps at Xuzhou as well as Qingkou, the two points where the Yellow River met the New Nanyang Canal and the Huai respectively. As a consequence, those gaps became the new centers of flood attacks. Moreover, following the practice of "binding the rivers to scour the sediments", as the river flowed faster, these flood attacks became more violent. In response, the Ming government built more dykes.

The first major construction work to follow was the building of the Gaojia Embankment. The Gaojia Embankment was designed to adjust the flow of the Yellow and the Huai Rivers at Qingkou. (See Map 4) As shown earlier, "binding the rivers to scour the sediments" of the Yellow River required the direction of the Huai into Qingkou. However, because the Yellow River was higher in elevation than the Huai, the flow of the Huai was often forced back by the strong current from the Yellow River, causing large-scale flooding in the Huai basin. As a measure to strengthen the flow of the Huai River at Qingkou, in 1578, under the supervision of Pan Jishun, the Gaojia Embankment was built along the eastern bank of the Hongze Lake, into which the Huai was directed. The increased velocity of the Huai River as it flowed out of the lake towards Qingkou allowed it to overcome the strong flow of the Yellow River and continue its course to the east. (Note 33)

The Gaojia Embankment affected the canal transportation at Qingkou, for at this intersection of the Yellow River and the Huai River was also the Qingjiangpu Canal. If the flow of the Yellow River made it difficult to navigate from the Qingjiangpu Canal northwards prior to the construction of the Gaojia Embankment, with the embankment, the increased flow made navigation even more hazardous. When the canal junks arrived at Qingkou, they met strong currents from not only the Yellow River, but also the Huai. As a result, Qingkou became the most dangerous point for boat travel between the Qingjiangpu Canal and the Yellow River.

Meanwhile, Xuzhou, where the southern section of the Canal in Shandong entered the Yellow River, remained a centre of flooding. To fight against the flood water, Xuzhou officials also built high embankments to protect the prefectural city. According to an eyewitness account by Wang Shixing (1547-1595), well known for his travel records, in the last decade of the sixteenth century, the river embankment beside Xuzhou had been built to a height that was equal to the outer city wall. (Note 34) Even then, the lowland outside the city was often flooded.

By the seventeenth century, it was obvious to Ming officials that a feasible measure to alleviate the flooding and facilitate the grain transport was the building of a canal that was completely independent of the Yellow River. However, the Ming imperial treasury had been exhausted from the building of the New Nanyang Canal and other building efforts, and it could only complete this stretch of the canal segment by segment (See Map 5).

In 1603, after submitting a proposal with a low budget of 230,000 taels, Li Hualong, the Director-general of the Grand Canal (Hedao Zongdu), was successful in seeking approval from the court to construct a long canal to replace a segment of the Yellow River. Two years later, the Jia Canal [Jia *he*] was opened. (Note 35) The canal was built on a higher terrain east of the Yellow River between Xiazhen, the southern terminus of the New Nanyang Canal, and Zhihekou. The Jia Canal drew water from not the Yellow River, but the New Nanyang Canal with its water supply from the lakes in southern Shandong. For this reason, the Jia Canal was completely independent of the Yellow River. Another characteristic of the Jia Canal was its scale. The canal was about 130 kilometers in length, reducing quite a long stretch from the Yellow River as the transport route. (Note 36)

However, throughout the remaining years of the Ming dynasty, from Zhihekou east to Qingkou, grain transport still relied on the Yellow River. Flooding continued, except for a change of centre from Xuzhou to Zhihekou, the new intersection point between the Yellow River and the Canal. In 1623, before the collapse of the Ming dynasty, the construction of the New Tongji Canal (Tongji Xin *he*) had extended the canal east only as far as Suqian County. (Note 37)

The Grand Canal was ultimately completed in the early years of the Qing dynasty in the late seventeenth century. In 1678, with the approval of the Kangxi emperor, Jin Fu (1633-92), the Director-general of the Grand Canal, was allotted 2,500,000 taels of silver for the construction of a canal bridging the New Tongji Canal and the Qingjiangpu Canal. In 1686, the 186-kilometer-long Zhong Canal [Zhong *he*] was built for this purpose. (Note 38) Only then, after almost three centuries of effort, was the transport route completely divorced from the Yellow River, except for a single point at Qingkou.

Qingkou was hazardous, as three rivers merged at this point --- the Yellow River, the Huai and now the Si River from

the Zhong Canal. From the Kangxi to the Qianlong reign, the Qing government took several measures to guarantee the smooth flow of these three rivers in and out of Qingkou. These measures included frequent dredging of the riverbed at Qingkou, and increasing the height of the Gaojia Embankment. (Note 39) Neither of these measures made Qingkou any less hazardous for canal junks. Crossing Qingkou, the boatmen had to steer their junks with great care. George Staunton, a member of the Macartney mission to China, who made this crossing from the north on November 2, 1793, left the following description of the seriousness with which boatmen sacrificed to the river deities as they had to cross the Yellow River at Qingkou.

The amazing velocity with which the Yellow river runs at the place where the yachts and barges of the Embassy were to cross it, rendered, according to the notions of the Chinese crews, a sacrifice necessary to the spirit of the river, in order to ensure a safe passage over it. For this purpose, the master, surrounded by the crew of the yacht, assembled upon the forecastle, and holding, as a victim, in his hand a cock, wrung off his head, which committing to the stream, he consecrated the vessel with the blood spouting from the body, by sprinkling it upon the deck, the masts, the anchor, and the doors of the apartments; and stuck upon them a few of the feathers of the bird. Several bowls of meat were then brought forward and ranged in a line across the deck. Before these were placed a cup of oil, one filled with tea, one with some ardent spirit, and a fourth with salt: The captain making at the time three profound inclinations of the body, with hands uplifted, and muttering a few words, as if of solicitation, to the Deity. The loo or brazen drum were beaten in the mean time forcibly; lighted matches were held towards heaven; papers, covered with tin or silver leaf, were burnt; and crackers fired off in great abundance, by the crew. The captain afterwards, made libations to the river, by emptying into it from the vessel's prow, the several cups of liquids, and concluded with throwing in also that which held the salt. All the ceremonies being over, and the bowls of meat removed, the people feasted on it; and launched afterwards, with confidence, the yacht into the current. As soon as she had reached the opposite shore, the captain returned thanks to heaven, with three inclinations of the body. (Note 40)

As Staunton shows, before crossing Qingkou, sailors sacrificed to spirits with reverence and awe; and after they had succeeded in leaving Qingkou, they felt that it was a gift from Heaven. The description vividly shows the unpredictable risks involved in travel as late as the eighteenth century, even through the transportation between central and northern China had actually been greatly improved.

5. Conclusion

In the early fifteenth century, when the Yongle emperor established the Ming capital at Beijing and decided to supply it with grain brought up through inland waterways, he opened a new era for political administration in China. As a result of his decision, the canal age emerged in China. In the early decades of this age, the government built canals in northern China. However, the gradual instability of the Yellow River urged the Ming government to extend the canal to central China. This canal extension came about slowly because it was costly, but it never stopped. When the Ming government collapsed in 1644, facing the same grain supply problem in Beijing, the Qing government continued the construction of the Grand Canal. Ultimately, in 1686, the full length of the Canal was completed, linking Hangzhou in the Yangzi region to the capital, Beijing.

The construction of the Grand Canal reduced substantially the transport cost between central and northern China. However, we must not exaggerate its effect on transport improvement. In the eighteenth century, canal transportation was still risky and awkward. Qingkou, where the Huai, the Canal and the Yellow River met, was extremely hazardous. North of Qingkou, the canal was built on an uneven terrain, which made the canal expensive to maintain and to travel on. In order to guarantee sufficient water supply throughout, the Ming government installed locks to adjust water level, and passing through these locks, boatmen had to hire trackers to pull their boats upstream, or even transfer their goods to small lighters if the water level had been substantially reduced by drought. Transshipment was viewed as such a necessity that the government allowed each large grain boat from Hubei, Hunan and Jiangxi to be accompanied by a small lighter with a carriage of a hundred *shi* for the purpose. (Note 41) Because of the high transport cost, in the early eighteenth century, local official Lan Dingyuan (1680-1733) was opposed to the canal transport of grain tribute. In a memorial to the Yongzheng emperor, he stated:

According to your servant's observation, along the Canal in Shandong and Zhili, as water is insufficient, [grain] transport is difficult. [Because of the shallow water, transport soldiers] have to pay fees for transshipment and spend time at grain depots. They have their boats hauled for a whole day, but can only travel a few dozen *li*. (Note 42) That requires a lot of labor and incurs financial expense. Generally speaking, the delivery of a *shi* [of grain tribute] to the capital costs more than ten *shi* of grain. (Note 43)

Lan pointed out that the cost of grain transport from the south via the Canal to Beijing was ten times the original price. This estimate reflects the high cost of canal transport.

In this light, what made the Grand Canal the major long-distance trade route in the eighteenth century was not convenience (relative, for instance, to coastal shipping). Perhaps we should draw our attention to other factors that

encouraged merchants to transport their goods by the Canal. (Note 44)

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Note 6. Precipitation is least dependable in north China where it is the lowest and where over 80 percent falls in the summer months. See John Lossing Buck. *Land Utilization in China*, p. 2.

Note 7. See the record in Zhao Shiyan and Jie Xisi. (early fourteenth century). *Da Yuan haiyun ji*. (Repr. In *Xuetang congke*, vol. 1, n.p., 1915, pp. 79-87).

Note 8. Wu Jihua. (1961). *Mingdai haiyun ji yunhe de yanjiu*. Taipei: Academia Sinica, pp. 22-4. Wu cited several cases of sea transport in the early Ming from different contemporary sources for that argument.

Note 9. Wu Jihua argued that the move of the capital was based on a military concern: since the Ming northern frontier was frequently threatened by Mongol tribes, moving the capital to the north was an indication of the government's determination to hold the frontier. See Wu Jihua. *Mingdai haiyun ji yunhe de yanjiu*, p. 35.

Note 10. *Mingshi.* (1739, repr. 1974) Beijing: Zhonghua shuju, p. 4204.

Note 11. Hoshi Ayao. (1963). *Mindai sôun no kenkyû*. Tokyo: Nihon gakujustu shinkôkai, pp. 9-15.

Note 12. *Mingshi*, pp. 26, 29, 49, 31 and 88. See also Wu Jihua, *Mingdai haiyun ji yunhe de yanjiu*, pp. 25-31, 59-62.

Note 13. *Ming Taizu Gaohuangdi shilu*. (repr. 1961-6). Taipei: Shiyusuo, 166/4a.

Note 14. For a brief introduction to the construction of these two canals, see Ouyang Hong. (1988). *Jinghang yunhe gongcheng shikao*. Jiangsu: Jiangsusheng hanghai xuehui, pp. 70-96, and Ju Jiwu and Pan Fengying. (1985). *Jinghang yunhe xunli*. Shanghai: Shanghai jiaoyu chubanshe, pp. 174-364..

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Note 17. *Yuanshi* records that when the Kublai Khan returned from Mongolia to Beijing in 1293, he was fascinated to see the lake near Beijing crowded with boats, and he rewarded the chief hydrologist, Guo Shoujing. See *Yuanshi* (1369-70; repr. 1976). Beijing: Zhonghua shuju, p. 3852.

Note 18. Tani Mitsutaka. (1991). *Mindai kakôshi kenkyû*. Kyoto-shi: Dôhôsha, pp. 27-49. Cai Taibin also provides a clear description of this issue. See Cai Taibin. (1992). *Mingdai caohe zhi zhengzhi yu guanli*. Taipei: Shangwu yinshuguan, pp. 47-59.

Note 19. There is no existing record to show the amount of the grain tax collected by the Yuan government from Shandong. However, the *Da Yuan haiyun ji* notes that because of the poor inland transportation, the Yuan government could transport no more than an annual amount of 300,000 *shi* from Shandong to the capital. See Zhao Shiyan and Jie Xisi. *Da Yuan haiyun ji*, p. 36.

Note 20. *Mingshi,* pp. 4204-5.

Note 21. Gu Yingtai. (1658; repr. 1994). *Mingshi jishi benmo*. Shanghai: Shanghai guji chubanshe, p. 100.

Note 22. Tani Mitsutaka. *Mindai kakôshi kenkyû*, pp. 331-5.

Note 23. The cart owners were opposed to the building of a canal because it would erode their livelihood. Customs officials were worried that once when the canal was built, they would find it more difficult to levy customs at Tongzhou because boats going to Beijing would not have to unload their goods at Tongzhou. See Wu Zhong. (1558; repr. 1992). *Tonghui he zhi*, pp. 13-5. Beijing: Zhongguo shudian.

Note 24. When Beijing was besieged by Oirad tribes in 1449, for fear that the imperial grain stored in Tongzhou might be seized by the enemy, some Ming officials suggested burning down all granaries there. See Wu Zhong. *Tonghui he zhi,* p. 51.

Note 25. Wu Zhong. *Tonghui he zhi*, pp. 6-7, 27-8.

Note 26. Shi Nianhai. (1991). You lishi shiqi Huanghe de bianqian tantao jinhou zhili Huanghe de fanglue. *Zhongguo lishi dili luncong* 1, 291, 296. Data collected in the 1950s suggests that the amount of silt annually carried by the Yellow river in Xinxiang county, Henan, was no less than 34 kilograms per cubic metre, and the average yearly amount of silt carried by the Yellow River from Xinxiang to its lower reaches and the sea was 1,380 million tons, or about 920 million cubic metres, sufficient to build an embankment a yard high and a yard wide going 23 times round the equator. See Teng Tse-hui. (1955). *Report on the Multi-Purpose Plan for Permanently Controlling the Yellow River and Exploiting its Water Resources*. Beijing: Foreign Language Press, p. 13.

Note 27. *Mingshi*, pp. 2016-24.

Note 28. *Mingshi*, pp. 2021-7.

Note 29. Major shifts happened in 1534, 1537, 1540, 1545, 1546, 1557, 1564 and 1565. For documentation of these shifts, see Cai Taibin, *Mingdai caohe zhi zhengzhi yu guanli,* pp. 74-81).

Note 30. For a detailed description, see Tani Mitsutaka, *Mindai kakôshi kenkyû*, pp. 117-45).

Note 31. *Ming Shenzong Xianhuangdi shilu.* (repr. 1961-6). Taipei: Shiyusuo, 36/5a-b.

Note 32. In 1572, for instance, under the supervision of Zhu Heng, powerful dykes were built along the southern bank of the Yellow River from Xuzhou east to Suqian. (See *Mingshi*, p. 3041.) Between 1578 and 1580, Pan Jishun even built outer dykes, known as *yaoti*, from Xuzhou to Suqian on the southern bank, and from Xushou to Pi county, and Suqian to Qinghe on the northern bank, to consolidate the flow of the Yellow River. (See *Mingshi*, pp. 2051-3.) For a summary of Pan Jishun's works on dyke building, see Fang Ji. (1957). Mingdai zhihe he tongcao de guanxi. *Lishi jiaoxue* 9, 17-24, 52.

Note 33. Tani Mitsutaka. *Mindai kakôshi kenkyû*, pp. 376-9.

Note 34. Wang Shixing. (repr. 1597), Guangzhi yi. In *Wang Shixing dilishu sanzhong*. Jiangsu: Shanghai guzhi chubanshe, p. 266.

Note 35. *Mingshi*, pp. 2125-6. The proposal to dig the Jia canal had been presented in 1575. However, as it required a budget of 1,500,000 taels, the court turned it down. See *Mingshi*, p. 2123.

Note 36. For a detailed description of the Jia canal, see Tani Mitsutaka. *Mindai kakôshi kenkyû*, pp. 152-275, and Cai Taibin. *Mingdai caohe zhi zhengzhi yu guanli*, pp. 107-14.

Note 37. *Ming Xizong huangdi shilu.* (repr. 1961-6). Taipei: Shiyusuo, 72/5a-b.

Note 38. Hou Renzhi provided a detailed description of the River Conservancy, including the construction of the Zhong Canal by Jin Fu. See Hou Renzhi. (1936). Jin Fu zhihe shimo. *Shixue nianbao* 2, no. 3 (1936), 43-88.

Note 39. Ouyang Hong. *Jinghang yunhe gongcheng shikao*, pp. 264-9.

Note 40. George Staunton. (1797). *An Authentic Account of an Embassy from the King of Great Britain to the Emperor of China.* London: G. Nicol, pp. 403-4.

Note 41. *Caoyun quanshu.* (1735; repr. 1987). Beijing: Shumu wenxian chubanshe, pp. 167, 872.

Note 42. One *li* equalled 1,800 *chi* in the Qing, that is 558 metres approximately. See Liang Fangzhong. (1980). *Zhongguo lidai hukou tiandi tianfu tongji.* Shanghai: Renmin chubanshe, pp. 526, 542.

Note 43. Lan Dingyuan. (n.d.). Caoliang jianzi haiyun shu. (n.d.; in *Qing jingshi wenbian*, Beijing: Zhonghua shuju, 1992, repr. from He Changling, ed., *Huangchao jingshi wenbian,* 1886, first printed in 1827), 48/19a-21b.

Note 44. Nakahara Teruo, Xu Tan and Zhang Zhaodong have pointed out that the canal trade was in fact subsidized by the Qing state through the administration of the tribute grain transport. The government allowed transport soldiers to carry a certain amount of duty-free goods to Beijing, but it was common for them to sell the shipment allowance to merchants for the transport of goods on the Grand Canal. See Nakahara Teruo. (1959). Shindai sôsen ni yoru shôhin ryûtsu nitsuite. *Shigaku kenkyû* 72, 67-81; Xu Tan. (1992). Ming-Qing shiqi yunhe de shangpin liutong. *Lishi Yanjiu* 1, 80-5; and Zhang Zhaodong. (1992). Qingdai caoyun yu nanbei wuzhi jiaoliu. *Qingshi Yanjiu* 3, 67-73.

Asian Social Science

Tonghui Canal (1293)

Beijing ● ⊙ Tongzhou

Bai R.

Tianjin
⊙

Yu R.

Linqing ⊙

Huitong Canal (1289)

Anshan ⊙

Jizhou Canal (1282)

Nanwang ⊙

Jining ⊙

Si R.

Yellow R.

Xuzhou ⊙

Kuai R.

Sui R.

Wo R.

Huaian ⊙

Ying R.

Li Canal (587)

Guazhou ⊙

Huai R.

Zhenjiang ⊙

Jiangnan Canal (610)

Hangzhou ⊙

Yangzi R.
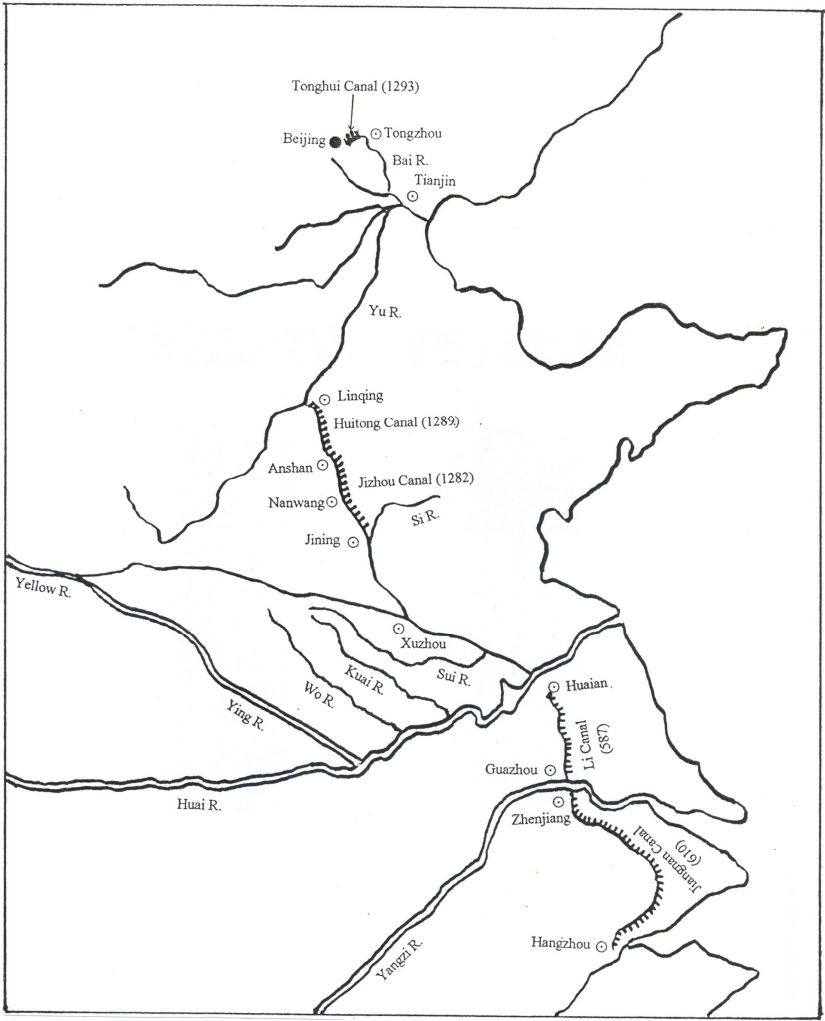
Map 1: Waterways in the Early Ming
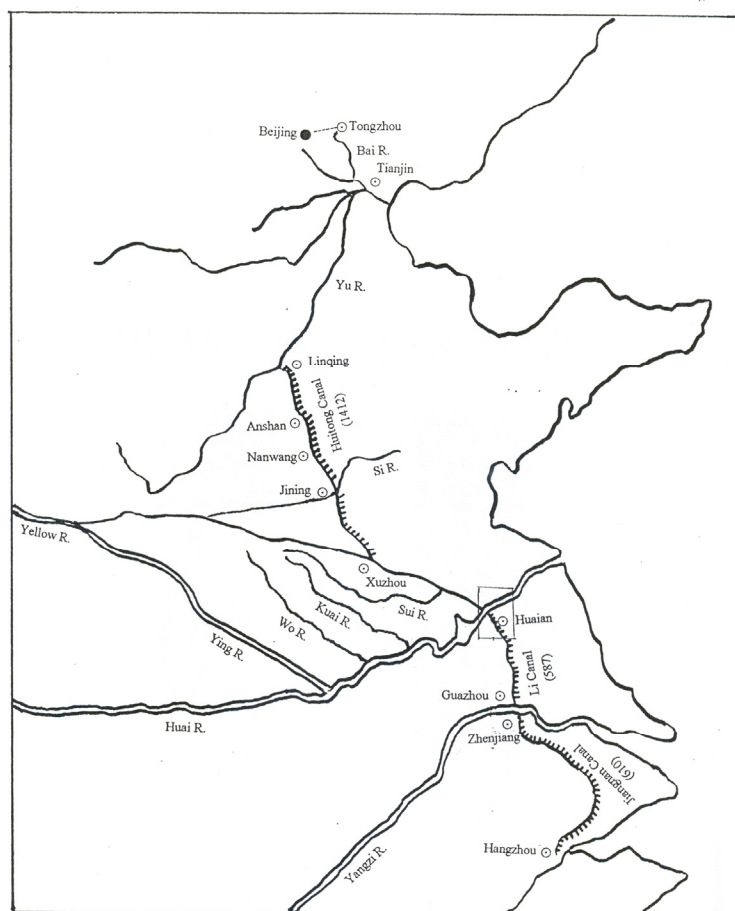
Map 2:   Transport Improvement in the Yongle Reign
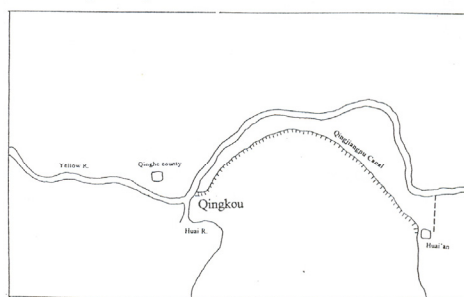
Qingjiangpu Canal

Source: Cai Taibin, *Mingdai caohe zhi zhengzhi yu guanli*, diagram 35
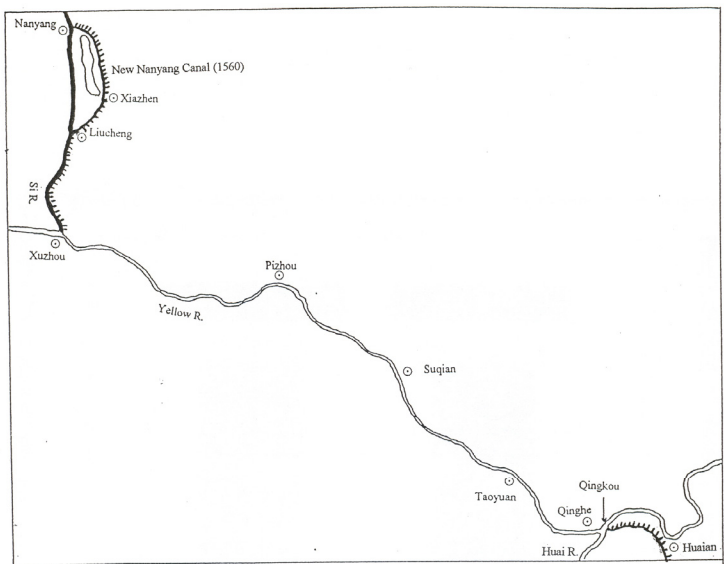
Map 3: The New Nanyang Canal
Source: Ouyang Hong, *Jinghang yunhe gongcheng shikao*, p. 200.

Map 4: Goajia Embankment
Source: Ouyang Hong, *Jinghang yunhe gongcheng shikao*, p. 225.

Map 5: Construction of Canals Along the Yellow River
Source: Ouyang Hong, *Jinghang yunhe gongcheng shikao*, p. 200.

Knowledge Evolution in Industrial Clusters

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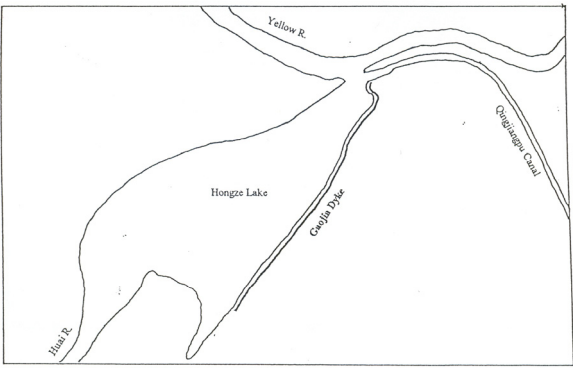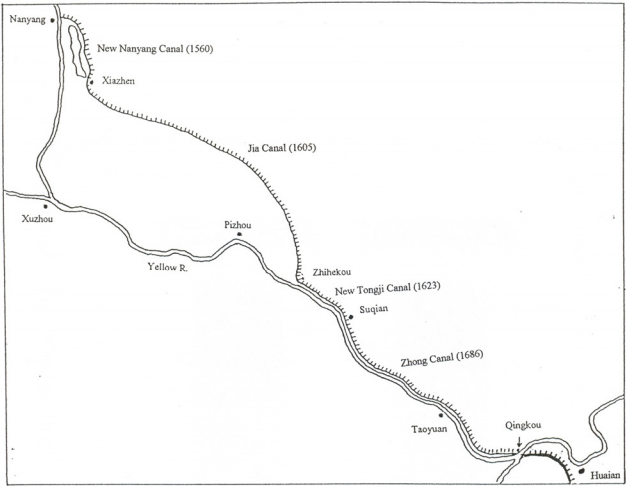
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Abstract

Character of knowledge management conducted in industrial clusters is different from entity of enterpresis and socail public deparment because of distinction in management objection. Many scholars was attracted to reseach knowledge management for enterprises, knowledge management in industrial clusters lack durable study in depth. This paper seeks to lay out an organizational foundation to a theory of industrial clusters and present the necessary, factors, process and characters of knowledge management in industrial clusters and can be as reference for policy-makers of industrial clusters.

Keywords: Knowledge management, Industrial clusters, Knowledge evolution

1. Introduction

It is widely observed that the society we live in has been gradually turning into a "knowledge society"(Drucher 1968; Bell 1973; Toffler 1990). The study of knowledge in itself is not a new topic. It extends back to the ancient philosophers. Its scientific study, however, can be traced back to 1950s, when tremendous progress occurred in the cognitive sciences (Varun Grover and Thomas H. Davenport, 2001, pp 5-21). Though activity of knowledge management has experienced long history, theory system of knowledge management appeared in 1950s and formed its own theory systems at 1980s (Grover and Davenport, 2001). During the development of modern knowledge management, knowledge management has been applied by various social department and economic organization. Though many scholars have been researching knowledge management, few of them was devoted to knowledge management in industrial clusters.

Industrial clusters, as a special organization, are different from entity of enterprises and social public department. So knowledge management conducted in industrial clusters has its own characters. Many scholars was attracted to research knowledge management for enterprises, but knowledge management in industrial clusters lack durable study in depth. This paper presents the necessary, factors, process and characters of knowledge management in industrial clusters and can be as reference for Policy-makers of industrial clusters.

2. Necessary of conducting knowledge management in industrial clusters

Industrial clusters, as an important economic modality, have attracted attention of many scholars. Since notion of industrial clusters was presented by Porter, many country and district have been developing industrial clusters by plugging into substantial resources.

In worldwide scope, many industrial clusters have been appearing in traditional industry, such as the footwear industry in northern Italy, champagne in French, Ruhr industrial park in German, American Steel Strip, some district of Jiangsu, Zhejiang and Guangdong in China. At the same time, some industrial clusters appear in high technology which can representing the developing direction of new economic, such as Silicon Village in American, Boston 128 road, Cambridge Industrial Park in UK, Xinzhu district in Taiwan, Zhongguancun in Beijing, etc.

2.1 Requirement of national Competition advantage and survival of enterprise

National competitive advantage can be reflected by development level of industrial clusters of one country. With the passage of time, many industrial clusters disappeared, but other clusters become stronger and stronger and have been

cultivating international firms with global competition. A very important reason for these competitive industrial clusters is their system foundation of communication and growing of knowledge elements which can improve the core capabilities of company, such as research and development capability, management and operation level, production management, etc., and furthermore promoting national economic growth. Knowledge evolution promotes enterprises development and intensify national competition advantage.

2.2 Requirement for development of industrial clusters

Porter proposed diamond model which can be used with industrial centralization theory to analysis national competitive advantage (1990) (Porter, 2002). The form and development of industrial clusters have many important factors, but system assurance for innovative network is an important reason. For spatial convenience, spillover and share of knowledge is an important reason for enhancing competitive advantage of enterprises in industrial clusters. A distinct character in the development period of industrial clusters is intensifying of communication and evolution function of knowledge elements from getting together of industrial factors to the foundation of mature knowledge network. In knowledge evolution, cooperation effect which has very important meaning for the development of high technology is fortified.

3. Division of knowledge in industrial clusters

Knowledge in industrial clusters can be divided into clusters knowledge, enterprises knowledge and personal knowledge by carrier, can also be divided into production management knowledge, production knowledge, market development knowledge, R&D knowledge, management and operational knowledge. Every catalogues of knowledge has its own evolution path and transmission carrier.

By innovation knowledge in industrial clusters can be divided into tacit knowledge and explicit knowledge. Both types of knowledge are important. Explicit knowledge which can be easily codified has been expressed by logic system and language. The notion of tacit knowledge can be traced back to the philosopher Michael Polanyi, but has been applied to business and knowledge management by Japanese management scholar IKujiro Nonaka (Nonaka, I. and Takeuchi, H, 1995). Tacit knowledge which is embedded in the human brain cannot be expressed easily, and tacit knowledge belongs to environment, culture and preference etc which has support the innovation of knowledge but is difficulty to express by logic system and language. Much knowledge remains tacit for various resons. Perhaps its explication would not be beneficial. Unless an incentive is created, there is little reason for an individual or clusters possessing tacit knowledge that provides an important competitive advantage to explicate "away" that advantage.

Knowledge can be categorize into various form by various criteria (J. Zhang and Z. Liu, 2005). As shown in table 1.

Table 1. Various knowledge Category by Various Criteria

Criteria	knowledge Category
source	Endogenous and Exogenous knowledge
Maturity	Regular and exceptional knowledge
Scope	Local and overall knowledge
State	Static and Dynamic Knowledge
Clarity	Explicit and Tacit Knowledge
Hierarchy	Personal, Team and Organizational knowledge
Role	Fact-knowledge, Process-knowledge control-knowledge and knowledge elements
Content	fact, Principle, skills and Human knowledge

Economic modality is diversified by catalogues of knowledge in industrial clusters. Personal knowledge, enterprises knowledge and clusters knowledge have their own characters; tacit knowledge is different from dominant knowledge in characters. knowledge in clusters has mainly a form of network.

4. Factors inflenting knowledge evolution in industrial ckusters

Research of knowledge management in industrial clusters include exterior incentive, endogenetic variables, factors, conditions, propellent, platform and path which can promote practice activity of knowledge evolution in industrial clusters.

4.1 System factors

The creation of today's complex systems of products and services requires the merging of knowledge from diverse national, disciplinary, and personal skill-based perspectives. Innovation-whether it be revealed in new products and services, new process, or new organizational forms-is rarely an individual undertaking. Creative cooperation of

knowledge elements is critical. To realize knowledge evolution in industrial clusters, connections among knowledge elements which accelerate knowledge evolution must exist. Because various form of knowledge elements (such as enterprises, persons) in industrial clusters and complex relations of competition and cooperation among them, institution protection and promotion should be designed more special to adapt for knowledge evolution and stable in industrial clusters. Definition of system factors has not been formed unified view (K P Sycara, 1998).

4.2 Culture factors

Culture foundation for centralization and communication of knowledge elements is a necessary and potential condition for knowledge evolution. Active culture promotes knowledge evolution in industrial clusters more strongly than conservative culture. Culture should be cultivated to coincide with the development of industrial clusters and cannot conflict with environment.

4.3 Adaption for district and environment

Knowledge evolution in industrial clusters must coincide with environment and meet with requirement of district economic development. Industrial clusters cultivate knowledge evolution and subjective choice system of industrial clusters may eliminate many production of knowledge evolution through selection or contest. Market of industrial clusters has many factors, such as consumer preference, economic and political environment, which can influence process of knowledge evolution strongly.   Objective factors of district and environment bring opportunity and press for development of clusters and produce demand for knowledge evolution by culture, law and custom. And adaption for district and environment provide, at the same time, restrict the path, mode, method of knowledge evolution in a certain extent. It should be noted that the process of clusters knowledge evolution is a never-ending, circular process that is not confined to the environment. At the same time, the environment is a continual source of stimulation to knowledge evolution within clusters (Ikujiro Nonaka, 1994).

4.4 Accumulation on knowledge elements and drive for knowledge element

Knowledge evolution in industrial clusters needs accumulation of knowledge elements and adequate driving in a certain extent. Every step of knowledge evolution needs all factors engaging in it. In contrast with the knowledge evolution in enterprises and public department, knowledge elements has been cooperating and joining dynamically in knowledge evolution which are based on press of market and environment. Every evolution needs combination of various knowledge elements

5. Process of knowledge evolution in industrial clusters

The process of innovation is a rhythm of search and selection, exploration and synthesis, cycles of divergent thinking followed by convergence. Process of knowledge evolution in industrial clusters including 4 step: centralization of knowledge elements, network communication of knowledge elements, absorption of knowledge and achieving value of knowledge. These 4 steps constitute a knowledge evolution process.

5.1Centralization of knowledge elements

The necessary condition of knowledge evolution in industrial clusters is firstly expressed by centralization of knowledge element. Industrial clusters are composed of enterprises, thus process of knowledge evolution was dynamically joined by knowledge elements. Techniques, skills, information and tactics for business operation has value for coping and diffuseness in a high certain to enterprises which have a high degree of similarity. As carriers of this technique and knowledge, engineers and managers turn into knowledge elements in industrial clusters. Centralization of knowledge elements which brings transmission, collision and innovation become the most important conditions in the nature of things.

5.2 Network for communication of knowledge elements

Communication of knowledge elements provides network connection. It is by virtue of such links that knowledge communication goes along in large-scale and knowledge innovation progress in multidimensional. Competition in industrial clusters weakens cooperation of knowledge elements, so policy-makers of clusters should intensify communication network of knowledge elements to accelerate the step of knowledge evolution. It is the best development form for knowledge evolution in clusters that mechanism protection for network of communication in knowledge elements finalizes by law.

By contrast with conceptions of groups as bounded entities within an clusters, evolving communication communities of practice are "more fluid and interpenetrative than bounded, often crossing the restrictive boundaries of the organization to incorporate people from outsides"(Brown and Duguid 1991, p.49). Moreover, these communities for communication can provide important contributions to visions for future development. Thus these communities communication represent a key dimension to socialization and its input to the overall knowledge creation process (Ikujiro Nonaka, 1994).

5.3 The absorption of knowledge

The absorption of knowledge including two aspects: absorption of environment and absorption by persons. Absorption of environment mainly including integration knowledge elements with local customs, culture and economics entity, and absorption by persons is that knowledge element become a necessary department of personal capacity structure. Only by coping and transmission various knowledge elements, practice and theory evolution of knowledge advance greatly. Practice and theory of knowledge evolution which is based on the absorption of knowledge elements in enterprises and department progress greatly. of environment mainly including tacit knowledge. Absorption involves the conversion of explicit knowledge into more complex sets of explicit knowledge. In this stage, the key issues are communication and diffusion processes and the systemization of knowledge.

5.4 Achieving the value of knowledge

An important motivity for knowledge elements in industrial clusters is acquiring market value. It is by acquiring market value that knowledge elements strive for innovation and evolution. Value realization attracts centralization of knowledge element, and thus form a new cycle of knowledge evolution. This is a process of continuously strengthen cycle.

Four important steps constitute a cycle of knowledge evolution, as shown in figure 1.

Many cycle knowledge evolution in turn. Knowledge evolutionary process which is composed by many cycle of thus components show a spiral rose process, as shown in figure 2.
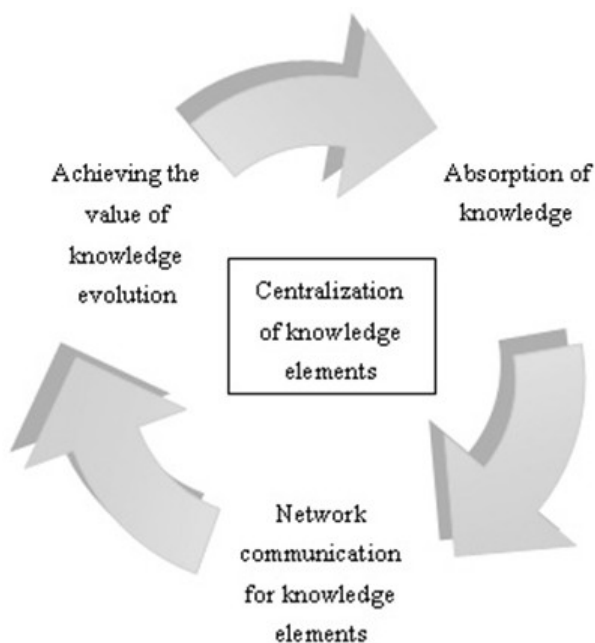
Figure 1. Process of knowledge evolution
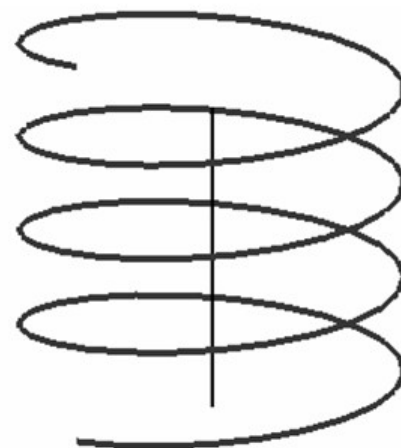
Figure 2. Spiral path of knowledge evolutions in clusters

6. New charaters of knowledge evolution in industrial clusters

Knowledge evolution in industrial clusters shows new characters which is different from various entities of enterprises and public department. Communication and extraction of information is important especially for opening system for enterprises in clusters. Skill cooperation, communication of innovative views and thinks of dominant and tacit knowledge transmission and evolution of knowledge in mature industrial clusters intensify knowledge evolution which intensifying competition of enterprises in turn.

6.1 Transmission in network

Knowledge transmission in industrial clusters is a process of forming solid network which need every elements participating in it and form effect communication mechanism. This solid network construction must be under institutional protection which is assurance for connections of knowledge elements. Knowledge elements produce effect of interaction effect and then realizing knowledge evolution by this communication network.

6.2 Dynamic evolution

Knowledge elements dynamically joined evolution in industrial clusters and changes with the environment and by value. Solid network for connections of knowledge elements changes dynamically. Centralizations and lost of knowledge elements, relations for connections of knowledge elements, path and breakthrough points of knowledge evolution

changes dynamically with time and environment. Knowledge evolution prosperous in industrial clusters just because of dynamic properties of knowledge elements.

6.3 Value-oriented

Knowledge evolution is value-oriented, market profit stimulate a new cycle of knowledge evolution. Meeting marketing demand is the most important driving power for knowledge evolution. Meeting demand of market is important and as firsthand driving for knowledge evolution for enterprise. The same is true for knowledge evolution in industrial clusters. Though the entity of knowledge evolution in industrial clusters is fuzzy in a certain extent, knowledge evolution in industrial clusters has its own direction and path for evolution which is decided by elements joining in knowledge evolution synthetically.

6.4 System evolution

Knowledge evolution in industrial clusters is not tamper with single factors and conditions, but influenced by synthetically power. Knowledge evolution in industrial clusters mainly includes tacit knowledge such as knowledge accumulation, knowledge environment, institution of knowledge evolution which is different from enterprises and public department. Tacit knowledge and factors affecting it changes silently. Factors of dominant and tacit knowledge play roles in knowledge evolution together.

6.5 Multidimensional direction for evolution

Knowledge evolves in multidimensional in industrial clusters in that knowledge elements share culture, environmental, system and spillovers effect of knowledge. For market value every knowledge elements evolve in the various direction. So in the level of industrial clusters knowledge evolution happens in different department and in various directions.

7. Conclusion and advices for policy

7.1 Construction platform for knowledge element communication

Industrial clusters have its own characters which are different from concrete economic morphology. Policy-makers of industrial clusters should emphasis platform construction of knowledge evolution. Knowledge evolution intensifies competitive advantages for the long development of industrial clusters. A good platform draws amounts of knowledge elements and boost communication of knowledge elements. The platform should assure of culture innovative atmosphere which acctive knowledge elements to join in knowledge evolution.

7.2 Institutional protection for knowledge evolution

Only by institution assurance for knowledge evolution do knowledge evolution progress. Market value and communication network should be emphasized by institutional construction by which knowledge evolution progress greatly. Relation of cooperation and competition for knowledge elements joining in evolution is fuzzy and dynamic, so implementation of a institution protection accord with of the individual characteristics.

7.3 Professional judgment for knowledge development

Every industrial clusters have its own target market, every enterprises in industrial clusters has its own location of market and joined in process of knowledge evolution dynamically. More categories of knowledge in industrial clusters evolve in multidimensional. Direction of knowledge evolution must be chosen by professional judgment of policy makers. Policy makers and promoters for industrial clusters must have professional knowledge and experience in knowledge management.

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On Commercial Enterprises' Choice between

Self-managed Logistics and Outsourcing Logistics

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Abstract

Quantitative, qualitative and empirical analyses are employed in this article to investigate the criteria that can be used by commercial enterprises to choose between self-managed logistics and outsourcing logistics.

Keywords: Logistics, Self-managed, Outsourcing

Commercial logistics is the final link of consumer product supply chain. It covers the whole logistics process from procurement to final distribution to end customers. Based on the principal that offers logistics service, commercial enterprises' logistics operation pattern can be further divided into self-managed logistics, outsourcing logistics, joint distribution that jointly offered by a group of commercial enterprises and vendor-managed distribution. How should commercial enterprises choose between these options?

1. Qualitative Analysis

Based on qualitative analysis, two factors have an impact on commercial enterprises' choice of logistics operation pattern: one is logistics performance's enterprises' success and the other is enterprises' logistics capability. Enterprises' decision process is shown in Figure 1. The horizontal axle represents enterprises' logistics capability with the right end showing the strongest capability. The vertical axle represents logistics performance's impact on enterprises' success with the highest end showing the most importance.

Logistics performance's impact on enterprises' success		
High	Enterprise Type II To find logistics partner	Enterprise Type I Self-managed logistics
Low	Enterprise Type III 3PL	Enterprise Type IV Leader in partnership
	Low	High

Figure 1. Enterprises' logistics capability

For enterprises that have strong capability in logistics management, that are able to guarantee high service level and their logistics cost accounts for a big portion of their total cost, they are called enterprise type I. They seldom outsource logistics and more often manage logistics activities by themselves. A case in point is Shanghai Ahold-Zhonghui supermarket which was built by Dutch Royal Ahold group and two Chinese enterprises in Shanghai in 1996 and now owns 60 outlets in Shanghai and is famous for its brand for fresh food. Fresh food in supermarket needs skillful logistics management. The distribution center is not only responsible for quality inspection, packaging and processing, but also needs to pass market information to the farms to improve their production. And as mass procurement implies big discounts, the management level of distribution center becomes vital for the success of supermarkets. Dutch Royal Ahold group enjoys deep experience in supermarket logistics management, thus they decided to set up the distribution

center by themselves.

For enterprises that are week in logistics capability but whose logistics performance is vital for the enterprises, they are called enterprise type II. The best choice for them is to build logistics alliance, from which they will benefit from logistics infrastructure, transportation management, and professional management expertise. Some State-Owned-Enterprises rich in resources belong to this type. They can both introduce talents to strengthen their capability and lease their spare warehouse and vehicles to enterprise type IV. This is especially true when the partner is 3PL, whose operation is often constrained by their limited resources.

For enterprises that are weak in logistics capability, and their logistics operation is limited and not important to their strategy, they are called enterprise type III. Most of them are in their early stage of development or develop based on technical innovation. They can choose to outsource their logistics operation to professional 3PL who are ready to offer all-round and quality logistics service. This can guarantee customer service level and reduce their investment in logistics infrastructure. A typical case is the cooperation between Unilever and Shanghai Friendship Warehousing and Transportation Company. The former one Unilever is a big cosmetics company that has high throughput and implements zero inventory management. The later one is a state-owned company with a history of more than 50 years in warehouse management. Its logistics park is only 2.5 km from Unilever and enjoys advantaged location. Their cooperation is based on a serial of negotiations and alignment. Shanghai Friendship Warehousing and Transportation Company made a lot of adjustment to meet Unilever's demand, like operation process adjustment and setting aside processing place to stick tags, pack products, and add promotion items, which guarantee that products can be directly put on shelf.

For enterprises that have high logistics competency, but whose logistics performance is not vital for their strategy, they are called enterprises type IV. They need to find partners to share their logistics resources and achieve scale economy by expanding logistics volume. Enterprises type II and type IV can build logistics alliance, in which enterprise type IV is often a leader for its logistics capability. Logistics alliance means both parties should become logistics partners that share their resources and the benefits, jointly bear risk and trust each other, like what the following enterprises do. The electronics product company in California enjoys high sales volume and complete logistics infrastructure like 8 distribution center all over America. To reduce cost it builds logistics alliance with another European peer who is ready to enter California market. This alliance is beneficial for both sides: American company has made full use of their logistics facilities and European company has got access to the local market.

2. Quantitative Analysis

Scale economy theory and Production-Cost-Profit Analysis are employed here to explain commercial enterprises decision process between self-managed and outsourcing logistics. The model is as follows:

$$P = R - (V + F) = KQ - (V_cQ + F) = (K - V_c)Q - F$$

P—Cost difference between self-managed logistics and outsourcing logistics;

    V—Total Variable cost of self-managed logistics

    V_c —Unit Variable cost of self-managed logistics;

    F—the sum of fixed cost;

    K—Unit Price for outsourcing logistics;

    Q—Logistics volume;

    R—Price of outsourcing logistics.
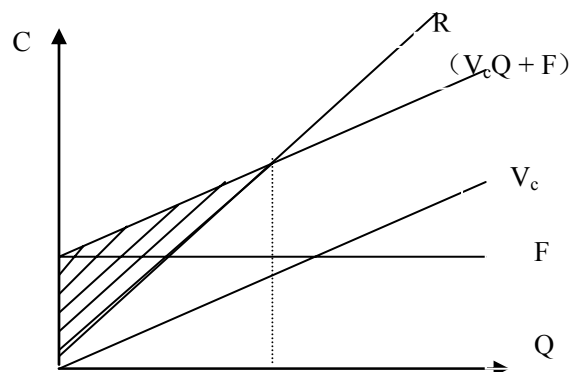
Figure 2. Division line between self-managed logistics and outsourcing logistics

As Figure 2 shows, when the logistics volume reaches certain amount, the cost of outsourcing logistics and

self-managed logistics are equal, i.e. P=0 s.t. KQ=VcQ + F. Thus the division line between commercial enterprises' choice of self-managed logistics and outsourcing logistics is where the logistics volume is Q_0, i.e. $Q_0 = \dfrac{F}{K - Vc}$.

In this way, commercial enterprises know how to make the choice between self-managed logistics and outsourcing logistics with information of total fixed cost F of self-managed logistics in a certain period (most in a year) like real estate depreciation, overhead etc., unit variable cost Vc like fuel and labor of self-managed logistics, and unit price of outsourcing logistics like freight rate. What they need to do is to find out Q_0 where the cost difference is 0. If the logistics volume is smaller than Q_0, than the cost of outsourcing logistics would be lower than that of self-managed logistics, just like the shade area in Figure 2, and vice versa.

3. Empirical study
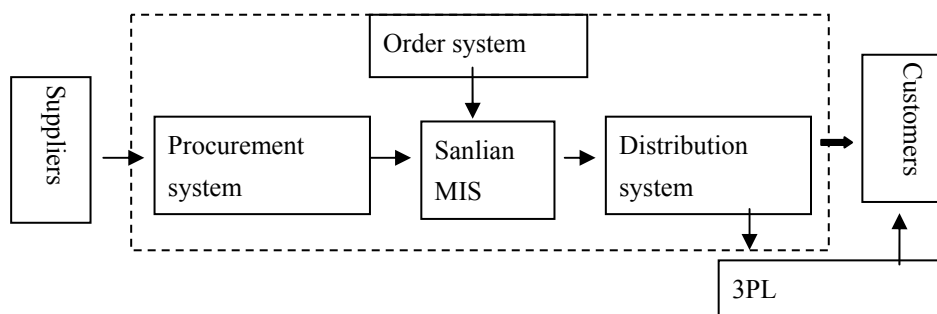
Figure 3. Distribution pattern for the first phase
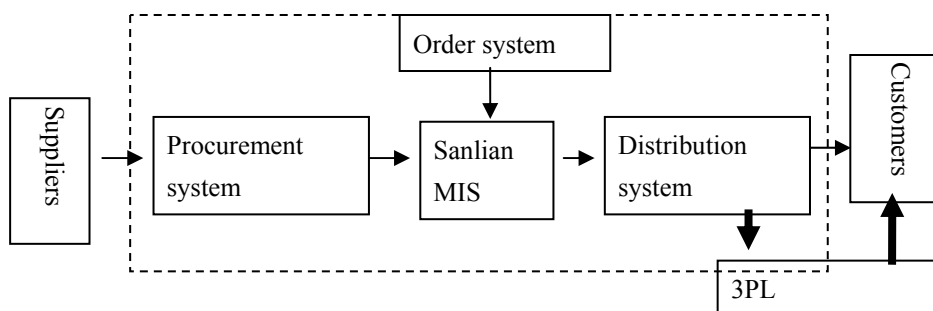
Figure 4. Distribution pattern for the second phase
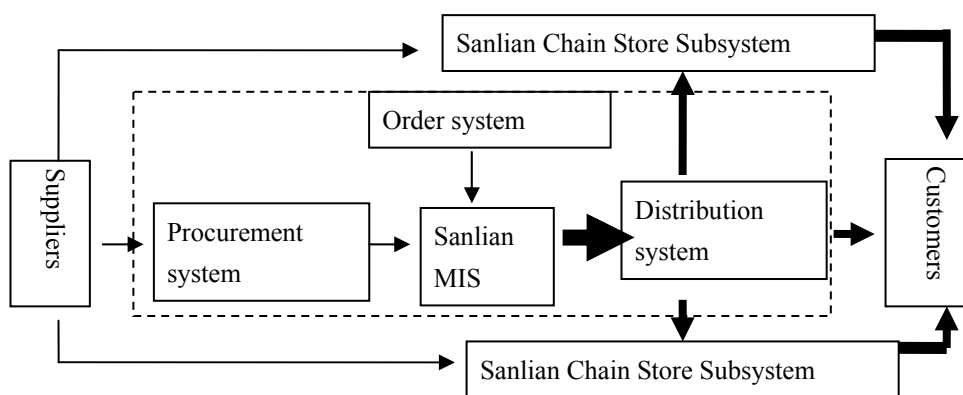
Figure 5. Distribution pattern for the Third phase

Commercial enterprises' choice self-managed logistics or outsourcing logistics should change when the logistics volume changes or their logistics competency changes. A typical case is Sanlian group in Shandong province. Sanlian group is large chain store company selling electric home appliances, and its logistics operation experience three phases. For the first phase, it mainly carries out logistics activities on its own for lack of qualified 3PL and small logistics volume. Its distribution area is limited in where stores lie, and customers' order from other places are filled through 3PL like China Post. During the second phase, the distribution mainly depends on 3PL since the logistics volume is still not

large enough and 3PL's logistics efficiency is higher for the dispersive order from online sales. During the third phase, with the logistics volume soars, the company turns to self-managed logistics gain, for this can help to lower logistics cost, expedite distribution and shape core competency. For the following Figures, solid lines show the distribution process during the three phases.

To sum up, commercial enterprises should base their logistics operation pattern not only on the impact of logistics performance on enterprises' success, enterprises' logistics capability, but also on the cost of self-managed logistics and outsourcing logistics. Comprehensive analysis based on enterprises' internal and external conditions is necessary.

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Student Learning WOES

(The 'Wishes', 'Opportunities', 'Expedition' and 'Sustenance')

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Abstract

This paper reports on an investigation into the relationship between web-folios and English language acquisition at the Hong Kong Polytechnic University (HKPU). The project involved a cohort of Year 1 Engineering Students in 2005/2006 enrolled on an English course run by the English Language Centre (ELC) of the HKPU, with web-folio activities as an assessed component. Semi-structured interviews and focus group discussions provided the main source of data, from which ten themes emerged, including the role of web-folio activities in language learning and in developing autonomy, and factors influencing web-folio implementation at university.   It is hoped that the findings of this project can contribute to the on-going dialogue about web-folio-oriented pedagogical practices and curricular considerations.

Keywords: Web-folios, Assessment, Language learning, Curriculum

1. Introduction

Web-folios, also referred to as digital portfolios, e-Portfolios or electronic portfolios, serve three general purposes in education: first, as a tool for learning, which is formative in nature, focusing on personal development through the use of self-evaluation and reflection; second, as an assessment tool to demonstrate development of skills and knowledge; and third, as a showcase of professional attributes for employment (Barrett, 2001). In this connection, a growing body of research (Markham, 2004; Woodward & Nanlohy, 2004; Beck, Livne & Bear, 2005) has investigated the effects of web-folios on learning and teaching. Of the many issues discussed, two emerge as most relevant to this project. The first relates to the claim about students' enhanced ability to think critically as a result of teacher-student communication which entails both parties to reflect upon learning, assessments and feedback (Lorenzo & Ittelson, 2005). The second involves the role of web-folios in English, or second language acquisition (Chau, 2007).

In Hong Kong, as elsewhere, the catalyst for curricular change can come from multiple but overlapping arenas: not just from within the institution or the government, but also from changing perceptions of education in the community as well as rising influence of digital culture (Garrison & Anderson, 2003; Raschke, 2003; Garrison & Vaughan, 2008).   It was against this backdrop of shifting landscape and sentiments that the project was instigated.

The project is titled '*Student learning WOES (the 'wishes', 'opportunities', 'expedition' and 'sustenance') in undertaking web-folios'*.   It focused on reviewing the introduction of web-folio activities on an English language course (ELC3501) which was an initiative for developing students' independent learning in the new curriculum. Since ELC3501 has been replaced by other English courses, this study concentrated only on the feedback of the students who studied ELC3501 in 2006/2007.   The project team understands that the findings in the investigation can only act as a starting point for discussion on the approach to using web-folios in a curriculum.

2. The subject ELC3501

ELC3501 English for Engineering Students was first introduced in the academic year 2005/2006.   The subject was a 28-hour course over two terms of 28 weeks and was designed to introduce students to the oral and written communication skills that may be required in their future professions.   Class meetings of 2 hours each were held

biweekly. In order to sustain students' motivation throughout two terms, a bonus scheme had been implemented to encourage students to take up individual learning through completing web-folio activities. All these web-folio activities were directly related to the learning focus of each unit in the student course book. An upward adjustment of half a grade would be awarded to those students who had completed a prescribed number of web-folio activities at designated times on the course. There were five web-folio activities for each of the four units on the course for students to choose from. Students were required to complete only 10 activities -- 5 for the first two units in the first term, another five for the next two units in the second term. To facilitate independent learning, each web-folio activity was accompanied by the focused 'elements' of that activity to help students focus their attention on the key learning aspects in the completion of the activity. Students were asked to complete a self-evaluation form before submitting the completed activity for teacher's feedback. If the teacher was not satisfied with the student's performance, s/he would ask the student to improve the work and resubmit it. At the end of the academic year 2006/2007, 247 out of 655 students had fulfilled the requirements and received the bonus of half a grade.

3. Method

76 interviews were conducted from May 14 2007 to June 26 2007. 8 of the interviewees did not complete the required number of web-folio activities -- five had attempted to complete the activities but failed, while the other three had not thought about attempting to complete the activities. The interviews were semi-structured with the following questions running through most of the interviews:

(a) Do you find the web-folio activities helpful in improving your English?

(b) How do you find the web-folio activities?

(c) Do you find the criteria under each task useful for task completion?

(d) Do you need any help from teachers to complete the activity?

(e) Do you find the self-assessing component of the web-folio activities helpful in improving your English?

(f) How do you find the feedback mechanism used in the web-folio activities?

(g) Which part of English learning do you think is best suited for the web-folio activities? Why?

(h) How do you find the bonus point system?

(i) Which type of web-folio activities do you prefer: individual work or group work?

(j) Which one do you prefer: web-folio activities that reward you with a half grade up, regardless of the quality of your work; or assessment that is solely based upon the performance of your assignment?

(k) Have you ever encountered any technical problem in doing the web-folio activities?

(l) Do you have any comments or suggestions for improving the web-folio activities?

2 focus group discussions were also conducted: one on June 20, 2007, in which 8 students were present; and the other one on June 22, 2007, in which 6 students were present. As most interviewees turned down the invitations to attend the focus group discussions because of reasons ranging from commitments to part-time jobs to traveling abroad in the month of June, all the students in the focus groups, except for 2 students in the first focus group, had not been invited to any interviews. The purpose of holding focus group meetings was to further explore the themes that were discovered in the interviews.

4. Findings

The themes that emerged from both the interviews and focus group discussions include:

(a) role of web-folio activities in language acquisition

(b) role of web-folio activities in developing autonomy

(c) motivation to learn

(d) competing demands and control over time

(e) web-folio implementation

(f) feedback mechanisms

(g) perception of feedback

(h) role of teachers

(i) self-evaluation

(j) technical knowledge

4.1 Role of web-folio activities in language acquisition

59 out of 76 interviewees found the web-folio activities helpful or even very helpful in improving their English as the web-folio activities provided them with extra exercises on writing, grammar and oral presentation. 49 of the 59 students who found the activities helpful believed doing exercises was crucial in language learning and 15 of them thought that these activities motivated them to do more revision in order to complete the activities.

4.2 Role of web-folio activities in developing autonomy

68 interviewees who completed the web-folio activities, and 5 who tried but failed to complete the activities, agreed that the web-folio activities provided them with more opportunities to learn and practise on their own. Of the 73 interviewees, 54 of them agreed that the activities were useful because they could not think of any other approaches to independent learning apart from doing exercises. They found that the web environment had provided a convenient platform for exercise completion and submission.

4.3 Motivation to learn

6 interviewees found that the activities were not very helpful because the web-folio activities did not provide them with enough guidance to complete the exercises.   Yet, they completed the activities in order to get the bonus of half a grade. 34 interviewees said they would complete the web-folio activities with or without the bonus point.

4.4 Competing demands and control over time

The 8 interviewees who did not complete the activities said that they were already overloaded with assignments from their own department or with work in extra-curricular activities.   23 interviewees (including the 8 interviewees who did not attempt any web-folio activities) found the activities time-consuming.   The rest, however, admitted that since mere completion of the activities would be adequate for an upward adjustment of the overall grade, there did not seem to be any pressure or reason for them to devote too much time or effort to the web-folio activities.

4.5 Web-folio implementation

4.5.1 Type of activities

64 out of the 68 interviewees preferred individual work to group work.   They found it difficult to carry out group work as scheduling meetings with group members was not easy given the tight university timetable and heavy workload. Those exercises that required collaboration with fellow students were considered very time-consuming.

4.5.2 Reward system

63 of the 68 interviewees were entirely in favour of the reward system as they believed it was important to emphasize the learning process. The remaining 5 interviewees thought that assessments that were based on one's performance in an assignment, e.g. in a test, should be fairer.

4.5.3 Criteria for activity completion

50 out of those 68 interviewees who had completed the activities said the criteria were useful; 7 of them regarded the criteria as part of the question while the remaining 11 did not understand the presence of criteria in each activity.

4.6 Feedback mechanism and perception of feedback

57 out of the 73 students interviewed thought that the activities could have been made more useful for them in English learning if more comments and feedback had been given to each activity.   However, 23 out of the 68 interviewees admitted that they did not even check the feedback of their completed activities as they would get the bonus any way as long as they had submitted the required number of activities.   9 interviewees were unaware of the fact that they might be required to re-submit their activities if their performance did not meet the expected standard.   45 interviewees complained that the feedback was not adequate most of the time.   They preferred longer and more detailed comments, like the ones they usually received for their essays.

4.7 Role of teacher/peers

64 out of 68 interviewees found they could handle the web-folio activities independently without any help from their class teachers although 4 of them said they sought help from classmates.

4.8 Self-evaluation

All 68 interviewees found the self-assessing component of the web-folio activities rather confusing.   The basic contention was that they felt embarrassed when asked to conduct self-assessment.   Therefore, they tended to steer a middle course by claiming their own performance as neither good nor poor.

4.9 Technical knowledge

No interviewees had problems with completing all activities on the web.   However, most of them agreed that completing oral activities had been a hassle as the whole system did not provide a more user-friendly mechanism for video-recording and uploading.

4.10 Students' comments and suggestions for improving web-folio activities

The main comments and suggestions are:

(a) There should be more feedback from teachers

(b) There should be more complete guidance for completing the activities

(c) More support is needed for oral work in web-folio activities

5. Discussion of the findings

Web-folio activities were introduced because of the introduction of a new subject, the syllabus of which underlines the importance of 'a considerable amount of individual self-access learning' in the teaching and learning approach. To a certain extent, it is quite clear that there are a number of issues regarding the 'wishes', 'opportunities', 'expedition' and 'sustenance' of student independent learning. Since the data were collected from students, all the findings were related to students' perceptions and the assumptions they made about learning.

5.1 'Wishes'

It seems that most of the students who completed the web-folio activities claimed that they did not just take up the activities for the sake of obtaining an upward adjustment of half a grade of the overall score at the end of the programme. Most of them stated they hoped to improve their English through more practice. It is quite obvious that the students believed in hard work and that English is a subject that should be dealt with seriously. Most students would like to ask for more close guidance and teacher feedback on their performance in web-folio activities. This reflects their serious attitude towards learning through completing web-folio activities or, for that matter, learning on their own outside class. To them, feedback is important. Some students' comments on the inadequacy of the system to grant a bonus point to students who completed the required number of activities disregarding the different performance levels has once again stressed the importance of ability recognition and differentiation. This could suggest the students' belief in the importance of understanding their own achievement level and of obtaining advice on improvement in the process of learning.

5.2 'Opportunities'

Many students in this project agreed that the bonus-point system has driven home the importance of the process in learning. It seems that they were beginning to realize learning is not just about a final product (e.g. a letter or a report) but is also about the continual effort made in the process of producing a final product, such as in honing relevant skills for a particular written task. To them, web-folio activities provided them with extra opportunities to make an effort to practise and revise grammar, writing and presentation skills. Most of them thought that the web environment had provided them with a good opportunity to make continual attempts to improve on certain skills and to study independently. However, some students found completing web-folio activities rather time-consuming. Since they were already overloaded with assignments from other courses, they did not tend to view optional web-folio activities in a positive light. In other words, instead of regarding web-folio activities as opportunity for further language enhancement, these students treated the activities as a chore -- another piece of work to be completed on a programme though it was optional. It is quite clear that there were mixed reactions to the web-folio activities. It seems that to a large extent students' reactions depended much on the compatibility of the type of web-folio activities and the learning approach or style adopted by students. If students found the activities compatible with their style or approach of learning, they would believe they could learn through completing the activities. In short, students' assumptions of learning could play an important role in students' reaction to web-folio work.

5.3 'Expedition'

'Expedition' refers to the learning 'journey' that the students embarked on when they engaged themselves in web-folio activities. Two issues emerged in the learning 'expedition' or the learning process in the completion of web-folio activities.

5.3.1 Challenges faced by students

There were two distinct challenges: time management and dealing with problems independently.

Time-management: There were deadlines for submission of web-folio activities at different stages. To sustain effort in meeting web-folio activities deadlines over one whole academic year could be a feat to most students who very often found themselves swarmed with projects, tests and essays. Completing web-folio activities successfully was in fact a demonstration of one's sense of responsibility in the learning process, dedication and commitment to learning. The remark that the web-folio activities were time-consuming could be interpreted as a reflection of the students' experience in working hard at managing their work within a certain time-frame. It seems that in order to sustain effort in completing the web-folio activities, students need some assistance in managing time.

Dealing with problems: It is clear from the data collected that during the course of completing web-folio activities on the web, sometimes students encountered problems but seldom did they approach teachers or peers for assistance. They thought that closer guidance or clearer guidelines should have been provided and that more in-depth feedback on their work should have been given by their teacher apart from the official feedback sheet that accompanied each activity on the web. Some students quoted the inadequacy of guidance and guidelines as a reason for failing to complete web-folio activities. Most students would prefer teachers volunteering more information or opinions on their work. This phenomenon somehow reflects the teach-and-test approach that some students may have experienced in the past. In the teach-and-test approach, students learn mainly from instructions given by teachers, not from interaction with teachers or peers.   That may help explain why some students hoped that teachers could give more in-depth feedback on their work, but they themselves did not initiate any questions about the activity or their own performance.   Instead of readily engaging themselves in looking for solutions to problems in the learning process, some students tended to assume there would not have been problems in the first place with better guidelines or guidance.   Harbouring negative views about or aversion to having to deal with problems in the process of learning, and having the general tendency to learn only from teacher input may have an adverse impact on some students' development as independent learners.

5.3.2 Student self-assessment

Incorporated into each of the web-folio activities is a page on the student's self-assessment, which is placed alongside Teacher's feedback.   Criteria for assessing performance are given in each web-folio activity. (Refer to Appendix I.) Students are asked to give comments on their own performance or to write down any questions that they might have on each of the performance criterion of the activity. It was found that some students were not very comfortable with assessing one's own performance.   Some students even found it rather embarrassing to compliment themselves on their own work even when they believed that their performance was quite good, which explained why they just indicated their work only as satisfactory most of the time.   To most students, assessment seems to be the job of a teacher not a student as the teacher should know more and better than a student and therefore s/he is in a position to evaluate a student's performance.

The above findings point to the importance of preparing students for independent learning in web-folio activities. Completing web-folio activities is a learning process.   The skills that are required on the process such as time-management, self-reflection in the self-assessment process, taking the initiative to ask for assistance and to embrace or deal with problems proactively in the learning process should be highlighted to students.   Different learning strategies are required in different learning modes.

5.4 'Sustenance'

If technology is the delivery mechanism in learning, a different set of learning strategies would be required of those students who are only used to face-to-face classroom teaching and learning.   To nurture and sustain changes in students' learning habits resulting from involvement in web-folio activities should be part and parcel of the training in learning how to learn independently on the web.   The findings of this study have shed light on three points about ensuring sustenance of the system of web-folio activities:

5.4.1 Resources to meet individual needs

As students were engaged in independent learning in completing web-folio activities, resources (material or human) should be in place to cope with students' specific needs and requests. Students' technical knowledge know-how should also be considered.   This involves careful resource planning.

5.4.2 Students' management of learning on the web

Students are used to learning in the classroom but they may not be able to fully utilize the web environment to learn. Students should find clear guidelines on how to manage learning independently on the web useful.   These guidelines can also help students to understand the roles of both teachers and students in web-folio activities.

5.4.3 Institute's policies and commitments

With support from the institute, web-folio activities can gain better acceptance from students.   In the course ELC3501, web-folio activities were optional activities.   Students might have perceived them as unimportant.   This might also have explained the lukewarm responses among some students to the introduction of web-folio activities on the course -- only a quarter and a third of the students completed web-folio activities in the first and second running of the course respectively.

6. Conclusion

An analysis of the findings of the investigation into the web-folio activities on the course English for Engineering Students (ELC3501) has provided some insight into the use of web-folio in learning.   A few useful pointers about using web-folio activities have also been included in the discussion.   Although the course ELC3501 is not included in the current curriculum, it is believed that the issues that have been explored in this study could be relevant to web-folio

activities in other courses and language learning initiatives. Of note are: a UGC-funded inter-institutional web-folio project for language development and employment currently piloted on credited and non-credited courses at the ELC, and a student learning web-folio component of the Study Skills course proposed by the ELC to meet the Language and Communication requirements as stipulated under the University's 4-year undergraduate degree structure.

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Appendix I

Unit 1

Web-folio activity 2**:**

Define a concept or a product or a technology and include brief examples of application in about 150 words.

(Submit your work on a Microsoft Word)

Notes on Levels of Competence

3 = outcome achieved well

2 = outcome satisfactorily achieved

1 = in need of further work

Criterion 1:	Sequencing of ideas in extended definition
Performance:	Good 3 □ 2 ◉ 1 □ Poor
Criterion 2:	Providing relevant examples
Performance:	Good 3 □ 2 ◉ 1 □ Poor
Criterion 3:	Use of passive voice
Performance:	Good 3 □ 2 ◉ 1 □ Poor

If you have received a '**3**' for any outcome, congratulations! Keep up your good work.

If you have received a '**2**' for any outcome, you should

a) read your teacher's comments carefully to understand the strong and weak points of your performance

b) read up relevant materials, ask your peers or visit CILL for help to improve the weak areas

c) try to revise your work, incorporating your teacher's suggestions

If you have problems with c), please let your teacher know..

If you have received a '**1'** for any outcome, you should

a) revise any web tasks you have already done

b)do any web tasks you have not already done

c)revise the relevant sections of the course book

d)check the relevant resources in CILL

If you have completed the above and still have questions, ask your teacher for help.   You are strongly advised to re-do the task if you have obtained '1's for all the learning outcomes.

N.B.   Do not forget the language enhancement facilities in CILL, such as the Writing Assistance Programme (WAP), Supplementary English Programme (SEP), English for Language Enhance Programmes (ELEP), assistance at Help Desk and a wide array of English learning materia

The Innovative Construction of Team

Culture in the Hypothesized Organization

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Abstract

Along with the globalization and the technological advancement, more hypothesized organization as well as hypothesized enterprises of more forms will appear. This article mainly analyzes the innovative construction of team culture in the hypothesized organization, and it explores in every detail the construction of team culture from five aspects: the team role transformation in the hypothesized organization's team culture, the member coordination, the knowledge management, the study efficiency, and the information system optimization, thus putting forward the feasible proposal for the resent hypothesized organization's improvement and development.

Keywords: Hypothesized organization,Team culture, Innovation, Construction

Introduction

As an innovative form and goal for enterprise organizations, the hypothesized organization demonstrates its huge superiority and vitality under the current network economic condition day by day. It not only can promote the enterprise's core competitiveness effectively, but also has safeguarded the implementation of the enterprise's core competitiveness strategy powerfully. The team cultural construction is a organizing and managing process in which the enterprise carries on team cultural content's production, processing, dissemination and utilization in the dynamic environment in order to form and maintain the competitive advantage. For the team culture is the hypothesized enterprise's essential resources, the innovative construction of team culture turns out to be especially important. The innovative construction model mainly includes the following five factors: the team role transformation in the hypothesized organization, the member coordination, the knowledge management, the study efficiency and the information system optimization.

1. The team role transformation in the hypothesized organization's team culture

1.1 The team superintendent's role transformation in the hypothesized organization

The team superintendent whose primary responsibility is to establish the new team philosophy including the description of the beautiful prospect for the company and its customers must define the enterprise's prospect in the future and transmit it to the team members. The team superintendent must arrive at the corresponding responsibility with his or her own values, the communication skill, the management style, the achievement weight method; the team superintendent must become the company's symbol of morals and honest through the reappeared announcement and speech; the team superintendent must be the company's most outstanding multi-talented person, because with the fierce external environmental change, the team superintendent should have the full preparation to deal with the sudden outbreak momentarily and make the decision in the short time; the team superintendents must trust all members. The hypothesized enterprise's team superintendent must believe that the team members will make the responsible decision while the member must stick to the prospect described by the team superintendent, because in the hypothesized enterprise, every member is to some extent a leader with its independent work, mutual trust appears very important.

1.2 The team member's role transformation in the hypothesized organization

The embodying characteristics when the members lack mutual contact contain the opinions, the viewpoints and the manners which are all expressed by the verbal message, the physique information and the behavior information; the member has the different cultural context, the religious tradition, the customs, which will lead to the cultural conflict inevitably. For example, the language difference is very easy to cause the information loss and the information distortion when the information is transmitted, and the difference of cultural context will also deviate the members' understanding towards the information; the members' mutual communication is generally restricted to the official communication, and the unofficial communication is little. However, the unofficial communication is often helpful to member human capital accumulation and the organization's technological innovation, to establish the good cooperation relations among the members, and to form the team cohesive force; for every member in the hypothesized team has his

or her own core competitiveness, it's challenging to put together these strong-trend individuals into one large unit; every member is in the different region and has the different daily schedule, the working style and son on, which right increases the difficulty for team's coordination; communication among members relies on the present information technology, so the degree of technological mastering is destined to influence the speed of the information flowing and feedback inevitably, then influencing the entire team's efficiency; the hypothesized team's characteristic has decided the long-distance management is its main mode of administration, which make the member himself or herself make best use of his or her own information advantage to circumvent the duty or responsibility left behind. Every team member is rational and has his or her own core competitiveness. They may leave the team easily, not only creating the team talented people's outflow, but also interfering with the project work's smooth advancement, moreover possibly causing the divulging of the knowledge, the information and the technology and bringing the heavy loss to the organization.

2. The member coordination in the hypothesized organization's team culture

The coordination degree between the team members and the hypothesized organization environment is the key factor that decides the highly effective operation of the hypothesized organization. The coordination between the team members and the hypothesized organization environment includes three different aspects:

2.1 Coordination between the team members and the hypothesized organization

The team member's knowledge, the technology and capability should maintain consistent with the concrete work's demand in the hypothesized organization. Specialized knowledge: in a hypothesized organization, the members surmount organization's boundary in order to seek the mutual supplement of skills or the sharing of the knowledge and professional skills. In the hypothesized organization, most concrete work projects take the knowledge as the foundation, and they're completed by the staff with the specialized knowledge. Therefore, the possession of specialized knowledge is the essential condition to finish the concrete work in the hypothesized organization. Electronic technology knowledge: because the members are extremely scattered in the space and without the unified timetable, they mainly rely on the information technology based on the electron mechanics of communication (e.g. Email, local network, video conference). This technology not only may connect people working in different places, but also is helpful to the cooperation of personnel from different countries and different enterprises. Therefore, if the staff want the highly effective work and communicate with others well, they must have the computer knowledge. Autonomous working ability: asynchrony and geographical disperse in the hypothesized organization make the leaders hard to supervise and manage their subordinates. So in order to accomplish the work under the loose surveillance condition, the staff needs to have the work ability of self-instruction, self-encouragement and self-restraint. Time management ability: lacking the direct surveillance, the staff in the hypothesized organization may carry on the work to some degree according to their wishes. With such efficiency engaging in the concrete work of the hypothesized organization, the staff needs to have time management ability, arriving at the goal of fulfilling the work on time.

2.2 Coordination between the team members and the hypothesized team

The hypothesized team has the disperse of time, space, culture, organizational agency, whose members often come from different countries and different teams and cooperate with each other through electron mechanics of communication, achieving a specific objective together. Member confidence level: because the hypothesized organization has crossed off the fixed organizational agencies, canceled the numerous management levels, been not a management entity in the legal significance, and been without the restraint and standardization of related legal, which requests every member enterprises in the hypothesized organization to trust each other. For the hypothesized team, the team members should trust and support each other's work. The importance of trust in the hypothesized team is manifested in various aspects, such as the wish of cooperation, the adjustment of practical work, the reduction of danger, the solution of contradiction, the hypothesis of goal, and the creation of common value. Crosswise communicative ability: the effective cooperation and study of partners with different backgrounds. It includes the ability to help communicate members from different functional departments, the ability to study others' professional skills and find their relationship with their own specialty, and the ability to analyze objectively the viewpoints different from theirs. Considering that the hypothesized team is often made up of the staff from different departments, different enterprises and different countries, and they haven't yet formed the general method for the joint work, cooperation is the key factor to solve the uncertainty and the complex. Communication and exchange ability: the cooperation relies on most in the hypothesized team the electron mechanics of communication that makes the hypothesized team members overcome the inconvenience to communicate whether in the time or the space. The electronic communication is different from the face-to-face communication, but studies indicate that the electronic communication may also cultivate the team's internal communication and mutual trust.

2.3 Coordination between the team members and the organizational agencies

Independent decision power: in the hypothesized organization, because of the asynchrony in the time and the disparity in the space, the staff stays away from each other and don't have the common duty timetable. The flat organization and management structure is also adopted in the hypothesized organization. Compared with the management of the branch level organization, the management in the hypothesized organization is looser. In this kind of organizational structure,

without the manager's close surveillance, the staff is requested to have the self-control ability including the self-encouragement, the self-instruction, as well as the determination of their own goals, the job schedule, the work method and the output. That staff that has more self-control ability will adapt better to the management pattern full of high dispersion and flexibility in the time and the space in the hypothesized organization. Nimble flexibility: the reason for the hypothesized organization's formation is to adapt to the present frequently-changing market, satisfying the customers' various demands. The hypothesized organization is in fact the enterprises' dynamic union making the rapid reaction to the market environment change, a strategy which takes advantage of every nimble condition. The hypothesized enterprise often breaks its own boundary and the sole enterprise's level structure to join the flexible organization composed of enterprises in the different time and the different place. For the work mission, the work role and the working arrangement are frequently changed in the hypothesized organization and the staff is all required of the flexibility as will as strong adaptation. In the hypothesized organization with scattering management, the staff's flexible ability should be paid attention more. Multi-cultural compatibility: along with the aggravation of the global market competition, more and more hypothesized organizations' formation stretches across several countries, and the cultural difference is more prominent. The difference of cultural backgrounds will lead to working conflicts which cut the efficiency for the staff's work. Moreover, the staff's communication in the hypothesized organization is mainly by the electron mechanics of communication, so the misunderstanding made by cultural disparity will be difficult to resolve, which asks the staff to have many kinds of verbal skills and to understand different cultural backgrounds and the trans-culture communication skill, adapting better to the work collective in the multi-cultural context.

3. The knowledge management in the hypothesized organization's team culture

3.1 Interior accumulative effect

The knowledge management in the hypothesized organization needs to obtain a more important status diligently in the enterprise, forming "the entire company's knowledge management". The enterprise must set up the special knowledge management department, or appoint the knowledge management personnel at least. There're two reasons for the knowledge management centralization in the hypothesized organization: on one hand, the key of knowledge management lies in the transformation from individuals' recessive knowledge to dominant knowledge, but his transformation can only be realized by all the staff's participation and attention; on the other hand, the knowledge, is of great importance to the staff in the hypothesized, which is the origin of competitive power.

3.2 Exterior coordinative effect

The cooperating staff in the hypothesized organization should stick to exterior coordination in the knowledge management strategy. The exterior coordination is that partners in the organization cooperate and coordinate with each other during knowledge management and get the greatest coordinative effect. The enterprises' knowledge management coordination in the hypothesized organization is on the basis of establishing the knowledge alliance. The knowledge alliance usually may be in the tactic, and also in the strategy. However, the knowledge alliance in the hypothesized organization must be strategic, for the knowledge alliance, the hypothesized organization that nearly takes core competitive power as foundation fully to operate is in the renewal. Remolding the core competencies and transforming its advantageous competitive rules owe vital function to the knowledge alliance.

3.3 Cultural actuation mechanism

Regarding the enterprise members of the hypothesized organization, the culture is the key of knowledge management. For the hypothesized organization's individual members are frequently separate in the space, the face-to-face communication is less than the conventional enterprise, so the relation among individual members and the relation between individuals and enterprises are quite looser. In such environment of weak culture, the resistance to the transformation from the recessive knowledge to the dominant knowledge can be bigger. Moreover, the knowledge transformation is often cross-organizational for the vulnerable trust relationship worrying people while communicating in the hypothesized organization. Therefore, the hypothesized organization should regard culture as the power to accelerate the knowledge accumulation and transformation.

3.4 Code-type transformation strategy

The hypothesized enterprise must pay attention to the importance of information exchange technology in the knowledge management. Simultaneously, the hypothesized enterprise should strive to transform the individual recessive knowledge to the visible objects like documents, other than the personification strategy that is meant to establish and consummate the knowledge chart directing to the recessive knowledge owners. There're some reasons for the hypothesized organization's knowledge management to choose the code-type transformation strategy: the implementation cost is low; the implementation results' difference of the code-type transformation strategy and the personification strategy lies in that the former can guarantee the enterprise to control highly the useful knowledge; lacking face-to-face communication in the hypothesized organization, the staff may look up coded materials more efficiently while needing some knowledge.

4. The study efficiency in the hypothesized organization's team culture

According to the changeable environment, the team should derive the related material, the energy and the information from the external environment and carry on the adjustment and innovation of the system, the organizational structure, the personnel constitution, the informational channel and the culture promptly, changing or breaking the day-by-day ossified state of equilibrium in the team.

4.1 Determine the reasonable scale and the organizational structure

On the premise of guaranteeing the mutual supplementation of knowledge and skill and the realization of goal, we should reduce the team scale as far as possible. The hypothesized study team is not suitable to use the traditional pyramid-like multi-level, but should pay great attention to the organizational structure of vertical relationship or to construct the flat structure with crosswise relation, small scale and few management level, strengthening the team's mobility and flexibility, as well as information's prompt-transmission capacity and fast strain capacity.

4.2 Guarantee the unimpeded information channel

The various team levels' superintendents should adopt the suitable communicative method, the communicative channel to exchange goals, plans and emotion with members and partners regularly, avoiding the lengthening and shortening of the information channel as well as the distortion and obsoleteness of the information transmission.

4.3 Make the good cultural atmosphere

A good team culture which is suitable with the environment can guarantee the realization of the team goal.

4.4 Establish the effective system

The system of achievement examination and assessment, the drive system, the benefit assignment and the risk-share system in the team should be scientific, reasonable and adapt to the changing environment.

4.5 Enlarge the system's openness

The team must be open. On one hand, the personnel are open. The authoritative core may adjust the team members according to the actual needs, and new partners can join it or withdraw from it unceasingly; on the other hand, the team should have close relation with the external politics, economy and technology from time to time and interact with the external environment for exchanging information, energy and materials momentarily.

4.6 Consummate the human capital's property right excitation system

4.6.1 The appraisal of human capital's property right value

The correct appraisal of human capital's property right value is the foundation of building up effective human capital's property right system. Because the human capital cannot separate with the individuals holding this kind of capital, the property right's characteristic of the human capital displays the remarkable individualism and personality and the human capital are easy to cause the team staff's "the convenient vehicle" behavior. If not giving the fair appraisal to the human capital's value, it will cause the dissatisfaction of the staff with greater achievement, further leading to these staff's reverse choices harmful to the organization's benefits.

4.6.2 The quantification of human capital's property right value

We should establish the coordinated incentive mechanism in which the owners of human capital share the enterprise's surplus claim power and domination. The modern property right theory can make the members who are hard to supervise but important coordinate the surplus claim power with the domination to the greatest degree through the property right arrangement, which brings the smallest external factors and the biggest total value of the corresponding enterprise. The knowledge staff is the most important resource of the hypothesized organization. The human capital is hideous and hard to be monitored, which makes the human capital have full information advantage whose asymmetry help the human capital to have the advantageous status in the enterprise's gambling. When the owners of human capital feel their contribution is smaller than the repayment, they will use this information advantage to seek individual welfare by reducing their achievements. Therefore, the correspondence of the human capital property right and surplus property right as well as domination is the best arrangement of property right.

4.6.3 The establishment of the human capital's property right restraint mechanism in the main form of the deferral reward system

Just as the human capital drive, the human capital restrain is the core of the human capital property system design. For the human capital, on one hand, we should respect the human capital and let it come out in the property right establishment; on the other hand, we should also consider how to control the human capital in the property right establishment, which is right the modern property system. As a result of the human capital's hideaway, the human capital may fully use its private information to produce "the moral hazard" and keep the short-term utility behavior, harming the shareholders' benefits and the enterprise's long-term benefits. Therefore, the establishment of the deferral reward systems in the form of term right and term stock is an effective property arrangement. The deferral reward

system can arrive at the long-term drive goal through short-term income lag of the human capital owners. The operators in assignment period can obtain the hypothesized income right that's not allowed to cash. If the operators in assignment period have the false achievement or harm the company benefits, they will get nothing after end of duty. The perfect combination of the property right and the property drive is the premise that the human capital's property right system drive can exert its anticipated effectiveness and both are indispensable.

5. The information system optimization in the hypothesized organization's team culture

5.1 The knowledge network system

The knowledge network of the hypothesized organization is the network that's composed of partner units with individual core knowledge by the information network. In the entity organization, the land, the capital and son on are its core resources while the knowledge has become the core resource in the hypothesized organization. The knowledge mentioned here is in a broad sense, which includes not only the obvious knowledge such as character, mark, image, sound and so on, but also the indistinct knowledge includes human's various abilities——intuition, insight, creativity, judgment and so on. Knowledge is not only the input resource and raw material for human resources' development and operation, but also the output product for human resources' development and operation. So the knowledge network has unique value and function in the human resources' development of the hypothesized organization. On one hand, the knowledge network provides the platform for the human resources' development and operation. In order to keep core competitiveness and the comparison superiority, regardless of carrying on the self-service human resources' development or drawing support from the specialized organization, every partner units all need the perfect knowledge network that works well. On the other hand, through the human resources' development, the grasped knowledge of every partner units is becoming richer, which further strengthens the core competitiveness. From this point, the content of the knowledge network's every point is renewed enriched unceasingly while the knowledge network's function as the platform of the human resources' development is more outstanding.

5.2 The information network system

Relying on highly effective network facilities and tools, the computer network makes the hypothesized operation comparatively quick and prompt. The human resources' development work in the hypothesized organization is often so massive that sometimes it can ever be launched in the global scale. Those coordination information needs the highly effective and fast transmission, otherwise the decentralized wok relationship is unable to be effectively coordinated and the cooperation will lose its foundation. The computer network may connect the information systems dispersing everywhere, making all the resources (including people, computer, and information) enable to be shared by partners joining the human resources' development and cooperation, and making both sides of supply and demand cooperate with each other based on overcoming the time and space limits.

5.3 The contract network system

The knowledge network's formation and good operation in the hypothesized organization cannot leave the contract network. Without the contract network system, knowledge will in a scattering and separate condition. At the same time, partner units are unable to carry on the knowledge supplementation, and the cooperation also lacks psychological basis. The contract network, in fact, is the cooperation network. The establishment of the contract network firstly lies in the confirmation to partners——not only confirm the partners who can supply human resources' development service, but also the partners who need to supply human resources' development service. After the confirmation, there will be a negotiation. On the basis of the multilateral negotiation, a contractual relationship is formed, which is followed by the construction of the contract network. Any organization in the contract network may also go on developing the secondary contract network. What we must stress is that the contract network's maintenance doesn't depend on the contract's compatible adjustment mainly by the system standards and re-negotiation, but depends on mutual good faith and great satisfaction left to others during cooperation. If we don't maintain the good partnership, the human resources' development needs to re-proceed the multilateral negotiations for every time, which enhances the running cost and sets the barrier for the partner units' cooperation in the hypothesized organization.

The relations among the three aspects: first, the establishment of the knowledge network system takes the information network system and the contract network system as the foundation. Without the information network system as the technical support, the knowledge network system is impossible to revolve effectively and the knowledge can't be used in supplement; without the contract network system as the system support, the knowledge will be at a scattering and independent status and an integrated and systematized network won't be formed without knowing where to begin, leading to the lost of knowledge foundation in the human resources' development of the hypothesized organization. Secondly, the knowledge network system adds the practical application value to the contract network system and the information network system. The contract network system in itself is of no significance, but its capability to promote knowledge to become part of network is valuable. The information network system's value in the human resources' development is mainly embodied by revolving the knowledge network system. Simultaneously, the information network system is also the foundation of the contract network system's formation. These network systems coordinate mutually

and depend on each other, constructing together the entire system of the human resources' development and operation in the hypothesized organization.

6. Conclusion

In brief, looking from the present tendency, the conformity of core competitiveness in the global scale is nearly irreversible, so the hypothesized organization will play a major role in the future. The way to construct and innovate the hypothesized organization's team culture as soon as possible is an advantageous key of the enterprise in the following several years. We should make a good understanding of the enterprise's characteristics and adopt the hypothesized organization modes effectively with steps and plans, stimulating the enterprise's vitality and enhancing the organization's achievements truly.

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Study on Difficulties and Development Directions of

Current Human Resource Management in China

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Abstract

With the implementing of Labor Contract Law of the PRC in 2008, the development of China human resource management will face very austere challenge and encounter unexpected difficulties. The human resource management of China is developed under the backgrounds without the pressure of labor union and legal restriction, which makes enterprises adopt the single and employer-oriented development mode of the human resource management and rarely consider employees' benefits. The current human resource management of China is facing the development difficulties such as the quickness of the labor and capital contradiction, the solidification of labor and capital relation, the ossification of talents withdrawal mechanism and the written and administration trend of labor and capital relation, and aiming at that situation, the development directions of China human resource management should be to emphasize the adjustment of the labor and capital relation, more strictly choose employees, strengthen the review of the employee probation period, emphasize the legal based management of human resource and strengthen the construction of human resource management regulation and system.

Keywords: Labor Contract Law, China human resource management, Labor and capital relation

With the implementing of Labor Contract Law of the PRC in 1 Jan, 2008, the development of China human resource management will encounter unexpected difficulties. The Labor Contract Law recurs to the power of administration and extends large of compelling standards to the management domain of the enterprise, which will largely limit the space of enterprise human resource management and make the human resource management and labor laws begin comprehensive collisions, and China human resource management will face very austere challenge on its development road (Dong, 2007, p.2), and is going to the crossroad with uncertain and confused development direction.

The challenges and difficulties of current human resource management of China come from the limitation of the development course of China human resource management on the one hand, and the condensation of human resource management space from labor law system on the other hand. It is the urgent tasks to answer challenges and walk out difficulties for the current human resource management of China.

1. Development characters of China human resource management

Modern human resource management of China was introduced from foreign developed countries at the late of 1980s. However, China human resource management didn't go through a long-term and tough course like the human resource management of western countries. Comparing with the development course of western human resource management, the development experience of China human resource management has three obvious characters.

1.1 China human resource management is developed under the background without the pressure of labor union

The western human resource management was growing in the counterwork with the labor union. In order to prevent that the labor union organizes worker confront the enterprise and prevent the grandness of the power of the labor union, the enterprise deals with the relationship with employees, solves employee welfare and relaxes the contradiction of labor and capital relation through developing the human resource management in the interior of the enterprise.

But the human resource management is almost developed under the condition without opponents. Because most China works are in the disorganized state and the labor union doesn't represent worker's benefits and the organization power to confront employer, so in fact, China human resource management faces a group of disperse individual worker and doesn't come into contact with the resistible force of the labor union. Under this background without oppositional pressure of labor union, the enterprise human resource management generally represents employer, adopts a sort of superincumbent management mode, excessively emphasizes employer's profit object, doesn't treat employees as a relatively equal main body, always ignores employees' basic legal benefits, and doesn't really treat the problem of labor

and capital as viewed from the both-win of enterprise and employee.

1.2 China human resource management is developed under the background without legal restriction

China human resource management was growing under the condition without legal restriction. In 20 years, China human resource management has obtained quiet great development, but the construction of labor legal system is still weak and lagged the development of human resource management. The programmatic Labor Law of China came into force only in 1995, and the Labor Contract Law and PRC Employment Promotion Law were constituted till 2007, and other more labor law systems are still in the initial stage.

1.3 China human resource management walks on the single development mode

The development mode of China human resource management is single. In the employment relation, China human resource management emphasizes a sort of superincumbent single management and rarely considers employees' benefits. In human resource management, the adjustment of labor and capital relation is not treated as an important content, for example, the human resource management has not the position of labor commissioner, and the labor management has no position in the human resource management.

2. Difficulties faced by current human resource management of China

2.1 The quickness trend of labor and capital contradiction

At present, the contradiction of labor and capital has become into the most extrusive problem which effects the social and economic development of China. According to the statistics, the cases of labor dispute and labor and capital conflict is increasing by degrees with 30% every year (Chang, 2006, p.4). The labor and capital relation in China enterprise has following three characters. First, the marketization of labor and capital relation has been basically formed. Second, the force development of labor and capital is extremely unbalanced, and the labor rights and interests are damaged and the contradiction of labor and capital is deepening. Third, the labor consciousness, labor estate and the collective labor and capital relation is forming.

The main objective of human resource management is the organizational benefit and competitiveness (Kaufman, 2001, p.340), but to face current speculate labor and capital contradiction, when human resource management pursues enterprise benefits, the biggest difficulty faced by China human resource management is how to pay attention to employees' benefits, harmonize capital side and labor side's relation to adapt the adjustment of labor and capital relation at present.

2.2 The solidification trend of labor and capital relation

Except for the economic responsibility, enterprise still has the social responsibility which is a sort of moral responsibility of the enterprise and is assumed voluntarily by the enterprise, but the Labor Contract Law turns quite part of social responsibility into the legal responsibility of the enterprise which is put teeth in by the law.

The Labor Contract Law strictly regulates many stages of the labor and capital relation such as conclusion, alteration, terminating, and resuming, and specifically defines both sides' rights and obligations in this process. To prevent that enterprise evades these legal responsibilities through firing employees, Labor Contract Law compulsively pushes the open-ended work contract which strictly limits the hiring behavior and regulates the employees with ten years' service length must be concluded this contract. The open-ended work contract must be concluded when the fixed period contract is concluded two times. The enterprise which doesn't conclude the open-ended work contract according to the law must pay double wages for the employees. The contract can be terminated at term, but it can not be terminated by promise. The enterprise which would not resume the contract when it is at term must pay economic compensation capital for employees. These regulations make the employment of the enterprise and the labor and capital relation come forth the trend of solidification, which largely limits personnel employment right of enterprise human resource management.

2.3 The ossification of employee withdrawal mechanism

The Labor Contract Law makes the withdrawal of China employees become into a sort of legal withdrawal mechanism. The law strictly regulates the behavior that enterprise releases from the contract, and all withdrawal of employee must base on legal proof and accord with legal regulations. Without legal reasons and procedures, the enterprise can not fire employees.

As a rule, three international standards including dismissal reason, dismissal procedure and dismissal compensation are adopted to regulate the dismissal behavior of the enterprise. But Labor Contract Law regulates that except for the dismissal situation that employees have serious defects, the dismissal of the enterprise must accord with these three standards simultaneously. The Labor Contract Law canceled the article that can promise the contract terminating, and changed "promise terminating" to "legal terminating", and regulated that even if the contract was terminated naturally, enterprise also should pay economic compensation to the labors, which increased the costs that enterprise illegally

released or terminated contract, and if enterprise illegally released and terminated contract, it should pay to the labor according to double economic compensations. The Law also regulated the sequence of dismissal, and confirmed that enterprise should firstly stay those employees with open-ended work contracts when it dismissed employees. When the Labor Contract Law enhanced the dismissal standard of the enterprise, it also endowed labors more occupation choose right and free right, and the labors could put forward demission and needed not pay breach penalties even if they didn't abide by the promise period. This regulation brings large influences to the enterprise. In the past, the mature contract can be terminated naturally, but now if the labor has continually worked for ten years or resume the second contract, the enterprise must continually conclude the open-ended work contract even if the contract is mature, which increases the difficulty of employee withdrawal, enhances the employee withdrawal cost, and make the employee withdrawal mechanism present rigescent trend.

2.4 The written trend of labor and capital relation

The labor and capital relation includes written contract relation and unwritten psychological contract relation. With more and more popularity of knowledge work, the function of written contract is smaller and smaller, and the psychological contract gradually becomes into the core content of human resource management (Guest, 2001, p.98). The psychological contract emphasizes that except for formal contents regulated by the written contract, there are concealed and informal mutual expectations in the mutual relation between the organization and employees, which are also the important factors to decide employees' attitudes and behaviors (Rousseau, 1995, p.287).

But the Labor Contract Law pushes the written management, and puts forward requirements to the enterprise in many aspects such as collective contract, regulation and systems, labor contract and daily management. For example, it regulated that the regulation was confirmed by enterprise and labor union or employee representatives together, and any alteration of the contract must acquire consensus and adopt the written form. This sort of written contract management runs counter to the development trend of psychological contract in labor and capital relation.

2.5 The administration trend of labor and capital relation

The human resource management emphasizes the method that employer solves problems, and it thought the labor problem can be solved through the perfection of interior management, and effective management policies can balance the benefit relation between employer and employee and achieve the unification of both benefits, and it also thought that it is not necessary to limit the management right, and the first mechanism of the work place governance is the human resource management, and the labor union and government administration are unnecessary, or it is a sort of interference (Godard, 2000, p.15). The Labor Contract Law set up many legal obligations for the enterprise, and also give priority to adopt administration means to solve the problem of labor and capital, which largely strengthens the right of the government to the manage the work place.

3. Development directions of China human resource management

3.1 Emphasizing the adjustment of labor and capital relation

The competitiveness is the highest objective of the enterprise human resource management, and the harmonious labor and capital relation is the base to realize this objective. Whether from theory or practice, the human resource management and the labor and capital relation can not be divided, and they all pay attention to the mangers, the labor union and the governmental policies, and they all put forward people-orientation, and they all belong to the domain with multiple subjects. The human resource management has predominance in the microcosmic aspect, but the labor and capital relation pays more attention to the macro and middle-sized layers. Therefore, we can integrate the human resource management and the labor and capital relation adjustment. Facing current speculate labor and capital contradiction, China human resource management must put the labor and capital relation adjustment on the important position.

3.2 More strictly Choosing employees

According to the regulations of Labor Contract Law, if the labor contract can not be resumed at term, the enterprise also should correspondingly compensate employees, and the range that concludes the open-ended work contract is also enlarged, and once the open-ended work contract is conclude, the enterprise will not retire employees at will if it has not legal reasons. To adapt this new law, the enterprise should more carefully and strictly select employees than before, and the enterprise should first analyze and evaluate the post, scientifically measure employee character, technology and ability of every post needed, and try to segment and standardize the explanation books of various posts. Second, through summarizing excellent employees' characters in the enterprise, the enterprise should establish the employee competence ability model of every post. Third, the enterprise should test job seekers through various exam tools and measures, for example, it can visually review job seekers through locale operation or work simulation. Fourth, the enterprise should enhance human resource managers' operation level, and these personnel should emphasize application quality and avoid firing unsatisfactory job seekers.

3.3 Strengthening the review of employee probation period

It is very important to strengthen effective discrimination to employees' abilities in their probation period for the enterprise for the future. In the probation period, the enterprise can release the labor contract with incompetent employees relatively expediently and don't pay compensation, so if the enterprise can prove that employees fall short of the requirements of the enterprise in the probation period, they can more timely and economically solve the problem of employee withdrawal. Therefore, the enterprise should emphasize every stage of human resource management, and it should not only definitude basic employing condition of various posts, but also clearly tell the probationary employees. Concretely speaking, three aspects should be prepared at least. First, the basic works should be completed, i.e. the post explanation should segment contents such as responsibilities, occupation qualification, performance index and assessment index, which should be taken as the base and proofs for other works. Second, in the invitation system, the employment condition should be confirmed and listed detailedly, for example, it requires the job seeker have to offer real individual information, and once the information is false, the enterprise has right to refuse the employment. At last, in the assessment system, the assessment of the probation period should be strengthened, because after the probation period, even if the enterprise finds the deficiency of the employee's ability, it hardly retire him by the reason of disqualification in the probation period.

3.4 Emphasizing the legal based management of human resource

The human resource management of the enterprise must base on the labor laws, gradually transform from the formal and technical management method to the management mode which emphasizes the essential contents and macro system, and run the labor and capital relation management through the whole process of the human resource management.

First, the assessment system should be legal. The Law Contract Law regulated that if employees were not competent for the work, the enterprise could release the contract. When the enterprise implements the assessment, it should more perfect the assessment system and meet with the Labor Contract Law. For example, the enterprise can not use the method of "elimination of the last one" any longer, because the behindhand assessment position doesn't indicate that the employee is not competent for the work. If the enterprise wants to use this method, it should adjust the assessment technology, for example, confirming the last class as the "unfitness", which can fulfill the requirement of the law. In addition, the operation should be standardized in the assessment process, i.e. the enterprise can not confirm "unfitness" only, and it also needs written records and employees' signatures. Therefore, the enterprise can clearly know that the assessment is not formal any longer, because after assessment, the demotion, salary drop or contract dismissal must base on the written proofs, and the law only admits the proof.

Second, the employee withdrawal must be legal. With the implementing of Labor Contract Law, the open-ended work contract will become into a sort of important form of labor contract. The advantages of this contract are to protect workers' occupation stability and enhance employees' loyalties to the enterprise. But for enterprise, it also needs forming corresponding employee flow mechanism and elimination mechanism, which can make unqualified employees quit from the enterprise. According to Labor Contract Law, the legal proofs and reasons that the enterprise retires the employees with open-ended work contract include employees' serious discipline breaking, or unfitness, or some objective situations change or economic staff reduction. Therefore, the enterprise should establish legal employee withdrawal mechanism according to these laws and regulations in order to make employees keep energy.

3.5 Strengthening the construction of human resource management regulation and system

Facing the written trend of labor and capital relation, the enterprise should specially emphasize the regulation and system construction of human resource management, and establish perfect performance assessment system, salary system, work attendance checking system, leave system and overtime system. The human resource management should not conform to the past extensive management mode, and every system should be specified and written.

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Psychological Contract in Small Firms: A Managerial Insight

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Abstract

The psychological contract is a very well know topic amongst academics and practitioners. The majority of the literature sheds light to most of the areas of the psychological contract but lies heavily on larger organizations and mainly assessing the employee side. In this paper we investigate the existence of the psychological contract contrary to popular research in the field of small business while choosing small firms as our organizational setting. Through extensive interviews we attempt to draw conclusions about the existence, form and management of the psychological contract in this context.

Keywords: Psychological contract, Small firms, Managers

1. Introduction

The main focus of this paper is to use one of the models of the psychological contract mainly developed by Guest and Conway (1996, 1997, and 2004) and explore its existence and application in small businesses. Most of the theory on the psychological contract links the employment relationship with HR practices and discusses its application over multiple layers in organizations (Rousseau, 1995; Sparrow & Marchington, 1998). In most cases, when discussing about the concept, the picture is of an organization with an established HR department to cope with the problems that arise in the employment relationship (Rousseau 2000, Guest & Conway, 2004) which in essence implies an organization relatively large in size (Wilkinson, 1999).

Nevertheless, in the real business world there are numerous smaller firms which also have a number of employees and a level of management and thus the development of an employment relationship. The question now becomes how does the psychological contract can be applied in such a context? In this project we shall try to answer that through an investigation of a specific approach to the PC developed by Guest & Conway (1996; 1998; 2004) in a sample of 6 small firms in the electronic taximeter sector in Greece.   The main focus is on obtaining the managerial insight as in small firms managers tend to play a very important role in formulating the ER (E.F.I.W.L.C, 2001).

2. Methodology

2.1 Construction and background information

 In order to investigate the existence and application of the Guest and Conway model of the psychological contract, a sample of 6 companies was selected from the electronic taximeter segment. The methodology was designed around the assumptions of the Guest and Conway (1997; 2004) model. Transforming the assumptions to questions, we are attempting to assess the existence of the PC elements according to the G&C model in a group of small firms. The process consisted of a series of face-to-face interviews with senior managers/owners at many cases and was directed to test the model's hypotheses against manager's experience and knowledge.

Table 1 introduces the main characteristics of the sample of companies selected to carry out the research. The size of the sample consists of six companies with an employee number ranging from ten to twenty people roughly the number literature ascribes to most small enterprises (Cully et. al 1999;E.F.I.L.W. C, 2001a).   Information was collected from the managers themselves during the course of the interview.Equally, all companies belong in the same market segment, the selling and servicing of electronic taximeters for taxis. The fact that all sample companies belong the same sector in effect facilitated the conduct of the research allowing a degree of homogeneity circumventing at this stage the problem of heterogeneity spotted in most small firms comparison (Curran, 1991; Curran et. al 1993). There is also information about the educational background of the human resources of the companies with a significant rate of university level and technical expertise in both the management teams and the employee lines.

2.2 Directions of the study

The interview was constructed firstly using the elements of the Guest & Conway model and the CIPD school of thought as we described it in the literature. Namely, the existence of trust, fairness, loyalty, commitment and job security in the working environment (Guest & Conway, 1997; 2002; 2004). Equally, the interview was designed to examine generally

the knowledge of management on the psychological contract and get their opinion overall about the employment relationship in their business in particular and overall for small businesses. The interview therefore attempted to highlight the following:

(1) Defining the psychological contract offering definitions from the body of literature and measuring them against the managerial experience from their firms

(2) Existence of trust in the business among management and employees

(3) Sense of fairness in the employee line and its importance

(4) Weight of loyalty for managers on behalf of the employees

(5) Position of the job security and requirements of employees the recent years opposed to the past

(6) Knowledge of the concept of the psychological contract and its main principles

(7) Existence of organized HR practices to handle employment relationship that arise and what are the principles that govern the ER in small firms?

The interviews also sought to gather some additional information that were essential to crystallize the picture of small firms management. In particular, managers were asked about the decision-making process in their own companies and in competition. The later included queries about the structure of management in the firm, the proportion of owner being the general manager and the involvement of either the owner or management in total to the day-to-day running of the firm. The communication and level of proximity with among employees and the higher place in the hierarchy scale. In Exhibit 1 in the appendices we have attached the interview schedule.

There was direct access to the managers and after their insistence, the interviews were transcribed. Because the bulk of the model deals with qualitative elements and there were both defined points of the model needing answers but also the need to elicit additional information on the employment relationship in the specimen of small firms, a semi-structured interview was selected as most appropriate to accomplish that (Walliman, 2005).

The interviews consisted essentially of two parts. In the first section, interviewees had to answer a series of questions rated from 0 to 5 with an increasing positive scale a questionnaire. The second part of the interview consisted of a set of open-discussion questions where managers were asked to to provide some background information in regards to their business in terms of size, management structure, employee retention, educational mix etc that are essential to understand environment in which this particular section of small firms operates. This is essential for practical reasons in conducting the research especially considering the lack homogeneity in various small firm sectors (Curran, 1991; Curran et. al 1993). Equally in this section, where managers were asked to explain in more detail their answers in the first set, giving their personal viewpoint and also reporting issues in the employment relationship they deemed important and perhaps were overlooked from the series of questions put to them into consideration.

2.2 Purpose

The purpose of selecting a semi-structured form of interviewing organized with one component using a weighting scale and a interrelated critical-analysis section supplementing the undefined elements, is firstly to capture solid data on the knowledge of managers on the model, its individual characteristics and the overall situation of the ER (Atkinson, 1984; Walliman, 2005). The initial stage is somewhat simplistic but is vital in providing some basic answers to our hypotheses backed by numerical reasoning as there are definite questions of the model that need to be answered straightforwardly Secondly, the project requires mainly qualitative input, therefore it was essential starting from broadening the straightforward questions used in section 1 to grasp the perception of managers, their views and further thoughts that would possibly bring to our attention further elements that would have been impossible to be highlighted from the first section of the methodology (Walliman, 2005).

3. Findings

3.1 Analysis of the data

In the first part of the interview, participating managers had to answer a series of questions with a weight from 0 to 5 with an increasing range of strengths (Note 1). As mentioned earlier, the questions at this stage were designed to assess firstly the existence of the constructs of the Guest& Conway model, to ascertain the applicability of this model of the psychological contract to small firms and also managements perception on the topic both if they are aware of it in theory or if they can see its existence in practice. The main focus is not to replicate the model but to ascertain its existence and application. Consequently, the questions are using the elements of the model described in the previous chapter but not reproducing them but rather putting them into small business focus

First question approached the issue of psychological contract definition. Managers were asked to recognise whether there is among themselves and employees cognition about the perceptions of both parties to the employment relationship-organization and individual- of the reciprocal promises and obligations implied in this relationship. They were further

asked to grade with 0 no relevance to 5 very high relevance the existence of this framework in the both parties mentality. Four managers graded the question with four (high relevance) and two managers graded with the highest grade, five (very high relevance).

The second question attempted to measure trust among employees and management and the importance managers ascribed to it. All the managers   gave considerably positive answers on the ranging scale from score 4 (significantly important) to 5 (most important). This clearly demonstrates the view of executives that trust of employees towards management is a key issue in the employment relationship of small firms.

The third question weighted the role of loyalty and the significance managers feels it has for their firms. Again the responses gave strong signals of the importance attached to loyalty in the firms on the behalf of employees as the answers ranged again from 4 to 5 in the reply scale. As with trust, managers feel that the existence and loyalty is cornerstone for the course of the firm.

The fourth question asked managers to express their opinion about the commitment of employees to the firm and how important essential is for management to cultivate this into the mentality of the workforce. Following the pattern of the previous questions, managers rated both parts of the question with high positive scores 70 percent of the managers rating commitment with top importance and 30 percent with very high importance. Equally, 60 percent of the interviewees considered the need to cultivate commitment as of primary priority and 40 percent as very significant priority.

The fifth question addressed the issue of fairness, examining the impact and its importance that managers perceive it is necessary for employees to feel towards the company. Four out of the representatives of the companies interviewed responded marked with a five the importance of the sense of fairness to exist among the lines of employees. The remaining two representatives gave a four (very important) and a three (moderately important).

The sixth question was related more to the knowledge   of the psychological contract concept per se by   managers. It asked them to state whether they have heard before the concept as a theory and if they have come across its literature and characteristics in their education or professional career. Three of the managers commented that they have not heard or come across the psychological contract theory neither in the higher education background nor in their professional career. Two managers mentioned that brushed the literature of the psychological contract during their university years but with no application or appearance in the professional life. Only one manager reported awareness of the concept and an endeavour to apply its principles as a business methodology.

Managers were also asked the weight the negativity of changes in the workplace the last twenty years. In relation to theory, this question was asserted to gauge managements perception opposed to the negative form of the `new psychological contract` (Hiltrop, 1995) and the more positivistic attitude of the Guest & Conway model (2004). Four managers graded with a 1 (imperceptible changes) and the remaining two graded the question with 2 (little negative changes have occurred).

In the beginning of the second section of the interview, managers were asked to provide some additional background information as it can be seen in table 2. Adding to table 1 seen earlier the information was gathered about the enterprises in terms of management style, structure and the decision-making allowing thus a more complete picture of the companies environmental background.

Noticing the management structure of the businesses, in three of them the main shareholder/owner are also the general manager which also translates in that most of the decision-making is done by the owners with the suggestions of the rest of the staff   but in terms of authority core decisions are made by the owners As it becomes apparent, the role of owners is quite significant not only in the decision-making but also to a large extend in the actual control of the firms   which also translates into active involvement in the daily running of the business. The role in the sense of owner/manager and the degree of involvement coincides with the literature about small firms pointing out exactly this, the directness of owners in the administration of the firms.

Expanding further on the questions and issues of first section, loyalty appears quite important. Five out of six managers in the open-discussion section   mentioned that their employees in their vast majority are loyal to the firm. The generally accepted view was that it was not possible for someone to work in a `familial` business environment and not be loyal to firm, provided that management treated employees with respect and professionalism. Furthermore, participating managers displayed confidence in their statements that due to their proximity and close relationship with their subordinates there is a high likelihood to screen out any signs of disloyalty or phenomenon such as agency costs (Prendergast, 1999).

In regards to commitment, managers discern it from loyalty in the sense that loyalty is connected more with staying with the company and the management under all circumstances whilst commitment is viewed more in the performance field. According to managers commenting on the open-section, committed employees translates to continuous efforts to perform best in their appointed tasks and in extension to contribute in the companies overall performance. Again, it was stated by the majority that existence of commitment is essential for the smooth operation of the business and at the same

time it is interrelated with the capability of management to work alongside employees infusing leadership to the employees and inspiring them with a feeling of security and guidance.

Assessing managers feedback on fairness, we could note in the reports about its importance a slight discrepancy from the previous elements of the model as a small proportion (15%) rated the importance of fairness with a mark of 3 in the significance scale, still the majority voted again highly (35% with four and 50% with five as the data from the first section demonstrated.

Also, in the open-discussion section, there was a general agreement that without the feeling of a fair treatment, employees could build a grudge against the business which could have adverse effects in individual employee performance but could also carry an impact to the collective performance of the labour in the company. Equally, managers appeared optimistic in their capacity to cultivate fairness in their employees through the close relationship they have with them allowing for a personal contact as managers apart from involving themselves in running daily operations can exercise `justice` on the spot and solve problems often immediately.

For them this is opposed to the cold and remote picture of management is larger corporations and serves better the purposes of smaller businesses. It would be important to note that all managers interviewed brought forth the argument that the proximity with the employees and this involvement we described is a positive attribute for all the PC constructs of the model. This picture also corresponds to the relevant literature arguing that the `familial` environment serves best the purposes of small businesses (Mihail, 2004) . Nevertheless, we should not discount the fact that as PC theory assumes an important degree of subjectivity (Rousseau, 1995) the appropriateness of this relationship is open to interpretations both from employees of this sector and potentially from other managers in other small business sector.

Concerning the theory of the psychological contract, as mentioned earlier half of the respondents stated that have never come across the concept nor have ever heard of its principles before. Two of the managers mentioned that have come across the theoretical framework in their studies in the university but have never thought of applying it or that in effect it could exist in their business. Only one individual stated complete awareness of the psychological contract and thought he could discern a pattern of it in the actual running of the company and in the employment relationship. It is sensible to assume that the manager's prior knowledge of the concept as a theoretical framework facilitated him in recognizing it in the business setting and reporting it in the interview.

One of the important characteristics of the Guest and Conway model was that generally undertaken by the a large part of the CIPD school of thought was the call as we mentioned to use it as a tool to negotiate with employees the need for change without having to sacrifice the good relationship between the two parties, signaling thus that changes are inevitable but not panacea (CIPD, 2005). Consequently, instead of the mass leveling of the ER and the reshifting of the PC towards uncertainty, for employees the PC can be applied as a gradual change process with communication among employees and employers to strike a balance for both parties.

Managers were asked to comment on the work surrounding the past 20 years and give their impression on whether thing's in the workplace have changed so dramatically against employees that creates for them a time of uncertainty. Nevertheless, in spite off the positive feedback in regards to mediocre negative impact on employment relationship (see table 3) over the years it should be pointed that there is no response from the employee side which could produce some varying opinions. The scope and size of the project is such that only allows us to focus on the managerial outlook of the concept but there is a call for attention on the employee side, not only on the changes in workplace but for all the elements of the model. This is also discussed in the next sections of the project.

Asked to comment about the resemblance of the employment relationship with a situation where there is a reciprocal exchange of promises and obligations between employees and management, all participating managers agreed that there is a number of expectations employees hold from them and need to be kept in order for the co-operation to continue normally. Henceforth, there is a general convergence with the existence in the small firms of the default definition of the psychological contract although in theory as we saw earlier managers declared their ignorance of the concept.

Of course to a proportion this is anticipated as in a place where managers/owners and employees develop such a close relationship and with the informality that governs the environment (MacMahon, 1996; Matlay, 1999 E.F.I.L.W.C, 2001). Consequently it is not entirely surprising to have such an occurrence not only because the Guest and Conway model might be applied but also as it natural for such a mechanism to exist in a surrounding such as of small firms. Managers confirmed the existence of a reciprocal exchange of expectations in among themselves and employees pointing out that in the majority these unwritten promises include the characteristics discussed previously in the interview process namely, trust, job security, fairness and respect.

Equally, all managers pointed out the agreement of this type is openly negotiated with the employees due to the open nature of the business and the immediate interaction between workforce and management. Consequently, what expectations arise in the ER either material (e.g pay increase) or intangible (e.g trust) is brought forth directly to the attention of managers and as such the issues can be resolved relatively fast. We could argue nevertheless that managers in

small firms due to the power in their hands an the idiosyncrasy of their character could decide on issues contrary to employee volition. This again points that there is must some definite employee voice in small firms to ensure the right administration of issues.

3.2 Managerial perception of the ER

Managers were also interviewed in terms of their perception of changes the employment relationship has undergone the recent years pointing to a more fluid and insecure environment for companies due to globalization and thus an unstable environment without security for employees (Hiltrop, 1996). Four managers reported that indeed there has been significant changes the past fifteen to twenty years with the rise of technology, increased competition both on a domestic level as well as on a more global scale but expressed. In regards to the employment relationship they acknowledged the need for more talent in the workforce in order to meet the rising demands of the industry.

Nevertheless, they did not feel that this has such a large impact on the stability of the working environment indicating that whilst occasionally there is a renewing of the human sources of the companies, the number of employees has in fact increased through the past decade and that approximately half of the employees have been working in the company in excess of ten years. The remaining two managers were even more adamant on the stability of the working environment that has been maintained through the years actually expressing the opinion that it has been improved both for the company and the employees.

Following the structure of the management in small firms, executives were asked to describe the presence of HR practices in their businesses in order handle issues in the ER. Three managers stated they do not have a prescribed HR department but rather cope with their employees directly pointing to their previous reports about the close relationship between themselves and the workforce. In two companies,managers reported that they bring in external consultation through specialist HR consultants to supplement lacks in their ability and time constrain to handle all issues on personal level.

The last company reported that there is an appointed HR manager particularly for this purpose who although charged with other duties in the public relations of the company his main task is in the HR. There is a mix in terms of convergence with the theory. In most companies there the owner deals personally with most HR issues as theory suggest this is done in most small companies (Wilkinson, 1999; Hornsby et. al 1999). On the other end, two out of the six companies have adopted a more specialized route to handling HR issues. The difference in the approach could perhaps suggest the difference in managements mentality on this particular issues or could be related to sector-specific factors.

Managers were also asked to contribute their own personal views on any further issue pertaining to this line of debate emanating from their experience, knowledge and aspirations. All managers reported that importance of employment law and its inequalities. It was completely accepted among them, that although employment legislation is rigid for small firms in regards to the financial contributions firms are obliged to make to the countries national insurance institutions (Note 2)with increasing contributions that burden the capability of firms to provide salary increases and inflexibility for employees as they do not have the option to select their own insurance plan.

Furthermore managers reported inequalities in the government control mechanisms as many firms avoid paying the insurance contribution by not registering their employees leaving them thus in essence uninsured.(E.F.I.L.W.C, 2005a) The general argument was for a need of more flexible and pursuing employment legislation that will give both the employees and the workforce more opportunities that reflect modern demands. Table 4 concentrates the main themes put into the managerial focus and the feedback received.

4. Conclusions

Recapping the main points, both from the defined questionnaire and the open-discussion section there is a strong convergence between the main elements of the G& C model the perception of managers in the sample companies. Nevertheless we should point that this is the viewpoint of managers and as the theory of the PC suggests there is a large rate of subjectivity I the field (Rousseau, 1995; Arnold, 1996; Beardwell et. al 2004). As a result, employees might have contrary views, a principle that could apply for managers in other small firms in the same or other sectors.

This does not diminish the findings but it also important to be aware of various factors that could affect the investigation and could not be pin-pointed from the managers, an issue that will be analysed in more detail over the next sections. Secondly, the PC literature also can provides us with information on the actual uptake of the PC from firms. As such, in regards to real-time examples there are limits especially in the lack of empirical comparisons.

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Notes

Note 1. Indicative Grade scale- 0=not important, 1=little importance, 2=moderately important, 3=important, 4=very important, 5=most important

Note 2. [1] In Greece it is mandatory that every company insures its employees on the appointed government insurance institute. In the case of small business that is know as TEVE

Table 1. Characteristics of the sample of companies

	Characteristics of the sample companies
Size of sample	6 firms
Employee number	Ranging from ten to twenty
Educational background of workforce	Management teams: All members posses university level education and at least one member at each team hold a postgraduate qualification
	Employees: 60 percent of the workforce in all of the sample was educated at a university level and the remaining forty is in possession of qualifications from technical institutions.
Market segment sample companies belong	Electronic taximeter market
Country of origin	Greece

Table 2. Management's response to the constructs of the C&G model

PC Elements	
Trust	20 % Grade 4 , 80 % Grade 5
Loyalty	25% Grade 4, 75% Grade 5
Fairness	15 % Grade 3, 35 % Grade 4, 50 % Grade 5
Commitment	20 % Grade 4 , 80 % Grade 5
Negativity on changes in the Workplace the last twenty years	66,6 % Grade 1, 33,3 % Grade 2.

Note: Grade scale- 0=not important, 1=little importance, 2=moderately important, 3=important, 4=very important, 5=most important

Table 3. Full company elements.

	Characteristics of the sample companies
Size of sample	6 firms
Employee number	Ranging from ten to twenty
Educational background of workforce	Management teams: All members posses university level education and at least one member at each team hold a postgraduate qualification Employees: 60 percent of the workforce in all of the sample was educated at a university level and the remaining forty is in possession of qualifications from technical institutions.
Market segment sample companies belong	Electronic taximeter market
Country of origin	Greece
Management structure	3 companies owner is the general manager; In the rest 3. a hybrid mix with a small board of directors with owner at the central role.
Management style / Decision making	Most of the authority is concentrated in the owners and the managerial outlook is dependent on their idiosyncrasy. Ensuing, most of the decision-making falls in their responsibility

Table 4. Summary of findings

Issues put into focus	**Feeback**
Awareness of the PC as a theory	Relatively low
Recruitment /HR policies	High levels of informality, dependent on the authority of managers
ER as a mechanism of mutual expectations among employers and employees	Confirmation with such a parallel
Further issues of importance	Small firms present a ``warm`` family-type of relationship that offers advantage compared to impersonal larger organizations
Events resembling contraction violation , employee dissatisfaction etc.	Not frequent, usually is managed through the close relationship between management and the workforce.
Changing environment and consequences on job security	There have been changes but not entirely negative especially for employees. Employment is stable as is the working environment. More of an adaptive processes than sweeping changes.
Limitations	No employee feedback

The Application of 3D Digital Technology to Fashion Design

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Abstract

With the development of China computer technology and social economy, the requirement to the quality, the fitness and individuation is higher and higher, and the present two-dimensional garment CAD technology has not fulfilled the requirement of CAD application in the garment industry, so the garment CAD urgently needs to be developed from the present panel design to the 3D design. Therefore, in recent years, many theoretical researches and practical applications of 3D body measurement, 3D garment assistant design and dummy garment design occur in domestic and foreign markets.

Keywords: 3D digital technology, 3D body measurement, 3D garment assistant design, Dummy garment

With the development of China computer technology and social economy, the requirement to the quality, the fitness and individuation is higher and higher, and the present two-dimensional garment CAD technology has not fulfilled the requirement of CAD application in the garment industry, so the garment CAD urgently needs to be developed from the present panel design to the 3D design. Therefore, in recent years, many theoretical researches and practical applications of 3D body measurement, 3D garment assistant design and dummy garment design occur in domestic and foreign markets.

According to the statistic of whole application to CAD by the Autodesk Company, at present, users who use 3D digital technology to design product have achieved 30% in the world, and 70% of user still use two-dimensional CAD to design product. In fact, 3D digital technology has been fully applied in the world, but in the domain of garment, the development and application of 3D digital technology are still lagged, because the garment is different to the solid-state product in mechanical industry or the electrical industry, and its character is soft and it will change with the different of environmental condition, so the simulation is very difficult, especially if the garment CAD wants to transform from two dimension to 3D, it needs solving many problems such as the representation of fabric texture and innervation, 3D reconstruction, living and flexible conk sculpt, and the translation from 3D garment design model to two-dimensional plane clothing. And these problems induce long development period and large technical difficulty of 3D garment design.

The difference between garment 3D digital technology and two-dimensional CAD is that the former is based on the body data model through 3D body measurement, and implements interactive 3D design to the model, then makes plane clothing, which mainly solves problems including the establishment and the local modification of body 3D size model, the archetypal design of 3D garment, the cover and shade treatment of 3D garment, the effect display of 3D garment especially the dynamic display and the reversible conversion between 3D garment and plane clothing.

The base of 3D garment digital technology is the 3D body measurement. At present, 3D body scanner system has realized commercialization in foreign countries and its technology has been mature, and using the grating principal of natural light, France, US and Japan can complete the measurement of 3D body data respectively in 40ms, 10s and 1.8s. The international usual 3D body measurement technology is interactive, which catches the image formed by the light shooting on the body through photosensitive equipment, and describes the 3D body characters through the computer image treatment. The 3D body scanner system possesses many advantages such as short measurement time and large data obtainment better than traditional measurement technology.

The interactive 3D whole body scanner system possesses many advantages such as rapid measurement speed, small error, and more measurement data. Through CCD vidicon and infrared imaging technology, combining with light filtering technology, it incepts and saves body image, utilizes the computer image processing technology to pick up the body real figuration in the body image, and then comprehensively operates several body real figurations to obtain needed 3D data which can reflect the 3D body structure character. The 3D body structure data auto measurement system is composed by control lamp-house, vidicon, computer and monitor, which characters include that the image incepted by the vidicon is transmitted to the computer and stored in the special space of the computer as the data form, and under the control of application, the computer analyzes and operates the input digital image signal and utilizes body figuration incepted from different views to compose needed 3D bogy structure data, and then the data in the computer are

transmitted to the monitor through the conversion of the image card, and the image transcribed by the video tape recorder is also transmitted to the monitor, the work situation of the whole system can be watched through the monitor, and the monitor displays the incepted 3D body images, and the computer controls the lamp-house, vidicon, video tape recorder and their transformation, and the isochronous control among different parts in the system is completed by the application of the computer, and the design of the application is based on the image edge treatment technology and the image segmentation technology.

The whole body scanner technology of the interactive 3D whole body scanner system catches the image formed by the light (including laser, white light and infrared ray) shooting on the body through photosensitive equipment to describe the 3D body characters. The international usual body scanners include SYMCAD, Turbo Flash/3D, TC2-3T6, TechMath-RAMSIS, Cyberware-WB4, Vitronic-Vitus and so on. The interactive 3D scanner system has many advantages such as short scanning time, high precision and more measurement parts better than traditional measurement technology and equipment. For example, the Germanic TechMath scanner can complete the scanning process in 20 seconds, which can catch 80000 data points of the body, and obtain 85 size values relative to the body, and its precision <±0.2mm. American TC2 can scan 45 thousands points of the body to quickly obtain more than 80 data of the body, which can completely reflect the bodily form. English TuringC3D system also can catch the surface material and describes the color and texture of the object, which is very useful to study the labeled object. The output date through scanning can directly be used in the fashion design software to customize clothing according to the body. At present, the body scanner is abroad applied in many domains such as the anthropometry, the garment industry (MTM customization system and dummy fitting), the amusement industry (such as movie stunt), computer animation and medicine (such as prosthetics and modeling operation).

Through pivotal body geometric parameter data obtained, the 3D body measurement builds dummy 3D body and establishes static and dynamic body models, and forms a complete set of system which has the functions of dummy body display and dynamic simulation. Based on that, the 3D garment assistant design creates 3D effect of the garment material, realistically displays 3D color image of dressing effect and approximatively translates 3D design into the plane clothing on the screen.

The 3D garment assistant design is based on the bogy model obtained by the body measurement, implements interactive 3D design on the "true man" through the reappearing of "real man" (outlining the figuration and structure line on the human model by lines), and builds plane garment sample combining with corresponding software. It also can offer quick and convenient research project for the series design of the garment sample and the establishment of the original model. The method of 3D garment assistant design is implemented through following steps.

(1) Establish 3D manikin data base. (2) Establish 3D data base of the garment style and size, and the figure and size of various parts. (3) Establish garment cloth and color data base. (4) Establish 3D data base of the garment vignette and decorated parts. (5) Establish the data comparison between the body data and manikin data and select the program most closed to the manikin to store in the memorizer. (6) Translate the garment style in the 3D data base of the garment style and size, and the figure and size of various parts into the plane on the background composed by the pane figure which can confirm the longitude and the woof of the coordinate position and form a program with garment style plane chart and labeled data, and store them into the memorizer. (7) Translate the selective garment style into the same program of the selected cloth and color in the garment cloth and color data base and store in the program memorizer. (8) Store the data of pane figure composed by the confirmed longitude and woof and the program which matches with the manikin data into the program memorizer. (9) Dress the selected garment style on the manikin adding the sewing size, and form a program of a 3D antitype labeling size and store them into the program memorizer. (10) Store the program which can change relative data when modifying some certain data in the garment style deployment figure and labeled data, and selected garment style on the manikin data in the program memorizer. (11) Collect and input some one's body data including stature, three sizes, leg length, shoulder width, arm length, neck girth, neck length and leg girth. (12) According to someone's input body data, computer selects the closest manikin in the manikin data base. (13) Select a garment style in the data base of the garment style and size and the figure and size of various parts, and according to the selected garment style and the garment which matches with the manikin, CPU dresses it on the manikin, and create a 3D antitype figure which the selected model dresses the selected garment. (14) Select cloth and color in the garment cloth and color data base, and select the vignette and decorated parts in the garment vignette and decoration data base, and then create a 3D fitting effect figure which the selected model dresses the garment with selected cloth, color and vignette. (15) Create the deployment figure of the selected garment with sew size and labeling data. (16) Modify and confirm the size on the 3D fitting effect figure or the deployment figure, and correspondingly change relative data of 3D antitype figure and deployment figure and obtain confirmed 3D fitting effect figure and the deployment figure. (17) Connect the output port of the computer with printer or the auto cutting machine, and print the model of the cutting garment or directly cut the cutting slice of the garment.

To translate 3D garment model into plane cloth pieces, it comes down to the technology that deploys the complex space

to the conk surface, which is the requirement of flexible and plane characters of the garment material, and the difficulty of 3D garment assistant design. Foreign and domestic scholars have done many research works and obtained many methods of flexible conk surface deployment, and many methods have been applied in the practice.

The 3D design based on the plane CAD is gradually developing to the direction of intelligence, material analysis and dynamical simulation and the direction of 3D line frame sculpting, conk surface sculpting, entity sculpting and word meaning character, and the parameter design is developing to the direction of variable and super variable. The research and application of parts development technology also offer bases for the opening and the function free assembly of the CAD system.

The attention of the 3D body measurement system is to offer the 3D body structure data matching with "3D garment assistant design" and "dummy fitting".

The garment dummy show is to create dummy body or model in the computer, exhibit series garment style or decorations matching with it and the customs can select the garment style, color and decoration to arrange in pairs or groups according to their favors. The present computer fitting system possesses complete fitting garment base including male western-style clothes, male fashionable dress, female fashionable dress, female suit, occupational suit, Chinese style dress and children dress, and the custom can add new style at will with the change of the fashion. The real and exquisite fitting textures include knitting, tatting and printing, and the system can scan the real texture in the computer to offer selection for the customer. The system only inputs customer's image into the computer through digital camera, the auto fitting can be completed, which can conveniently assist customer to select the style quickly and directly. The selected style can be automatically switched using the cloth in the cloth data base, and changed its color at will, and the original sculpting of the garment would not been changed. Some products in foreign country can basically realize the functions of dressing of 3D garment, matching design and modification, the animation effect which can reflect comfort and sport character of the garment, 3D overhanging effect which can simulate different clothes and all directional rotation. The 3D garment CAD software developed by US, Japan and Switzerland is advanced, such as the CONCEPT 3D garment design system developed by US CDI Company, 3D system of French Lectra Company, AM-EE-SW 3D system of US Gerber Company, 3D system of Canada PAD Company, 3D system of Japan Toyobo Company and so on.

With the quick development of internet in recent years, the network garment design is gradually becoming the mainstream. The virtual fitting room is a sort of interactive platform which applies the garment electrical business. With the flourish development of electrical business technology, internet is gradually becoming a noticeable sales channel in the garment industry. To fit dress conveniently and really on the internet, the appearance of the net virtual fitting room is the necessary tendency. The virtual fitting room offers a real-time interactive platform for the customer, and it allows customer selects his favor in various garments and fits the selected dress on the dummy model. New virtual fitting system can realize the net-based 3D fitting on the network. The net-based 3D fitting system offers a sort of method which can create and display 3D garment model with third dimensional texture, and the customer can freely select the style of the dummy garment and define the size of the garment himself through a real-time interactive platform (i.e. the net-based 3D fitting system) inside the browser. At the same time, the customer can select the dummy model who matches with his body, and the fitting system can dress the dummy garment on the model and implement rotary display. This design is based on the garment simulation technology, and constructively exerts the garment operation technology to the dummy fitting room under the premise without damaging the convenience of the dummy fitting process.

The application of 3D digital technology in the garment industry has only tens years, but it can gradually applies its special advantages to the design and research of various products correlative with body, and really makes the product people-oriented. In the garment industry, it expedites the reactive speed of the enterprise to the market. At the same time, it is the necessary condition and important reference to develop the garment electrical business and it closely combines the garment production with high-technology, makes the garment production and design more individuation, enhance the fitness of the garment, and fully drives the rapid development of the garment industry.

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On American and Chinese Higher Education

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Abstract

The main differences between American and Chinese higher education are displayed in administrative system, teaching methods, curriculum, assessment and moral education. However, the two countries also have enlightened each other for the past periods in educational idea and other aspects of higher education. The two countries both have advantages and shortcomings, so they open to each other and take into some advanced ideas and measures that will make great contributions to the rapid development of higher education.

Keywords: China and America, Higher education, Educational idea, Outlook

1. The simple introduction to American and Chinese higher education

In December 1977, Chinese government recorded the examination for higher education which marked the Chinese education system reformation from the "Great Cultural Revolution" and ended "the recommended systems for entrance of higher education." As a social consequence, all students were so encouraged to follow this policy that they began to understand that the fortune was no longer left to tender mercy of officials at various levels, but depended on the efforts of one's knowledge, and they began to make much effort in an all-time concentration of learning. Obviously, it was a great achievement in the development of Chinese higher education and even a positive movement to expedite the science and technology in China. Now, Chinese higher education systems, which were established since the reform in 1977 have been carried out and developed for about 30 years. When reviewing and meditating up on this system, we can find out some negative problems. Under this system, there were so many compulsory subjects that they forced all students to develop at a same pace. Therefore, it was impossible to groom the student individually, which is inevitable to train higher level talent. At the beginning of 1990s, Chinese higher education gradually introduced the credit system, in which students can select some subjects upon their own interest. At this time, so many optional subjects were set up. However, Students in Chinese higher education must spend much time and efforts cramming such trashes only for the diploma and the academic degree, which is only issued from the Chinese higher education. On one hand, most students are only concerned what is with in the examination when they studied for it. Passing the lottery examination is the only purpose of their study and learning. We call this a test-oriented learning method. Therefore, there are so many students who make tricks in such lottery examinations regardless of discipline. Under this method, the student's background knowledge is so narrow that they can not be convenient or competent in the practice. On the other hand, most subjects are still taught in the traditional Chinese way -- the teacher does all the talking and writing on the blackboard and the students write down what the teacher says and copies from the blackboard. Furthermore, teachers always teach what the textbook says, and then give the students the test context that contains the test question, so the student can only cram up the context to get high marks in the lottery examinations. However, we should be aware that the Chinese higher education has its strong points, such as strict management system of student's eligibility, the respect and love between students and teachers.

Over the past several decades, American higher education has undergone a remarkable expansion and democratization. In 1900, only four percent of high school graduates attended college. Today, 75 percent of high school graduates will spend some time in college. As Louis Menand *(an official of American Education Administrative Department)* recently noted in the New York Times Magazine, the democratization of higher education is one of the American greatest accomplishments after the World WarⅡ. Half the work forces now pass through college, while colleges and universities initially opened up their enrollments to returning girls and other primarily whites, males of the middle and working classes. Today many more white women and ethnic minority students are gaining access to higher education. In the current higher education job market, there are many qualified minority and white women candidates seeking faculty positions. A diverse faculty will mean better educational outcomes for all students. To serve current and future students, multiple and diverse perspectives are needed at every level of college teaching and governance. The more diverse college and university faculty are, the more likely all students will be exposed to a wider range of scholarly perspectives and to ideas drawn from a variety of life experiences. It is also important that colleges and universities transform what and how they teach to serve new students well and to prepare all students for an increasingly diverse world. Since white

women and minority faculty are also frequently those who take scholarship and teach in new directions, their presence on campus also makes this goal easier to obtain. Colleges and universities are indeed interested in hiring more white women and ethnic minorities as faculty members. And in industry, many colleges and universities have set up narrowly-tailored affirmative action goals and timetables for diversifying their faculty. For those white women and ethnic minorities who manage to attain a Ph.D., enter the academic job market, and finally obtain an interview, so racial or gender background may be one of many factors considered in hiring. However, it is more likely that the prestige of a candidate's graduated schools and the connections of a candidate's mentors will be more decisive in the hiring process. In a word, American higher education is still on the way of development in order to keep balance of employment.

In the recent centuries, American economy is continuously at the world leading position. The science invention and the technology advancement also are among the best. In this century, 1/3 of all Nobel Prize new owners are Americans. These achievements obtained, besides benefit from the natural and humanistic environment of US, also give credit to the very great degree of the American educational system. The American higher education was recognized as the best education in the world, said the American Embassy in China culture official's speech. The distinctive characteristic of American higher education is the broad knowledge, which involves the domination to be multitudinous, and teachers can choose the contents freely. It does not have the national uniformed educational system, and every state authority is responsible for the local education. US has the multitudinous institutes of higher education, some 3,600 colleges and universities provide the undergraduate courses to educate, and some 1,700 colleges and universities provide the postgraduate courses to students. The related investigation indicates that on the education quality of elementary and middle schools stage, US in the world place is only about 30, but to the university stage, the situation has changed. The students start to rely on their creativity to give full play. Thus every year it attracts more than 500,000 foreign students to accept the higher education in US. This phenomenon is indeed worthy thinking.

2. The comparison between American and Chinese higher education

To compare American and Chinese higher education slightly will discover that the educational idea between them differs greatly. China pays more attention to the construction of knowledge system as well as the knowledge accumulation, training students to inherit the knowledge and respect the academic authority; comparatively, US emphasizes the student's ability to utilize the knowledge and   exert themselves, cultivating their critical spirit as well as the ability of knowledge development and active innovation. Especially the differences between Chinese and American higher education mainly displays in the following aspects:

2.1Education administrations system

To be different with other countries, the American higher institutions have not the uniformed system of taking an examination of matriculation .The majority of colleges and universities evaluate students according to their achievements and performances at high schools. Students can choose their major according to their own hobbies and the individual development, and also may continuously finish all curriculums to graduate or choose to take the midway temporary leave till conditions are ripe when again completing the studies. However, this does not mean reducing the requirements to students, because it is quite difficult to attain the degree. On the contrary, Chinese higher education still follows the procedure which is strict at entrance but casual to out. Students entering a university need layer upon layer to take tests and overcome one difficulty after another. Once they stride in the university gate then to be of great success, obtaining the degree also is an easy matter. This pattern "tests deciding the lifelong" nurturing humanity makes the young unable to realize their dreams of pursuing advanced higher education. Some materials demonstrate that, US is the first country to realize the higher education popularity in the world.

2.2 Teaching methods

In US, teachers' duty is not what they have taught the students, but to help them construct knowledge. The teaching process takes the students' independent thoughts and encourages them to propose something new and different. In the teaching method, emphasizing indefinite teaching methods, teachers encourage the students to take participate in the teaching process, even encourage them to challenge the academic authority. In this kind of free and loose environment, students can be more positive on studies and initiative concretion, applying theory to the practice easily. But in China, many teachers still adopt "force-feed type" teaching method. They teach with sweat streaming, while the students hear drowsily. This kind of teaching method, not only has violated the original intention of teaching and studying, but leads students' comprehensive quality and the lifelong study skills to sell at a discount greatly. Teachers sing "the one-man show" in the teaching process phenomenon, while in the American university is extremely rare. Whether students can make great progress or not, the teaching method plays an important role.

2.3 Curriculums

The American higher education inherits one kind of coherent fusion the "liberal education". Students in university period except compulsory subjects like chemistry, economic, politics or literature, but also must surmount the different disciplines, from the moral philosophy, ethics to the mathematical logic, form the science to the humanities, all widely browses from

the history to other cultural research. The American university is clear about"service for the economic development", "the scientific research" and "the teaching" together as the three big functions of higher education. The education service manifests in the curriculum and the specialized establishment must continuously satisfy the social demands, setting up curriculum and specialty which the society needs. We may see its broad specialty according to the various bachelors and degrees. Except the traditional degrees such as science, labor, economic, politics, literature, history, bachelors or degrees which the American universities newly increase also have: humanities bachelor, financial bachelor, teaching method bachelor, nurses bachelor, religious education bachelor, lectures bachelor, social work B.A. degree and so on. But China on premature has implemented so-called "the professional education" in the higher education stage. This kind "the professional education" in disguised form evolution is eager for quick success and immediate gain of "the employment education", which is separated from the social demand in the discipline establishment, artificially dividing into separated fields to cause the students' knowledge to be narrow, and the comprehensive quality and the innovation ability cannot follow the modern development. Renowned economist Professor Li Yenning believes that the specialized and meticulous division of university does not favor of students' development and the students' wide browses can form the perfect knowledge structure, which is the foundation of innovative ability.

2.4 The evaluated criteria to students

In American disposition universal characteristics, one always is full of self-confidence and also praising and encouraging other people, which is the general evaluate criteria to students and believe that each student has the potential of development by themselves. Students can achieve a lot at the interesting subjects; therefore, American universities emphasize students' ability of innovation, analysis and the ability of solving questions. Identical tests often do not have the only answer, but request students to display the imagination and the creativity as far as possible, even if "indulges in fantasy", as long as stand to reason can result in the high score. A doctor of the People's University of China in US reasonably utilizes "Contradictory Discusses", "On Practice" to write an article from the different viewpoints with teachers, but finally gain "A". However, in Chinese university, the test still is the main weapon for teachers to inspect the students' studying situation, and the score still is the students' lifeblood. The tests pay more attention to student's memory and the description ability. Moreover, only high-scored students are good ones, but the common academic students who are clever in trivial matters belong to another kind. This kind of one-sided evaluation criteria has written off many students' creativities, the enthusiasm and the desire to do better.

2.5 Students' personal characteristics and the way of moral education

The American universities take students' character guidance extremely, especially honesty education. The schools hope all students to learn the useful things, if the students are not honest, they will be given the serious punishment, even lose the school degree. Moral education then is mainly through strengthening the citizen education, enhancing the students' service consciousness. Therefore, the university organizes the students to participate in the social service frequently, raising students' citizen consciousness. Some students have also established "the national homeless question-teaching", "the student voluntary committee" and the associated organization, participating in the environmental government of community, either soliciting donations for some social groups, or visiting mental-disease hospital, nursery institution or joining in the activity of saving drug addicts. But the so forth social activities are also rare in Chinese universities, majority of our moral education also limit to preaches and the system restraint with the deficiency in humanity, efficiency and direction.

3. The enlightenment on educational idea

At present, Chinese higher education is switching from "the education for exams" to "the education for all-around development". Choosing any type of the education idea not only relates to the success or failure of the education for all-around development, moreover, will relate to each young scholar's life development and even the entire nation's future. The higher education reform should respect the history and national conditions, inheritance and development developing simultaneously, absorption and innovation compatible, might as well first grasp "the individual education" in the education for all-around development. So-called "the individual education" refers that teachers should take the students' individual development as the basis, discover and develop each student's advantages in the process of adopting "the individual teaching" method, and fully respect their individual values and demands. Their differences lead to guide action according to the individual circumstances, training students in accordance with their aptitude. Advanced management idea and successful measures in the American higher education have greatly influenced the "the individual education" in Chinese higher education.

3.1 Higher education should establish humanist educational idea.

Persisting in humanist and education serving for society is the dialectical unification. Individual development is the premise and foundation of social development. Progress and innovation in society depend on educated people .Therefore, in choosing teaching goals, the higher education will have to face the modernization, face the world truly, face the future, and will set up the scientific talented personal values. So in all educational reform practice, taking students as the main body and

fully respecting the individuality and the personality, will train students to have the rich spirit, innovative and creative ability as a new generation.

3.2 Teaching tubes should realize the unification and flexibility of the system.

The teaching control system guarantees the school interior normal teaching work and the entire set of rules and regulations. The system management is necessary, but the key point is that system purely for the tube person, or management for the person. At present, many universities still carry out the management of making the person dissimilation, pay more attention to the seriousness, humanities and unification of system, but insufficiently to humanities, rational and flexible consideration. "The individual education" needs the control system that can take into consideration of the community and the individual. For example, in the school register controlling system, there is a richer elasticity permitting the students' midway temporary leave because of the economic condition, the family and other reasons, then again goes back to school. Schools should respect the students' specialized option and allow them to transform specialty freely, cross-specialized choice, and an elective specialty with auxiliary repairs.

3.3 Teaching practices should give full prominence to students' sense of participation.

"The individual education"puts the emphasis on awaking and transferring students' main body consciousness, initiating and displaying students' creativity. It both pays great attention to encouraging their activities and teachers' leading role in the process of teaching and learning. Therefore, the teaching should aim at the different aspects according to their personalities, such as the strategy, the technology, and the widespread use of "the free discussion type", "the independent research type"and so on the science teaching method. Let the teachers and students produce the collision and the spark in the thought exchange, encouraging the students boldly to innovate and challenge new concepts.

3.4 Multiplex appraisal system to students should be established and consummated.

"The individual education"cannot leave off the transformation of students' evaluated criteria. Since long ago the evaluated criteria were too simplified and patterned that lead the college education to deviate directly from students' intrinsic development requests. While the American universities' appraisal is worthy thinking deeply very much, for example, the Princeton University's appraisal target to students mainly has 3, named the brains quality(the intelligence quality, learning capability, creativity and so on), the moral character quality (sense of responsibility, values, judgment and so on), the quality of making contribution to the school.

Chinese higher education also has its advantages. For example, it pays more attention to the master of knowledge, which is the basis to cultivate students' capability and helpful for the research of theory. This advantage has been absorbed by American higher education, which greatly emphasizes the ability and neglects the basic knowledge all the time. American higher education is still on its way to all-round development.

4. The 21st century outlook on American and Chinese higher education

Higher education in China, CCHEE (Century China Higher Education Exhibition) is held overseas every year. The project is supervised and coordinated by the Department of International Cooperation and Exchange, the Ministry of Education of China, organized by China Education Association for International Exchange (CEAIE), and implemented by China Center for International Educational Exchange (CCIEE), which is affiliated to CEAIE. Having been successfully held in Russia, France, Canada and USA in 2002, 2003, 2004 and 2005 respectively, the 21st Century China Higher Education Exhibition (CCHEE) is a brand project of the"going out to reach the world"for the Chinese higher education, approved by Ministry of CCHEE intends to implement the policy of "intensifying education exchanges"along with the 16th National People's Congress of China (NPC), the principle of "Chinese universities going out to the world"raised by Madame Chen Zhili, the State Counselor at the Sino-Foreign University Presidents Forum, "to promote the long-term collaborative modules between Chinese higher institutions and high level foreign universities"advocated by Minister Zhou Ji at the 2004 Annual Conference on Education. As an important move for China's higher education going out to the world, the theme of CCHEE is"Opening, Cooperation, Innovation, Development", with emphasis of the following:

• To present the achievements of China's higher education, highlight the"211 Project";

• To promote international communication and cooperation between Chinese senior educators and their foreign counterparts in higher education;

• To attract overseas students and teachers from other countries to study, teach, and conduct scientific and technological research in China. The best way to improve the Chinese higher education is opening it to the world. About fifty Chinese higher institutions and organizations are going to send the exhibition and its associated events to other countries.

American higher education in the 21st century: social, political, and economic challenge. American colleges and universities are social institutions--embedded in the wider society and subject in various ways to its constraining forces. In American Higher Education in the Twenty-first Century, researchers who share this understanding explore the new realities of higher education and consider its greatest challenges for the next century. In order to increase scrutiny by the media and the public,

universities must wrestle with a wide range of issues generated by their various external constituencies. Academic leaders rearrange their curricula to meet demands for multiculturalism. They seek an appropriate response as race-based admissions procedures coming under attack. They assess students learning and monitor faculty productivity--while simultaneously responding to call for the end of tenure and for explanations of why the cost of attending college has risen so dramatically. Using the changing social, political, and economic contexts of colleges and universities as lens for examining these complex issues, the contributors seek to understand the forces--whether unique to our era or rooted in the past--that currently influence higher education and will continue to do so in the next century. Whether discussing finance or technology or academic freedom or the canon, the authors find that relationship between academic institutions and their surrounding societies has generally been ambivalent: both involved and withdrawn, servicing and criticizing, needing and being needed. Understanding the complex interplay between institutions and external forces is the key to guide the endeavors of faculty, students, and administrative leaders alike. Synopsis Largely critical of recent attacks on the state of American higher education coming from advocates of privatization, reinventing government, total quality improvement, and so on, the eighteen contributions in this collection are presented by Altbach (higher education, Boston College), Berdahl (emeritus, higher education, U. of Maryland at College Park), and Gumport (education, Stanford U.) as an attempt to situate American higher education in broad social context in order to evaluate the legitimacy of the arguments of its critics. Papers explore the roles of external constituencies such as the federal government, state governments, the courts, and nongovernmental entities; as well as internal constituencies such as the faculties, the students, and administrations. Others examine particular issues, including autonomy and accountability, academic freedom, finance, technology, graduate education, the curriculum, race, and the commercialization of higher education. Universities focus on the complex relationships between higher education and the social and political forces that affect higher education. Specific topics include academic states and higher education, the dilemma of presidential leadership, financing higher education, and the multicultural revolution and traditionalist revolt. In a word, US and China should take into the advantages from each other and overcome the shortcomings. The best way to improve the Chinese higher education is opening it to the world, which means introducing the competitiveness into it through inviting foreign teachers into Chinese universities and sending Chinese teachers to the Western countries to update their knowledge. It is necessary to expand the academic field to employ the foreign teachers. Every one should be responsible for the education career with enough confidence and efforts.

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The Triangular Issues in Multimedia Language

Courseware Design in the Vietnamese Efl Environment

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Abstract

In this paper, among many issues pertaining to the design of EFL multimedia courseware, I would like to discuss three correlated major fields which are of utmost significance in accordance with the literature and my personal reflection on the present context of foreign language teaching and learning at the University of Danang (UD), Vietnam. The presentation will consist of three parts, including the exploration of potential users of a CALL product; what should be included and what strategies are needed for the selection of the contents of the product, and the essential criteria for the multimedia design. These are followed by a summary of the triangular issues.

Keywords: CALL, Multimedia design, EFL

1. Introduction

Multimedia environments have several unique characteristics which make them of interest to language educators. They allow information to be conveyed through spoken and written language, as well as through images, video pictures, graphics, or photographs (Levy, 2007). Hence, an understanding of the multimedia design process is precisely essential for not only multimedia designers but language teachers as well. Together with the development of multimedia technology and rising requirements of educational standards, the language teachers must now, in addition to the knowledge of the target language and the current language teaching methodologies, possess an expertise of Multimedia CALL (Levy & Stockwell, 2006; Robin, 2007), in which the know-how of the design process of multimedia courseware is a foundation. The paper will present three correlated major fields (Figure 1), among many issues pertaining to the design of multimedia courseware, which are of importance in accordance with my reflection on the current literature for the future application to my language classes in the Vietnamese context.

2. Triangular Issues in Multimedia Design

2.1 Characteristics of the potential users

The first, fundamental issue needs to be taken into account when, or in fact before, designing multimedia language courseware is an understanding of the characteristics of the potential users. As far as the learners' variables are concerned, "knowledge of the learners' age, sex, physical abilities, education, cultural or ethnic background, training, motivation, goals, and personality, computing experience and so on" (Levy, 1999:91) should be considered. There is no doubt that the better we know the needs and characteristics of the users, the better we can make the design. Wherever possible, to ensure that their needs are met, learners need to be involved in the design process. The designer should also be sensitive to factors that emerge as a consequence of individual learner characteristics. As the chart in Figure 2 suggests, the knowledge of the target group is of extreme importance.

Table 1 illustrates an overview of the intended users of a future multimedia courseware program at the College of Foreign Languages, UD. It can be spotted from the table that the greatest advantage of this group of users is the age range. Learners of this age span can be considered active and dynamic. They are neither too old nor too young not to be able to adapt to a new learning environment. However, three matters need to be highlighted are gender, cultural background and computing experiences. Multimedia courseware designers in this context are advised to keep in mind that 65% of the learners are from the countryside where people have limited access to computers and the Internet. This factor leads to the clear consequence shown in the table that 70% of the users have very limited knowledge of using computers.

Besides, it would be a useful approach to conduct a survey about learners' attitudes and aptitudes (Bernat & Lloyd, 2007) to CALL before the actual application of any innovated multimedia courseware into the existing curriculum. Perhaps circulating a computer attitude questionnaire at the beginning of the course would be a good way to attain a

better understanding of these users. In addition, providing an adequate computer orientation would help these students have a better expertise in using computers in language learning.

2.2 Courseware content

Second, the knowledge of the potential users of the particular multimedia courseware means very much to the selection of **content**, which is, according to Colpaert (2004), the main challenge for developers of language courseware. Apart from being correct, authentic and accurate, the content should be as right and proper to the intended users as possible and should engage the learner in meaningful tasks. In order to attain this, the first thing the designer should pay attention is themes or topics. The selected topics should be appropriate to the users' preferences and interests. Next comes the language difficulty. Factors such as concreteness and length of the material play a pivotal role in determining language difficulty. For example, based on the data in the table 1, the course is intended for pre-intermediate English learners and thus the degree of language difficulty is at medium level. The themes chosen are those that should be familiar to these young adult learners. The course should deal with concrete items and try to avoid abstract themes, which would not be suitable for pre-intermediate apprentices. Additionally, text length needs to be measured in the sense that the "text is read more slowly and comprehension is lower when it is read from the computer screen rather than from print-based media" (Hannafin & Hooper, 1989:159). Finally, due to the common textual learning style of Vietnamese learners of English and limited contact with target language speakers, listening and speaking should be regarded as the most challenging macro skills in comparison with the other two skills (reading and writing). Hence, more workload should be put on these two skills than the others and the speed of the spoken part must be below normal.

Another point to make about the issue of content is that language courseware requires a vast amount of rich and varied material. In his doctoral dissertation, Colpaert (2004) mentions that the amount of content needed in present language courseware is generally underestimated. An overview of the language learning CD-ROM "Issues in English" (Kaufman, & Westwood, 1996) will give us an idea of how limited the amount of content is in the particular language courseware. Though carefully designed in terms of technology (using Asymetrix ToolBook Instructor software), the CD-ROM still needs much more material to satisfy the learners' need of as much comprehensible input as suggested by Second Language Acquisition theory (Krashen, 1982). On the other hand, a tour through the other courseware called "Multimedia Little Brown Handbook" (Fowler & Aaron, 2002) presents us a different view about how much information a courseware program can offer. Though "little" is included in the title, the CD-ROM is not little at all. It contains a huge heap of material on language learning. The feeling one may have after taking the tour throughout this CD-ROM is that the resource provided in this program is endless. This similar feeling can be experienced with other Web-based courseware, such as Easton's Materials for English Learning <http://eleaston.com/>, Dave's ESL Cafe <http://eslcafe.com/> and Randall's ESL Cyber Listening Lab <http://esl-lab.com/>.

2.3 Screen design

Finally, after the potential users have been clarified and the material has been selected, how to present the content on the computer screen is another crucial issue. Technically, **screen design** (Smidt & Hegelheimer, 2004) should be taken into consideration and this is the last issue in this discussion. Research proves that effective screen design causes potential learners to develop and maintain interest in lesson content, promotes the engagement of the learner with the material, and facilitates deep processing of important information (Stemler, 1997 and Hannafin & Hooper, 1989). In other words, well-designed screens focus learners' attention, help students find and organize information, and support easy navigation through lessons. To demonstrate, Churchill House School of English Language Web-based learning environment can be evaluated as excellent in terms of fabulous content and attractive screen design <http://www.churchillhouse.com>.

In fact, screen design is the large issue that covers such micro factors as presentation of text, graphics, sound, movie and the use of colour. Presentation on screens should visually stimulate, be easy to read, and exhibit no annoying or distracting features (Richards, 2005). It is recommended to use the number-three principle. For example, no more three types and sizes of fonts should be presented per screen. Also, highlighting of text with colours and flashes helps to control selective perception and focus attention on identified information. However, too many colours and flashes can be distracting and make texts difficult to read. Along with texts, graphics should also be used to present information. In fact, both ought to be applied in multimedia software, especially for difficult topics with beginning learners. Furthermore, a multimedia language-learning program will hardly be complete without audio and video elements as sound and movie have obvious advantages for presenting materials to young learners, particularly those Vietnamese learners of English with limited contact with English speakers previously mentioned.

In a word, one of the merits that multimedia technology brings about is the possibility to combine various presenting styles into one particular product, which then has significant impacts on the selection of the content and the motivation of the learners. It is required that the designer make use of this facility to *systematically, easy-accessibly and artfully* arrange as much suitable material as possible on the computer screen. Obviously, the more user-friendly the program is, the more efficiently the users can learn.

3. Conclusion

In summary, the three interrelated issues presented in this short essay, though not the only ones since there are many other issues with regard to multimedia language courseware design in the literature, are complement to each other. In order to be successful in developing multimedia courseware, the designer is advised to master this triangle, which is also my accumulated knowledge and preparation for the design of a future courseware program for the students of English at the University of Danang, Vietnam.

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Table 1. Intended Vietnamese users of multimedia language courseware at UD

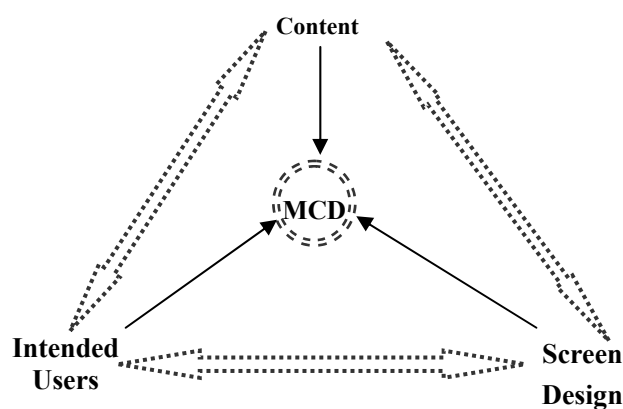| Intended users	Second-year students of English
Age	17-20
Sex	Female: 80%
	Male: 20%
General Education	High school diploma
Cultural background	City: 35%
	Country: 65%
Language level	Pre-intermediate
Computing experiences	Novice: 70%
	Intermediate: 20%
	Advanced: 10%

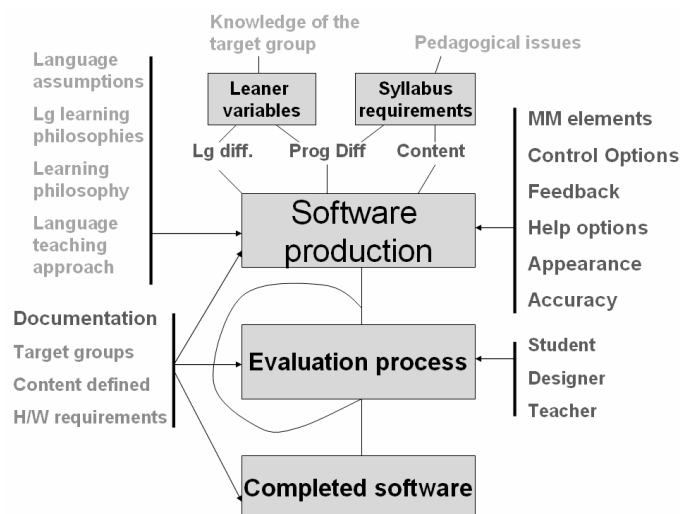Figure 1. The Triangular Issues in Multimedia Courseware Design (MCD)

Figure 2. Process of Multimedia CALL Design

On Grammatical Differences

Between Daily British and American English

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Abstract

The grammatical differences between daily British English and American English are mainly in terms of the usage of prepositions, auxiliary verbs, articles, pronouns, adjectives and adverbs, and tense and subjunctive mood. These differences exert influence on English learning and interpersonal communication. This paper tries to illustrate the differences of grammar between British and American daily English based on the authors' teaching experience and learning experience in the UK. By comparison, English learners would understand more about the differences and be more effective while communicating with the people from the US and the UK.

Keywords: American English (AmE), British English (BrE), Grammatical differences

1. Introduction

English originates from England and belongs to Germanic of Indo-European family. Under the influence of culture of various countries and regions, English can be categorized into British English, American English, Australian English, New Zealand English, Canadian English, Indian English, Irish English, etc. However, at present, American English (AmE) and British English (BrE) are most commonly used. American English and British English are similar in most of aspects. Nevertheless, there are differences between American English and British English in aspects of word spelling, pronunciation and grammar. The differences are mainly shown in the usage of prepositions, auxiliary verbs, articles, pronouns, adjectives and adverbs, and tense and subjunctive mood. The differences include: (1) sometimes, British English and American English will adopt different grammars to express the same meaning; (2) sometimes, the same grammar expresses different meanings in British English and American English; (3) in some structures, either American English or British English will use integrated grammatical structure, while the other adopts omitted form; (4) sometimes, American English and British English use the same grammatical form to express the same meaning. However, one of them may use another form to express the meaning while the other does not have such form. In China, traditional teaching materials on English grammar adopt the rules of British English. But American English is more widely used in international level, which confuses those English learners who have not been systematically trained and results in "mixed" English. Although the difference between British English and American English is not that huge, the improper use of English will still make foolish figure or cause troubles.

A British woman got acquainted with an American woman during her visit in the US. One day, whey they are visiting places of interests, the British woman says, "Let's have a rest. I'm already knocked up". The American woman responds that, "My heartiest congratulation." Hearing this, the British woman becomes a little angry and asks, "Why do you say that?" It is the phrase "knock up" that brings the confusion. In the UK, "knock up" means "tired very much", while in the US, this phrase means "pregnant". The phrase is the same; however, the phrase expresses different meanings in different countries and brings about misunderstanding.

British English and American English are different from each other in word spelling, idioms, number expression and etc. Even, in British and American English, the same word will express different concepts or the same concept is expressed with different words. We should summarize those differences and distinguish them so as to avoid the unnecessary troubles.

2. Grammatical differences between daily British and American English

2.1 Differences in verbs

2.1.1 In British English, the past tense of "get' is "got", while American English usually use its past participle "gotten". For example,

A. John has got much better during the last week. (BrE)

B. John has gotten much better during the last week. (AmE)

According to the custom that British English usually uses "got" while American English "gotten", we can quickly tell the nationality of the speaker. The former is British and the later is American. When Americans use "got", they mean "own, possess and dominate", such as the following two examples:

They've got no pride.

I've got plenty of material if I can just handle it.

2.1.2 Another example is "have". British English usually uses "Have you any children?" or "Have you got any children?" whilst Americans commonly express the same meaning with "Do you have any children?"

Let us see some other examples.

How many brothers do you have? (AmE)

How many brothers have you? (BrE)

You don't have much room here. (AmE)

You haven't (got) much room here. (BrE)

2.2 Differences in prepositions

Differences between British and American English in prepositions are shown in the following two aspects: (1) different use of prepositions in the construction of phrases; (2) when using phrases, one will use a preposition while the other will omit it.

2.2.1 Let us first review the different use of prepositions.

Your daughter's name stands first in the list. (BrE)

Your daughter's name stands first on the list. (AmE)

These dresses are in a sale. (BrE)

These dresses are on sale. (AmE)

He will come here at a quarter to three. (BrE, AmE)

He will come here at a quarter before /of / till three. (AmE)

Similarly, "five past nine" can be expressed in American English by "five after nine" or "nine five". In front of "weekend" and "Christmas", British English uses "at" or "over", while American English adopts "over" or "on".

At the weekend / Christmas (BrE)

Over the weekend / Christmas (BrE, AmE)

On the weekend / Christmas (AmE)

2.2.2 Omitting preposition

In British English, before "day", "week" or "certain day", preposition "on" shall be used, while it is not so in American English.

The new term begins on September 1. (BrE)

The new term begins September 1. (AmE)

I'll see you on Monday. (BrE)

I'll see you Monday. (AmE)

In American English, when "home" is used as an adverb, the preposition "at" is not needed. But, in British English, "at" is required before "home". Hence, "at home" is used in British English.

Is he home? (AmE)

Is he at home? (BrE)

2.3 Differences in tense

There are differences in the use of tense in British and American English. When expressing the event that just happened,

British English usually uses past perfect tense, such as "I've just seen your brother" and "I've already eaten." However, American English adopts past tense, such as "I just saw your brother" and "I already ate." Let us have a look at other examples:

Now I know what it is! I've forgotten my husband. (BrE)

Now I know what it is! I forgot my husband. (AmE)

It's been a long time since we met last. (BrE)

It is a long time since we met last. (AmE)

He went home after he had finished his work. (BrE)

He went home after he finished his work. (AmE)

2.4 Differences in use of subjunctive mood

In subjunctive mood, American English will reserve traditional subjunctive words.

I suggest that meeting should be postponed. (AmE)

I suggest that meeting be postponed. (BrE)

I wish I would have done it. (AmE)

I wish I had done it. (BrE)

However, British English will include "should" in subordinate clause in non-formal and non-law English.

If I would have seen one, I would have bought it for you. (AmE)

If I had seen one, I would have bought it for you. (BrE)

I insist that you go. (AmE)

I insist that you should go. (BrE)

2.5 Differences in use of nouns

2.5.1 Differences in forms

BrE	AmE
Candidature	Candidacy
centenary	centennial
cookery (book)	cook (book)
racialist, racialism	racist, racism
Sparking plug	Spark plug
transport	transportation

2.5.2 Same word, different meanings

The same word expresses different meanings in British and American English. Generally speaking, there are two types. The first one is to add meanings. When Americans want to express a new thing or object, it seems to them that the most convenient method is to add a new meaning to one existing word. For example:

"Clout" refers to power, influence or prestige, esp. in politics

"Family" means one of the operational units of the Mafia

"Point" indicates a charge of fee discounted by lender from a loan, by which the effective interest rate if increased.

The other is to change the meaning. Many words that originate from the UK now possess a totally different meaning in the US.

Word	AmE	BrE
Bill	Bank note	A demand for payment of a debt
Billion	A thousand million	A million million
Guy	Fellow, any person	A ridiculous figure
Pressman	An operator of a printing office	A newspaper man
Public school	A municipal-run school	A private school

2.5.3 Same meaning, different words

When expressing certain object, thing or concept, British and American English will adopt different words.

AmE	BrE
Bar	Public house, pub
Can (as a can of soup)	Tin
Candy	Sweets
Cookie	Sweet biscuit, small cake
Cracker	Biscuit (dry)
Long distance call	Trunk call
Package	Parcel
Intersection	Junction, crossroads
Railroad	Railway
Subway	Tube, underground
Superhighway, speedway	Motorway

2.6 Differences in articles

2.6.1 The omitting of articles

Most phrases of British English have articles, while those of American English do not have. The "the" in the standard expressions in British English "all the afternoon", "all the winter", "all the week", "this time of the year", ect. are usually omitted in American English. For example:

The swimming pools are open all summer.

I'll be here all afternoon.

He has been gone all week.

British English will use articles in front of "sickness", "river" and etc., while American English does not. For example, British English expresses in the form of "the measles", "the mumps", "the flu", "the Niagara Falls" and "the Black Creek", while American English says "measles", "mumps", "flu", "Niagara Falls" and "Black Creek".

However, there are exceptions. In some expressions, British English does not use articles, while American English does.

BrE	AmE
Go into hospital	Go into the hospital
In hospital	In the hospital
At university	At the university

Sentences are as follows:

Next day, the rain began. (BrE)

The next day, the rain began. (AmE)

In future, I'd like you to pay more attention to detail. (BrE)

In the future, I'd like you to pay more attention to detail. (AmE)

2.6.2 The position of articles

British English and American English are different from each other in the use of "a" or "an" with "half". In British English, "a" follows "half", for example, "half a dozen", "half an hour", "half a mile", and "half a pound". In American English, "a" is put in front of "half", for example, "a half dozen", "a half hour", "a half mile" and "a half pound".

2.7 Differences in pronouns

British English and American English use different pronouns to repeat the indefinite pronoun "one". British English uses "one", for example, "One cannot succeed unless one tries hard", while American English uses "he", for example, "One cannot succeed unless he tries hard".

Other examples are as follows:

One should learn to take care of oneself. (BrE)

One should learn to take care of himself. (AmE)

One can't be too careful, can one? (BrE)

One can't be too careful, can he? (AmE)

2.8 Differences in adjectives and adverbs

2.8.1 In non-formal American English, adjectives can be used as adverbs, for example "a real good meal". However, in British English and formal American English, only adverbs can be used, "a really good meal".

2.8.2 In American English, adverbs can be used more freely in respect of position. They can either be placed in front of auxiliary verbs or behind them, while the meaning of the sentences remains the same. For example, we can either say "They never will agree to it" or "They well never agree to it". For another example, "You probably could have done it yourself" means the same as "You could probably have done it yourself". However, in British English, adverbs are usually placed behind the first auxiliary verb. For example:

They will never agree to it.

You could always have called us first.

2.8.3 In British English, the adverbs "yet" and "already" can not be used in past tense and can only be used in past perfect tense. However, in American English, they can be used both in past tense and past perfect tense. Let us see the following examples.

I haven't bought one yet. (BrE, AmE)

I didn't buy one yet. (AmE)

Have you read it already? (BrE, AmE)

Did you read it already? (AmE)

To put it simply, we can summarize the grammatical differences between British and American daily English as follows:

(1) Sometimes, British and American English use different grammatical form to express the same meaning;

(2) Sometimes, the same grammatical form expresses different meanings in British and American English;

(3) In some structures, either British English or American English will use integrated grammatical form, while the other adopts the omitted form;

(4) Sometimes, American and British English use the same grammatical form to express the same concept and meaning. However, one of them may have another expression form, while the one does not. We could only avoid misunderstanding by attaching attention to those differences in our learning.

3. Conclusion

Although there are many differences in detailed aspects in the use of daily British and American English, they are similar to each other in most of aspects. Therefore, they shall only be considered as different forms of the same language rather than two different languages. In addition, we cannot say which one is better or advanced. Any judgment or opinion that "British English is better or worse than American English" is biased.

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Inspiration and Reference from Japanese

Logistics Park's Construction and Development

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Abstract

Japan, as one of the most developed country in logistics field in the world, has developed its logistics parks earlier. This paper takes Japan's logistics park as the subject in research. By analyzing Japan's experiences of developing logistics parks, this paper tempts to find out problems in China's logistics parks and put forward suggestions for further development and construction.

Keywords: Logistics parks in developed countries, Construction, Reference

Logistics parks refer to city logistics functional regions that focus on logistics' organization and management. They aim at providing with services for economic development. At the same time, they are economic functional regions in which relevant logistics facilities can help to decrease costs of logistics, improve efficiency of logistics operation, and perfect products' circulation and process and the purchase of raw materials.

The concept of logistics parks have been introduced into China since several years ago. The insufficiency of theories and practices serves as the main barrier in the development of China's logistics parks. Under this background, to research developed countries' experiences of developing logistics parks is meaningful for China's logistics parks' development, which is also an effective way to find out a development mode that is right for China. Japan is one of countries that possess mature logistics in the world. Many domestic scholars in China praise highly for Japan's experiences in developing logistics parks.

1. Japan's experiences in developing and constructing logistics praks

Japan is the first country that has advanced the concept of logistics parks and has developed logistics parks (also be named as logistics regions). Since 1965, Japanese government has begun to build up four logistics parks respectively in Kasai (the east of Tokyo), Hoping Island (the south of Tokyo), Oshima (the west of Tokyo), and Adachi (the north of Tokyo). Today, Japan has already built up more than twenty large scale logistics parks in twenty-two cities. Japan has the most developed logistics in the world. According to relevant materials issued by International Logistics Expo 2000, in 1999 the social logistics costs account for 9.6 percent of GDP in Japan that is less than America's 10.7 percent at the same period.

1.1 Focus on the rationalization of urban logistics

For logistics parks in Japan, the most important associated element is the city's construction and development. Perhaps it is because of the small area and the graver urbanization issue in Japan, Japan is the first country that has made up regulations for logistics parks. Since late 60s, Japan has begun to plan and develop logistics parks. As one of earliest countries that began to develop logistics parks, Japan has its background. In Japan, most logistics parks are around big cities or near transportation hinge. And Japan's logistics parks focus on the rationalization of urban logistics, what is different from that in Germany. Logistics parks contribute a lot to Japan's highly-developed physical distribution industry. Logistics parks exert their powerful function of distribution by serving cities. The Hanshin logistics park built in 1991 is a highly-collectivized association combined by 64 enterprises. Take Tokyo for example, the four logistics parks respectively located in eastern, southern, western, and northern Tokyo block off other logistics. These four logistics parks combine with other logistics knots to form an effective urban logistics net by urban transportation lines, providing with logistics services for the city. Meanwhile, the four logistics parks connect with other transportation lines and form a unified region with other logistics parks or even a national logistics net. By means of bi-line-haul and short-line transportation, logistics parks can help to form a highly-effective national transportation system, which

becomes the main artery of Japanese economy. Practices prove that logistics parks exert positive effects on the development of Japan's logistics t, especially on the development of urban distribution.

1.2 Government drives the construction of logistics parks.

The construction of logistics parks is driven by Japanese government. The Japanese government plays an important role in the construction of logistics parks. Japanese government regards the development of modern logistics as an important way to improve the comprehensive national power. Therefore, the government lays more stresses on its macro control and the effect.

(1) Emphasize on planning

By framing the development planning of logistics parks and the equipped urban programming, the government chooses right places, such as the edge of city, the out of inner lines, and the main lines between cities, that are ready for equipped facilities for the construction of logistics parks.

(2) Make up relevant favorable policies and encourage the development of modern logistics industry.

In the aspects of perfecting roads and facilities, improving urban river transportation, reducing urban road blocks, and developing associated-transportation, Japanese government has issued a series of feasible encouragement policies, such as reducing regulations, constructing official coordination institutions, and supplying for official assistance. In the construction of logistics parks, Japanese government usually sales lands to development groups at lower prices and then many private groups build up practical logistics parks by loaning from banks. For example, firstly the government sales lands to logistics associations. Then, associations realize financing from members by means of stocks. These collected capitals will be used for buying lands and constructing logistics facilities. Besides, the government may provide with low-interest loans for the construction. Considering these facts that the construction of logistics parks needs for a great number of capitals, the return of profits needs for a long period, and the social effect is significant, especially for the improvement of urban transportation and city function, the government asks banks to provide with long-term low-interest (in the construction of Hoping Island logistics park, the interest is 30 percent of the normal) or non-interest (Yokoso logistics park) loans for the construction.

(3) The government invests in more capitals to expedite the construction of logistics parks.

In 1997, Japan constituted the Administration Outline for Comprehensive Logistics, providing with powerful capital support for main logistics infrastructure, including railways, roads, airports, ports, and center bases. For example, the largest and newest comprehensive logistics center in Japan, the Hoping Island commodity center consumers 57.2 billion Japanese Yen in construction. Thereof, 70 percent is from the central finance, 20 percent the Tokyo local finance, and 10 percent the enterprises. Besides, in the planned logistics parks, the government drives the construction of equipped transportation and urban infrastructure, attracting more logistics enterprises to enter the parks. Meanwhile, the increasing prices of lands and values of real estates in logistics parks give more return to investors.

Today, Japan has already possessed a great systematic logistics system in the whole country. Expressway covers all over the four islands in Japan. New lines penetrate into Honshu, Kyushu in the south, and Hokkaido in the north. All islands are connected by trans-ocean bridges and sub-sea tunnels. Numerous periodical flights shuttle in offing. Information net covers all corners of Japan. The 86-88 (2 new logistics parks come into being because of growth of economic gross) logistics parks, sorts of distribution centers and logistics centers, and circled allocation paths serve as the foundation of logistics system. Plus the advanced electronic commerce, the logistics efficiency of Japan surpasses that of Europe and America, being the No.1 in the world.

2. The problems in the development of China's logistics parks

Comparing with Japan's mature logistics parks, China's logistics parks have many shortcomings and disadvantages in development and construction. Main problems include these aspects as follow.

2.1 The motivation of constructing logistics parks is improper.

The improperness of motivation includes two aspects, namely the local governments and the logistics parks' operators. On one hand, in the transformation from traditional transportation to modern market logistics, the government can not understand the local industry structure, the infrastructure facilities, and the logistics' supply and demand from a macro angle. Then, the local government can not make up a scientific planning for logistics' comprehensive development. But the government still chooses to approval and start the logistics park project merely in order to pursue for administrative achievements. On the other hand, some logistics park operators meet the local government's political direction and take advantages over the favorable policies in lands, administration, and taxes provided by local government by investing in the construction of logistics parks. However, their real intention is to save lands, develop real estate and commercial projects instead of operating logistics parks, since there is no need for logistics. Driven by this motivation, logistics parks confront with lots of serious problems, such as repetitive construction, super-scale construction, rise of land prices, and increase of business costs, that block the normal development of logistics parks.

2.2 The irrationality of logistics parks' allocation and scale

At present, China's logistics parks centers in seaside cities where economy develops well, but less in the middle and the west. There is only one logistics park in Sinkiang, and none in Tibet. This allocation causes such a result that there is a contradiction between the surplus of logistics parks in the east and the shortage of logistics parks in the west. The transportation of agricultural and industrial raw materials from the west to the east faces up with difficulties and high costs.

Too much logistics parks and their large sizes would lead to or has already led to the surplus problem of logistics parks. The number of logistics parks per one-hundred-million GDP (number of logistics parks / total GDP) indicates that the logistics parks are too much in China. The number in Japan is 0.0018, almost five times of the number in China, 0.0077. Besides, the size of one logistics park in China is too large. Nearly 50 percent of logistics parks are larger than 1 million square meters. Thereof, 20 percent of logistics parks are larger than 5 million square meters. In contrast, the logistics parks in foreign countries that operate with high efficiency are far too smaller. Their throughputs are higher than that of China's logistics parks although their areas are smaller. The large quantity and size of logistics parks are one of main reasons that cause the issue of unused logistics parks in China.

2.3 Some logistics parks do not possess clear target positioning, being kind of blindness.

Most logistics parks completed or in construction are short of clear target positioning. No carefully planning for their market positioning, industrial positioning, functional positioning, service target positioning, and operators' business policies before the construction. Although many logistics parks aim at constructing "the largest modern logistics distribution centers in the region that affect the whole country and even the world greatly", planners do not know who the logistics would serve, what the services are, what the needs of potential service targets are, and the development scale of logistics parks. In fact, some logistics parks do not make sufficient preparation for their construction in prophase planning, market research and analysis. As a result, many logistics parks do not have clear positioning in functions and target customers.

2.4 The logistics parks' operation is imperfect.

Most domestic logistics parks merely provides with services in renting warehouses and logistics equipments, what is similar to traditional storage industry. These kinds of services can not meet the differentiated needs of customers. Because of out-of-date equipments and facilities, low qualities of employees, and poor information degree, logistics parks can not provide with high value-added services for trans-national companies, causing the imbalance of service supply and demand.

3. The policy suggestions for constructing China's logistics parks

A series of problems in logistics parks' development in China indicate the shortage of theories and practices in China. Therefore, as we seek for resolutions for these problems, we can take reference from Japan's successful experiences, putting forward suggestions for rationally constructing logistics parks.

3.1 Make the government exert its macro adjustment and coordination effect fully

At present, China, as a developing country, does not have developed economy and mature distribution center. Logistics parks in China do not possess advantages that effectively attract logistics enterprises. Therefore, the government's encouragement and push are useful and meaningful. Meanwhile, only when the government provides with support for the development of logistics parks by means of macro adjustment, can logistics parks gain further development. The logistics parks can drive the development of China's logistics industry, which can not only create great economic benefits but also generate potential social effect. Since it can benefit both the nation and the public, the government should not shirk the responsibility of being the advocator and the pusher. The government should do what the enterprises want to do but can not do, coordinating the relationships between official sectors, corporate branches, government and enterprises, trying to solve some practical problems for enterprises, exerting its advantages in leadership and coordination, providing with a nice environment for the development of logistics parks.

3.2 Rational arrangement and scientific planning

The goal of logistics parks' planning design is to satisfy the logistics needs at different levels, integrating present logistics resources in space effectively, achieving the maximization of logistics' social, economic, and ecological effect. Logistics parks' planning should be in accord with the city's overall outlay, the urban industries' space arrangement and structural adjustment, the commodity, especially the dangerous goods' urban management long-term effect, and the city's function positioning and development strategy. It is necessary to make an overall planning in general. Logistics parks' planning is a systematic project. Logistics concerns a large scope, covers a wide area, and have complex procedures. Its success depends on the coordination of relevant parts.

3.3 Make up encouragement policies and attract more enterprises

As a new form of modern logistics, it is necessary to provide with support and encouragement by favorable policies,

such as land policies, finance and tax policies, industrial and commercial policies, residence policies, industrial adjustment and directive policies, and policies that reward the lead enterprises, at its initial stage. However, China does not possess developed economy at present. The market mechanism is imperfect. The logistics market is immature. The quantity of logistics enterprises is large but the size is small. Therefore, it is hard to form an integrated investment in logistics parks merely by depending on market mechanism or enterprises themselves, what will block the development of modern logistics in China. As a fundamental industry that aims at decreasing total social costs, the government should provide with support in both policies and capitals, and shoulder the responsibility of constructing necessary infrastructure, creating a nice basic condition for attracting logistics enterprises.

3.4 Enhance the construction of transportation facilities in logistics parks

Transportation infrastructure directly concerns the further development of logistics parks. Amounts of logistics enterprises live in logistics parks. Thousands of vehicles came in and out the logistics parks everyday. Therefore, the transportation infrastructure nearby should meet this needs. Without proper planning, the logistics parks will bring about heavy burden for transportation. So, it is the government's great task to enhance the construction of transportation infrastructure and improve the transportation condition in logistics parks.

Here we should notice that the reference should be controlled under certain degree. Blind copy will generate risks inevitably. We should seek for the right form considering China's general conditions and local conditions.

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Personality as Relational Resource in Persuasion Settings

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Abstract

The current study aims to show that, like speech acts, personality is also a social resource, the latter predisposes people to relate to each other in a preferential manner. Fifty-eight participants engaged in dyadic interactions in which they were required to defend their point of view. The translated version of the NEO-FFI was used to measure personality dimensions (McCrae, Costa & Yik, 1996), and the Verbal Response Mode (Stiles, 1992) was used for the coding of verbal behavior. The results show that people who have a high level of neuroticism handle their interpersonal relationships in a reflective manner by concealing their own opinions and focusing on the arguments of other people. The same people prefer to communicate by "mirroring" other people's utterances, irrespective of the role that was given to them in the study. The findings add to the body of knowledge on interpersonal dimensions and their relations with personality.

Keywords: Five Factor Model, Neuroticism, Speech acts, Relational resource, Persuasion

1. Introduction

The general finding to emerge in small group research is that verbal behaviors discriminate clearly and quantitatively among roles, relationships, and verbal tasks (Cansler & Stiles, 1981; Hinkle, Stiles & Taylor, 1988; McGaughey & Stiles, 1983; Ng & Bradac, 1993; Stiles, Putnam, James & Wolf, 1979; Stiles, Waszak & Barton, 1979). Despite the weight of this evidence, Stiles (1992) suggested verbal variations within roles (or task or type of relationship) may exist and it is of interest to investigators whom study individual differences in speech usage. The implication is that two people in the same situation choose different ways to express themselves as a reflection of their cognitive process. For instance, the use of words related to insights and causations are indicative of one's change of cognitive activities as well as physical health & adaptive behaviors (Pennebaker, 1997; Pennebaker, Mayne, & Francis, 1997). These ideas are not new to personality psychologists because the literature argued that personality traits play an influential role in language usage or verbal behavior (Eysenck, 1986; Furnham, 1990; Goldberg, 1982; Lieberman & Rosenthal, 2001; Scherer and Giles, 1979). Scherer and Giles (1979) suggested that a subset of extraversion (impulsivity and sociability) and neuroticism (anxiety and obsession) may be related to linguistic and paralinguistic cues. Shavitt, Lowry, and Han (1992) reported that high self-monitors are known to operate on mimicking others' behavior as a way to establish affiliation and rapport (Cheng & Chartrand, 2003).

When people do not agree in controversial issues, there are individual differences in the way they approach it. Some prefer to assert their point of view while others choose to avoid any form of conflicts at all costs. Infante and Rancer (1982) conceptualized arguementativeness as the extent of an individual to advocate positions on controversial issues and to attack verbally the positions of others. The individual who is more argumentative is predisposed to feel a sense of intellectual excitement and anticipation. They take pleasure in advocating their views against those who disagree with theirs. They seldom avoid the opportunity to argue and perceive every opportunity as a challenge and forms of recreation or amusement. A feeling of accomplishment is often reported when the argument is won. Conceptually, argumentativeness is different from other constructs such as verbal aggressiveness and communication apprehension (McCrosky, 1977). People high on verbal aggressiveness enjoy attacking their interlocutor rather than the issue on hand. They tend to steer away from the topic of the argument or the issue concern and personally derogate the interlocutor.

The person high in verbal aggressiveness is motivated to demonstrate personal superiority, to establish dominance, or to vent out aggressive strain. Communication apprehension, on the other hand, comes about from actual or anticipatory communication situations which lead to fear or anxiety.

Recently, Mehl, Gosling, & Pennebaker (2006) used the electronically activated recorder (EAR) and reported consistent behaviors for various Big-five traits. The EAR records 30-seconds segments every 12 minutes during the trackers' living habits in natural settings. The recorded segments represented less than 5% of the trackers' activities. The results showed that extraverts talked more than introvert and engage in more social interactions. Introverts spent more time alone. Individuals high on the scale of agreeableness are more able to symphonize and swears less. They also used more first person singular pronouns (e.g., I, me, my) to convey personal rapport. Conscientious worked more and spend less in places such as restaurants, bars, or coffee shops. Neurotics argued less and uttered less word than the more emotionally stable. Finally, those open to new experience use more third person pronouns and past tense verbs. They spend more time in restaurants, bars, or coffee shops.

Empirical evidence shows this line of research is promising (Dewaele & Furnham, 1999, 2000; Gottschalk, 1992; Gottschalk & Bechtel, 1982; Gottschalk & Gleser, 1969; Gottschalk, Gleser, & Hambidge, 1957; Hill, 1996; Isbister & Nass, 2000; Jung, 1971; Lilley & Wilkinson, 1983; Nelson & Groman, 1975; Pennebaker & King, 1999; Pennebaker & Lay, 2002; Pincus, Gurtman, & Ruiz, 1998). The problem, as it has always been, is the identification of particular personality variable with corresponding verbal behavior (particularly the form of behavior).

Leary's (1957) initial work on the interpersonal dimension of personality suggested that people differ from each other in the way they *do things to one another*. Subsequent developments are better known as the circumplex model (Wiggin, 1997), which organizes interpersonal relations along two orthogonal axes (dominance and nurturance). Interpersonal dimensions, such as ambitiousness, dominance, arrogance, calculation, coldness, being quarrelsome, aloofness, introversion, laziness, submissiveness, unassumingness, ingenuousness, warmth, agreeability, gregariousness, and extroversion differ according to their degree of dominance and nurturance (Wiggin, 1997).

The purpose of the current study is to explore whether individual difference is also reflected in the way people *say things to one another*. In other words, I question whether people who communicate in a similar way are also very much alike in terms of personality dimensions. In particular, the Five-Factor-Model (aka: Big-5) by Costa and McCrae (1985) will be used instead of the circumplex model. The current study aims to illustrate the extent predispositions influence preferential or strategic ways of persuasion.

There are two apparent benefits when the above purposes are achieved. First, this would contribute to the pile of evidence supporting interdisciplinary researches on the two theories of social behavior. Further, we will be in a stronger position to construe or propose personality as a *social resource* given that speech act theorists have long advocate speech act as a social resource. Second, we can use the functional aspect of speech acts theory to bridge the gap between personality and verbal behavior, and speculate *why people say the things they say*. This comes from a stream of researches that discuss the pragmatic nature of verbal behavior. Austin (1975) describes, verbal utterance has the ability to perform and accomplish a motivated goal (e.g., persuasion, manipulation, expression, assertion, command, interrogation). That is, it is not mere descriptions of states of affairs but it serves or drives a purpose.

1.1 The interactive nature of personality and verbal behavior

There are also other good grounds to advocate linkage between personality trait and verbal behavior. In psychology, numerous scholars have proposed that personality is a resource, which people use to cope and interact with the social environment (Buss, 1999; Hogan, 1998; MacDonald, 1995; Malloy & Kenny, 1986; Wilson, Near & Miller, 1996). Daly (1986) advocated a similar position by stating that individual differences in communication skills and preferences are intertwined. Eysenck (1986) suggested extraversion, neuroticism, and psychoticism "embody the three ways in which people can interact" (p. 137). Empirically, studies have reported the effects of communication apprehension on talkativeness (Daly & Stafford, 1984); neuroticism and apprehension (Kelly & Keaten, 2000); and psychoticism and verbal aggressiveness (Heisel, France, & Beatty, 2003). Other evidence that indirectly supports the interactive nature of personality reported "extraversion" is related to oral communication (Busch, 1982; Carell, Prince & Astika, 1996; Dewaele & Furnham, 2000; Ehrman & Oxford, 1995; Thorne, 1987). This extents to Internet based correspondences where higher levels of extraversion is associated with preference for adjectives, while lower levels of neuroticism is associated with preference for adverbs (Oberlander & Gill, 2006). Further, people high on the agreeableness dimension accounted for more variability in the extent to which they interact with their readers (Nowson, Oberlander, & Gill, 2005).

It was found that introverted and extroverted dyads differed across numerous measures of conversational content and style (Thorne, 1987). Introverts and extraverts (measured by the Myers-Briggs Type Indicator) in mixed and matched dyads were subjected to experimental conditions and their conversations analyzed. Thorne found introverts with introverts engaged in focused problem talk, whereas extroverts with extroverts showed a wider range of topics and more

claims of common ground. Niederhoffer and Pennebaker (2002) reported similar coordination or synchronization of interactions between members of the dyad. They identified this as linguistic style matching which include one person co-varying their use of words with those of the other person. It is also indicative of both conversational engagement and dominance. Pennebaker and King (1999) reported on the association between various linguistic markers and individual differences variables such as need-for-achievement, -affiliation and -power (as measured by the thematic apperception test; Morgan & Murray, 1935). For instance, need-for-achievement was negatively correlated with immediacy, which included first-person singular (e.g., *I, my, me*), articles (e.g., *a, an, the)*, and discrepancies (e.g., *should, would, could*). Need-for-affiliation was negatively correlated with social-past, which included past tense (e.g., *walked, were, had*) and social (e.g., *talk, listen, buddy, group*) and making-distinctions, which included exclusive (e.g., *but, except, without*), tentativity (e.g., *maybe, perhaps, guess*), negations (e.g., *no, never, not*), and inclusive (e.g., *with, and, include*).

Neuroticism, extroversion, openness, agreeableness and conscientiousness (as measured by the five-factor-model; John, Donohue & Kentle, 1991). Pennebaker and King (1999) suggested the more immediate and simple people's writing, the lower they rate themselves on openness. Neuroticism is positively related to negative emotion words (e.g., *nervous, hate, grief*) and extroversion positively related to positive emotion words (e.g., *pretty, joy, nice, pride*) as well as words that refer to others. Dewaele and Furnham (2000) compared linguistic markers between extraverts and introverts in formal and informal setting. Linguistic markers, such as implicit speech style (that is, the use of deictic reference such as pronouns, adverbs, and verbs) and speech rates are both positively and significantly related to extroversion in both formal and informal situations. Lexical richness (or richer vocabulary) and semantic errors (words that were superficially right but that did not fit in the context) are related to introversion only in a formal situation. The prevalence of "err" (a hesitation marker) is high for those who are introvert, but only in a formal situation. In an informal situation, only introverts exhibit longer length utterances.

When subjects were asked to code verbal behaviors in terms of Searles' (1969) speech act categories, their outcome corresponds to various dimensions of interpersonal behaviors (D'Andrade & Wish, 1985). The results showed the dimensions included cooperative and friendly versus competitive and hostile, dominance versus equality, task oriented and formal versus socioemotional and informal, and intense versus superficial. For reasons discussed in Dewaele and Furnham (2000), scholars in both disciplines are reluctant to extend beyond their domain of interests. And thus psychologists do not elaborate or clarify how interactions take form in verbal exchange. Nor do linguists want (or bother) to explain personal factors attributable to usage difference in verbal behavior across individuals.

1.2 The Verbal Response Mode (VRM)

One of the daunting tasks in the assessment of speech style is deciding on the appropriate dimensions of language and the best unit of analysis once the dimensions have been chosen. We need a coding system that is robust across all occasions of social interaction. The subsequent sections will introduce a system that codes conversation utterances in accordance with speech act theory. This study adopts the speech act taxonomy that was devised by Stiles (1979, 1992), which is called the verbal response mode (VRM). The VRM "draws on a conceptualization of verbal communication in which people are seen as centers of experience and speech acts are seen as links between them" (1992, p. 66). Stiles utilized eight basic modes that included disclosure (D), edification (E), advisement (A), confirmation (C), question (Q), acknowledgement (K), interpretation (I), and reflection (R). Each of VRM's eight modes describes the relationship between speaking parties. In other words, the types of codes that are recorded during a conversational exchange reflect the nature of the interaction or interpersonal relationship between the interlocutors. According to Stiles (1979), the codes reveal the psychological principles that are exhibited by the interlocutors and also serve to numerically index their relationship.

The disclosure mode of the VRM is a class of utterances that reveal the thoughts, feelings, perceptions, or intentions of the interlocutor. The edification mode comprises utterances that reflect objective information. The advisement mode refers to utterances that are suggestive, demanding, permissive, or prohibitive. Confirmation utterances compare the interlocutor's point of view with that of the recipient. Questions are any form of utterances in which the interlocutor seeks something from the recipient. Acknowledgements convey the reception or acceptance of the utterances of the other. Interpretations are the interlocutor's judgments or evaluations of the other interlocutor's point of view, and reflections refer to utterances in which the interlocutor repeats, reinstates, or reiterates the other interlocutors' experience. Examples of each mode are shown in Table 1.

These eight modes stem from three dichotomous principles: the source of experience, the presumption of experience, and the frame of reference. Each of the principles is oriented by the speaker's or the other's experiences. Utterances that originate from the speaker's experience may be described as ***informative (INF)***, for example, when the speaker reveals their own feelings, opinions, or information ("I feel great today," "It's nine o'clock."), whereas those that originate from the experience of the other may be described as ***attentive***, such as when the speaker asks a question or describes the other's feelings ("Where have you been?" "You must be famished"). Disclosure, edification, advisement and confirmation are categories for INF. Utterances that require presumptions about the speaker's experience only may be described as

unassuming *(UNA)*, whereas utterances that require a presumption about the other's experience may be described as **presumptuous**. For example, "You acted foolishly" presumes knowledge of the other's volitional behavior; "Make mine medium rare" presumes to guide the other's behavior and in effect seeks to impose an experience on the other: the intention to perform an action; "You probably felt discouraged" presumes to understand the other's feelings; and "We disagree about the morality of euthanasia" presumes to know the other's opinion.   In contrast, "I'm sick of spinach," "Fences make good neighbors," and "What does 'laconic' mean?" require presumptions only about the speaker's own experience. Disclosure, edification, question, and acknowledgement are categories for UNA. Finally, utterances that require the speaker to represent the experience from their own personal viewpoint are described as ***directive (DIR)***. For example, "I want to go fishing," "Do you want to go fishing?" and "Go fishing" all use the speaker's frame of reference – the experience is understood (or, in the case of the question, is to be understood) from the speaker's viewpoint. In contrast, a more ***acquiescent*** utterance such as "You want to go fishing" takes the other's frame of reference and in effect represents the experience as viewed by the other. Disclosure, advisement, question, and interpretation are categories for DIR.

Using these eight modes of speech, the verbal response mode (VRM) codes the illocutionary force of utterances at the pragmatic level. Utterances are coded according to the interlocutor's intent on the occasion of their use (Stiles, 1992), and represent that which the interlocutor wants the other to recognize (Note 1) (Grice, 1957). Hereafter, the pragmatic levels are referred to in abbreviated form as intent (VRM_{in}). In the coding of the utterance "Pick up your clothes", the intentional aspect is advisement (A_{in}). In this case, the utterance has an illocutionary force of an advisement at the pragmatic levels. More subtly, the illocutionary force of "Would you pick up your clothes?" (A_{in}) may appear as a question but it affords an illocutionary force of a request.

The validity of VRM were shown in forensic areas where conversational exchanges signify social status and power relations between courtroom attorney and witness (McGaughey & Stiles, 1983), professor and student in classroom discussions and laboratory conversations (Stiles, Waszak & Barton, 1979), and between management and labor representatives in a negotiation session (Hinkle, Stiles & Taylor, 1988).

(See Table 1)

The current study is different from the above in that past researches tends to focus in their field specialization. For instance, Dewaele and Furnham (2000) explained the results from a cognitive and biological perspective. Pennebaker and King (1999) addressed the question of whether personality satisfies behavioral consistencies across situations. The studies by Wish, D'Andrade, and Goodnow (1980) and D'Andrade and Wish (1985) identified the correspondence between verbal behavior and interpersonal variables. But the results cannot be taken to support the social (or interactive) aspect of personality. Unlike the study by Wish et al. (1980), the participants in the current study take part in self-report measure of personality and independent evaluators rate their verbal behaviors. This study also provides an opportunity to observe other types of interpersonal dimensions – namely the higher order dimensions of the VRM. Pincus et al., (1998) reported there are dimensions of interpersonal traits (i.e., letting others be free to "do their own thing") that are not accounted for by existing systems of personality (e.g., Five-Factor-Model; refer to below for descriptions). In sum, by examining the overlap between the two theoretical approaches, we can evaluate whether a) people differ in the way they "say" things to each other, and b) there are other dimensions of interpersonal personality – namely, those that conforms to the higher order VRM.

2. Methods

2.1 Participants

Fifty-eight participants were sampled from students who were enrolled in the introductory psychology course at the University of Hong Kong. There were 24 males and 34 females in the sample, all of whom were aged between 19 and 21, with the exception of two participants who were aged 22 and 25. Other dyadic research has also used a similar sample size (Cappella, 1997; Cappella & Street, 1989; Mehl, Gosling, & Pennebaker, 2006; Mehl & Pennebaker, 2003; Spitzberg & Cupach, 1985). Gender effects were assessed and it will be reported in subsequent sections.

2.2 Instruments

2.2.1 The Five Factor Model (FFM)

There is a cross-disciplinary and cross-cultural consensus that the five factor model (Costa & McCrae, 1985, 1992) is a valid model of personality. The model has proved to be very valuable for researchers outside of the field of personality studies such that it has "matured into a theoretical structure of surprising generality, with stimulating links of psycholinguistics and cross-cultural psychology, cognitive theory, and other areas of psychology" (Digman, 1990: p. 418). The version of the Five Factor Model that is used in this study is a translated version of the NEO-FFI (McCrae, Costa & Yik, 1996). Past research has established the validity and reliability of the model in the local environment (Hui, Gan, & Cheng, 2000; McCrae, Yik, Trapnell, Bond & Paulhus, 1998; Yik & Bond, 1993). In the model 60 items are used to measure five personality dimensions of neuroticism, extraversion, openness to experience, agreeableness, and conscientiousness. The Cronbach alphas were 0.86 for neuroticism, 0.77 for extraversion, 0.73 for openness to experience, 0.68 for

agreeableness, and 0.81 for conscientiousness (Costa & McCrae, 1992).

2.3 Transcription and Coding of Conversations

Two undergraduates who had gained experience in coding naturalistic speech through translation courses at the University transcribed the recorded conversations. The combined naturalistic data sets produced 16,995 utterances of all that was said during conversations between the dyad members (Table 2). I and another experienced undergraduate coded the conversations in a two-step process. First, we familiarized ourselves with the conversations by viewing the recorded interactions. We then read the coding manual by Stiles (1992) and continued to refer to it if we had any doubts during the coding procedure. In addition, there were specific indigenous considerations, because an English coding system was adapted for use in a cross-cultural setting (Luke, 1990).

Initially, we used two samples (or two dyads) for practice, each of which produced approximately 300 codes. The practice data were later re-coded, as it was expected that the criteria and system would be incongruous at the beginning, but would become more consistent as the coding reached the end of the batches. We met after we had completed the practice samples to calibrate the coding system. I urged the other coder not to agree unless she had a sound rationale, and told her that she was allowed to have her own subjective views on how the utterances were coded according their understanding of the coding scheme. The inter-rater reliability will be measured using Cohen's Kappa. During this process, we both had copies of the conversations on video, as well as transcriptions. We both previewed the video once before undertaking the coding and continue replaying it while coding the utterances.

An utterance was defined as phrases or sentences that housed one of the VRM intent categories. As is frequently the case, the utterances of persuasion were quite lengthy, and more than one VRM category was used in each speaking turn. These longer utterances could thus be comprised of several VRM categories. Each utterance was coded *only* for the intentional (or intent) aspect. In the analysis section, it is abbreviated as *in* (Note 2). In this study, all of the VRM codes are utilized so that there are utterances from interlocutors who advocate for and against the topic. Utterances at the turn-switch are also included. The first two domains are self-explanatory, and "turn-switch" denotes points in the conversation at which interruptions or "turn-taking" took place.

2.4 Procedures

Participants in the study took part by indicating their time availability on the notice board for psychological research participation. They did not benefit by earning more credit points, as it is mandatory for students to take part in at least three hours of psychological research to gain exposure to the field of psychological research.

The participants were assigned to a suitable time slot depending on their availability. Upon arrival, they were briefed about the nature of the experimental design. They were given newspaper clippings and Internet-sourced articles on the pros and cons of genetic engineering, which they spent the first hour reading at their leisure. The participants were instructed that they were to discuss the topic in Cantonese (a Chinese dialect) during the second hour for at least 20 minutes. I also warned them that their conversation would be videotaped, and that they were free to leave without risk to their credit points if they did not wish to participate in the study. If there were no objections from the participants, then they signed and dated a consent form. I randomly assigned the participants a role in the discussion. The role of one interlocutor was to advocate the position "genetically modified food should be banned," and the other participant was to advocate the opposite position (Note 3). The participants were then led into separate cubicles so that they could study the reading material on their own, and were allowed to take notes to prepare for the debate.

In the second hour, the dyads were instructed not to look at the video camera that was located either in the top corner of the ceiling or directly in front of them (Note 4). The participants were allowed to bring the reading material and their notes into the video room, but were not allowed to read straight from their notes during the debate. Before the recording started, the participants were instructed to avoid bilingual conversations, and to speak in Cantonese to the best of their ability. Jargon and technical terms, however, did not need to be translated, as this would only inhibit the interlocutors from talking in a smooth and natural way.

In the final section of the study, the students were asked to complete the paper-and-pencil version of the FFM. They were then debriefed on the study aims and allowed to leave the room.

2.5 Data considerations

The number of subjects was modest (N = 58), but the number of observations per dyad was quite high. Table 2 reveals the composition of the data for the three sources of utterances – namely those speaking for/ against the debate topic as well as the point when speaking turns. Using Guetzkow's (1950) formula, the unitized reliability for the multiple-coded utterances was 0.07, which Guetzkow pointed out is an acceptable score in the measurement of the disagreement among coders. Using his categorizing reliability formula, the coders that were trained to work with the transcripts achieved a reliability index of 0.75 for the verbal response mode. Cohen's kappa (κ) ranged from 0.68 to 0.85 for the eight VRM codes. Kappa values above .80 are generally considered a very good result (Brett, Shapiro, & Lytle, 1998). We

attributed some of the unsatisfactory value to the large number of categories.

(See Table 2)

Some dyads talked for a longer time than others, and some conversations yielded more codes than others. Past research has dealt with this problem by truncating data at the beginning and sometimes even at the end of the conversation to make every dialogue equal in length. In this study, the codes were transformed into percentages. As a result, the number of utterances for some dyads bears the same percentage portion, and yet they may have a different number of codes. In this way, we are utilizing the verbal response mode (VRM) variables (D, E, A, C, Q, K, I, R and their aggregates) so that they equally reflect the proportion of talk time during each dyadic episode.

The participants in the current study were assigned to their respective partners based on their own time availability. Hence, it is necessary to verify several sources of confinements. First, I assessed whether familiarity (i.e., that is whether the dyads are friends or mere acquaintance) between individuals in dyad would have impacted on the outcomes. In the sample collected, 75% of dyads were acquaintance and 25% were friends. The MANOVA revealed no significant difference between personality measures and familiarity. Second, personality scores were not taken into account when assigning individuals to roles. I tested if there are any accidental relations between role and personality scores. The MANOVA revealed that those taking the "should be banned" role scored higher in openness to experience (F=9.15, *p* = .003) (Note 5). On average, those advocating the "should be banned role" scored higher on openness (mean = 30.24) compared to their counterpart (mean = 27.20). Other FFM dimensions are not affected with the current convenient group assignment. Third, I tested the relations between role and verbal outcomes. The results showed no evidence that indicate the effect of role on respondents' verbal responses.

Fourth, gender did not interact with the personality dimensions of the FFM. This is true even when the covariance of other dependent variables is accounted for. Fifth, it has been reported that levels of extraversion affect talk time (Gifford & Hine, 1994). However, the analysis of the data indicated no correlation between number of sentences and FFM and other variables. Percentage of floor did not correlated with extraversion but it did for openness to experience (r = .30, *p* = .03). In addition, I conducted more tests to ensure the results of the analyses are not confined to pre-disposed expectations or hypotheses. One possibility is that there are interactions between several traits and linguistic behavior, for example, if an individual high in both extraversion and neuroticism would display particular behavior. However, when demographic variables are entered as controlled variables, the regression analysis failed to indicate any interactions between traits of the FFM (e.g., neuroticism and extraversion, neuroticism and openness, etc.). Another possibility is to test whether speaker's personality have an effect on the verbal behavior of the recipient. Table-3 revealed no correlations based on this speculation.

(See Table 3)

3. Results

Table-4 shows edifications (E) and disclosure (D) (statements of objective and subjective information, respectively) dominated the debate with 31% and 40% of the spoken time respectively. These two categories accounted for 71% of all utterances. This indicates that the bulk of the verbal process was concerned with the exchange of information on objective and subjective issues (D and E), with a secondary emphasis upon agreement and disagreement and attempts to guide or direct behavior (A). This description is consistent with the purpose and content of debates, and with the conceptualizations of other researchers, such as Morley and Stephenson (1977). The VRM coding appears to have (to an extent) quantified the broad outlines of this particular negotiation in a manner that is congruent with theoretical accounts of the negotiation process. Edification (E_{in}) is negatively correlated to Question (Q_{in}) (r = -.44, p < .001), Acknowledgement (K_{in}) (r = -.31, p < .05), and Interpretation (I_{in}) (r = -.33, p < .01) at different significant levels. Question (Q_{in}) are positively correlated to Interpretation (I_{in}) (r = .33, p < .01) and Reflection (R_{in}) (r = .26, p < .05). Interpretation (I_{in}) is also positively correlated to Reflection (R_{in}) (r = -.31, p < .05). The correlation table (Table 5) reveals the associations between all of the personality traits are consistent with similar studies (Hui, Gan & Cheng, 2000; Mount, Barrick, Scullen, & Rounds, 2005; Wilson, Mendes de Leon, Bienias, Evans, & Bennett, 2004).

(See Table 4)

(See Table 5)

3.1 Correspondence between personality of speaker and speech act of speaker

The correlations between personality and speech act markers are shown in Tables 6. To avoid misleading results due to outliers or extreme scores, we plotted a bivariate scatter-plot to check all of the correlations, which is featured in the following section along with specific details about the relationship between personality traits and speech acts. In general, the results indicate that edification, and acknowledgement are influenced by neuroticism.

3.1.1 "K – Acknowledgement", "E – Edification," and Neuroticism

It can be seen from Table 6 that edification (E) and acknowledgement (K) are highly correlated with neuroticism (r =

-0.42, p < .001; r = 0.29, p < .05 for E_{in} and K_{in} respectively). That is, participants who were nervous during the debate listened more (supportive of acknowledgement response) and informed less (negative correlation with edification). In other words, the participants who had a high level of neuroticism did not use edification-based utterances as a way of persuading their interlocutors even though the circumstances required the exchange of objective information. In the current study, the persuasion exercise requires manipulation and recollection of facts and knowledge. The articulation of facts leads to the coding of edification. The following is an example of a person high in neuroticism when he/she converse with his/her interlocutor. Utterances that were coded as acknowledgement (K) included "*yes*", "*uh-huh*", "*um*", and "*er*". For edification, the following conversations (in italic bold) are taken from various speakers low in neuroticism.

*let me inform you about my position...like Genetically Modified Food it has it's benefits...but why it should be banned, I will look at it this way...like if it is in mass quantity in terms of promotion...in mass production.. I feel problems will emerge... you mentioned it can help those farmers in developing countries .... but I feel, on the contrary, it will help the worthy companies... because they develop the technology and it will not help the farmers ...**because it will limit things, like for example it will grow such crops**..... **crops that are patent by the company** ... **it will reduce the original crops.... like the rights to use the original**, the basic crops .... they will need to go thr these companies ... maybe the profit would be made by the company and not the farmers*

*but i don' think the problem is...are those businessman going to make a lot of money... **actually, this world is not only the problem about GE food**... for example, a lot of companies that develop the technology ended up being take over by other companies... or other related companies... it will buy it over,   it will make more money from it....this is something I cannot stop.. actually, it cannot be said that... because to prevent this from happening... **like making a lot of money**.... **should we prevent farmers' hard work**... so as to ban it.... this is not a reason to ban GE food, I feel this way*

*but the problem is, it is happening now...and we are doing a lot of research on it... but they haven't gotten it on the market yet...so they are still in the stage of research.... but don't you feel they are exaggerating it... **the bad effects that it has... there are no one to bring any news about its bad effect***

*let's be rationale and ordinal...or instance grapes can be very sour... like all those fruits you are eating... **they have been modified for many years...the only difference is that they are using modern technology**... so actually they should be more positive...because you will have more control over it...because you can be very accurate...**like the genes you want... you can add to it...and those that are unwanted are left out**...*

*because we are in Hong Kong... we are in a developed country...you have money now...you may say...**but you know a lot of food even those in China...their production is high...but the farmers are often without much to eat**...like eating congee...so why is that so?...**because they are poor...they have nothing to eat...all they do is grow**... shouldn't they eat as well?... **so these countries sell crops to make money.... but they end up having nothing not enough to eat**... so don't they deserve to eat?... **they don't have enough things to eat...the whole population is starving**...*

(See Table 6)

3.1.2 VRM role dimensions

The terms INF, UNA, and DIR, corresponded to the aggregates of the three VRM higher order dimensions of informativeness versus attentiveness, unassumingness versus presumptuousness, and directiveness versus acquiescence, respectively. A positive correlation between INF and a trait indicates that the given trait is positively related to informativeness (likewise for UNA or DIR). Logically, when the correlation is negative, the trait is positively related to attentiveness since it is the polar opposite of informativeness. Table 6 in the above indicates high-N participants prefer to utter remarks with regards to other's experiences (INF_{in}; r = -0.27, p < 0.05; alternatively, ATT_{in}; r = 0.27, p < 0.05). This includes a composite of modes from VRM's question (Q), acknowledgement (K), interpretation (I), and reflection (R). To account for the simultaneous effects of other variables, a hierarchical regression model was constructed and the results revealed similar findings. That is, when demographic/ descriptive variables (such as role of persuasion (for/ against), familiarity (friend/ acquaintance), age, and gender) and FFM variables (excluding neuroticism) are controlled for, neuroticism positively influences the use of attentiveness-related utterances ($\Delta R^2 = 0.1$, $\Delta F = 5.53$, df = 1,48, $\beta = .35$, $p < 0.05$). This may indicate that high-N participants avoid asserting their views (or experiences) during social interactions, which have been supported from study by Nelson and Groman (1975). This seems to suggest that those who had a high level of neuroticism were doing nothing more than bringing the experience of their interlocutors out into the open. An alternative and perhaps more parsimonious explanation is that high-N participants were not very expressive, and thus preferred to use speech acts that relates to their interlocutor's experiences. Sample utterances of those who had a high level of neuroticism included "*but you were saying that modified food is more nutritious*", "*is this actually more important than safety*", "*you forcibly put things into it*", and "*actually you may solve the problem for those who have nothing to eat*".

4. Discussion

The correlation results suggest that people with a high level of neuroticism are predisposed to relate to others in a consistent manner regardless of their interlocutor's personality. In the current setting, they handle their interpersonal relationships in a reflective manner (or focus on the experiences of other people as indicated by the VRM). This "mirroring" method involves questioning, acknowledging, interpreting, or reflecting in an attempt to bring the thoughts and processes of the interlocutor to the surface. They were far from interested in making their interlocutor cognizant of their own thoughts. Consistent with Stiles's (1992) work, perhaps one reason is that being a neurotic, their anxiety at the time of the conversation kept them focus on other's utterances. This is consistent with studies that report an association between neuroticism and communication apprehension (Kelly & Keaten, 2000). By communicating in this way, people with a high level of neuroticism are not compelled to provide ideas or opinions of their own. Incidentally, this mimicry behavior has also reported to facilitate social interaction and to establish rapport as well as projecting an impression of mannerism (Cheng & Chartrand, 2003). The advantage of deploying this strategy is that it requires less mental resource (Nelson & Groman, 1975) and it keeps afloat the conversation. This relational strategy has been shown in previous studies to correspond to the way in which psychoanalysts interact with their patients (Stiles, 1979). Yet, the author is far from claiming psychoanalysis (or psychoanalysts) and neuroticism is causally related.

Another explanation could be related to a behavioral inhibition system (BIS), which Beatty et al., (1998) have used to explain communication apprehension. The BIS, experienced as subjective anxiety, is activated in presence of novel stimuli and perceived threats. It follows that individuals high in neuroticism have an inherited threshold for BIS stimulation so it is more easily activated. Activation of the BIS is also associated with increased attention to negative or threatening situation - such as speaking to strangers. In the current study, this may forced the high-N interlocutor to focus more attention on his/her partner's speech. Again, this was manifested by their verbal behaviors (that is, acknowledgement, question, interpretation and reflection). By the same token, the anxious experience may inhibit current efforts to express one's thoughts or experiences.

The dyadic design of this study shows linguistic behavior (or a category of speech acts) within a given context tends to endure for and tie to a given trait. In particular the notion that personality traits, operationalized by the FFM, are construe as social resources that predispose people to relate to others in various preferential ways, via the use of utterances, seems plausible with the weight of the evidence. The current study also revealed that people are not only different in terms of what they "do" to each other, as Wiggins originally proposed, but people also differ in terms of what they "say" or how they attempt to "relate" to each other. The three VRM dimensions covered major individual differences in social interaction. The current study found that interpersonal behavior exists beyond the orthogonal co-ordinates of dominance and nurturance – a domain that the circumplex model advocates. That is, there are other ways to relate to people other than the circumplex dimension of dominance and nurturance. Instead, interpersonal behaviors – in particular verbal behaviors can be modeled by Stile's VRM dimensions, which in turn are related to how people are systematically differentiated across the population – according to the FFM.

Further, the present study is undertaken using an Asian population. With this in mind one may ask "are there any cultural differences between Hong Kong speaker behavior and those in Europe/US which may have implications to the generalizability of the results?" Based on the results, it seems to support that, while findings in the West found that neurotics express more of their feelings in similar situations, participants in Hong Kong reacted by disclosing less with regards to their personal views.

The results of this study underline two issues in the methodology of psychological research. First, they suggest that behavior in the form of speech acts consistently manifests itself as an attribute of personality traits, although it cannot be stated with confidence that there is a one-to-one correspondence between personality and behavior. Second, the results are encouraging for those who are engaged in dyadic research but who lack the resources to meet the design requirements that are associated with subject assignments, such as the "round-robin" or "block design". This study indicates that dyadic research is possible if one is interested in individual effects.

Base on the results, the correspondence between the theory of personality and the theory of speech acts is promising, given that the two theories arose from completely different disciplines – psychology and linguistics. This further strengthens Austin's (1975) proposition that every single social utterance is an act, rather than merely an utterance that conveys the meaning of the interlocutor. The function of an act is grounded in its ability to perform and accomplish a motivated goal. These acts are intertwined with everyday social interactions, and as a result should also surface in personality traits, as they are utilized during interpersonal interactions. One benefit of examining the extent to which the two theories are interrelated is that the functional aspect of speech acts theory can be used to bridge the gap between personality and behavior, and to discover the reason why the two elements exhibit a causal relationship. We know that behavior differs from one person to the next, but there have been few studies that systematically map verbal behavior with a universal taxonomy of individual differences, especially in the Asian context. This is one future research prospect.

Over half of the utterances in this study were coded as edifications and disclosures, and the other six speech acts were somewhat under-represented. Although the proportion of coded speech acts was small, concerns about the small sample size were minimized by coding a large number of speech acts. With regards to concerns about the generalizability of the current study, the correspondence between personality variables and speech acts is contextual, and the patterns of correlations in the study are specific to conversations about topics that are formal, debatable, and controversial, and will differ across situations. In interrogative settings, for example, utterances that are related to advisement, interpretation, and reflection may be more abundant, and the production of such utterances calls upon different personality resources, such as agreeableness or disagreeableness.

The interpersonal setting that was used in the study involves an element of debate or competitiveness, as each party had to take an opposing side. Although the data were extracted from a naturalistic setting, in other environments the nature of interaction is much friendlier and more casual. Given that the social setting constrains and governs the speech acts of interlocutors, some of the speech acts in this study, such as disclosure and edification, occurred more frequently than others, such as reflection and interpretation. Because of this, we were unable to review every facet of the VRM and its dependence on a specific personality trait in full. By carrying out a more thorough mapping of the correspondence between personality and speech acts across diverse settings, it might be possible to reveal the habitual interpersonal strategies that a given trait manifests.

Acknowledgements

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Notes

Note 1. Utterances with hidden intent are not coded at this level.

Note 2. Note that RIN refers to an utterance the intention of which is to reflect on what the speaking partner has said.

Note 3. Throughout this paper, interlocutor refers to both speakers, because they are opposing their interlocutor's arguments.

Note 4. This depended on the room in use. Two rooms were used, one of which was a well-equipped video room that is used for video recording using VHS tapes by the Department of Psychology. In the other room, a digital camera with a portable stand was used.

Note 5. Box's Test of Equality of Covariance: $F=1.16$, $p = .30$; Pillai's Trace: $F=2.62$, $p = .03$; Levene's test of equality of error variance: $F=.001$, $p = .973$

Table 1. The Taxonomy of Verbal Response Modes (VRM)

Source of experience	Presumption about experience	Frame of reference	Verbal Response Mode (VRM)	Example
Speaker	Speaker	Speaker	Disclosure	"I'm finding it hard to listen today"; "I'm glad you told me that"
		Other	Edification	"This morning a flying saucer from Mars landed in New Jersey"
	Other	Speaker	Advisement	"Tell me about your job"
		Other	Confirmation	"We agree that the plan is sound"; "We don't seem to know each other very well"
Other	Speaker	Speaker	Question	"Have you ever dreamt you were falling?"
		Other	Acknowledgement	"Mm-hm"; "Well, ..."
	Other	Speaker	Interpretation	"You are exaggerating it's importance"
		Other	Reflection	"You were frightened by his threats"

Table 2. Descriptive on interlocutors' discourse

Source of utterance	Number of Utterance
For	7431
Against	6127
Turn Take	3437
Total	16695

For/ Against – participants speaking *for* (or *against*) the use of genetic engineering in food

Table 3. Correlation between speaker's personality and recipient's verbal response mode

	N	E	O	A	C
D	-0.15	0.16	0.05	0.25	0.21
E	-0.11	-0.01	-0.10	-0.04	0.00
A	-0.22	-0.05	0.26	0.07	0.25
C	0.17	-0.12	-0.03	-0.15	0.04
Q	-0.04	0.03	0.07	-0.01	-0.16
K	0.12	-0.10	0.06	-0.10	-0.02
I	0.10	0.20	0.02	0.09	-0.03
R	-0.05	-0.07	-0.10	0.10	-0.06
INF_in	-0.07	0.03	0.00	0.05	0.23
UNA_in	-0.11	0.10	-0.01	0.09	0.05
DIR_in	-0.12	0.18	0.16	0.23	0.14

N = 58; Diagonals denote means and standard deviations (in bracket)

* $p < 0.05$ (2-tailed)

** $p < 0.01$ (2-tailed)

*** $p < 0.001$ (2-tailed)

Table 4. Correlation between VRM intent variables and usage distributions (by percentage)

VRM_m	Min	Max	D_m	E_m	A_m	C_m	Q_m	K_m	I_m	R_m
D_m	15.63	46.11	30.69 (6.17)							
E_m	23.32	57.22	-0.10	39.92 (8.08)						
A_m	1.31	12.03	0.07	0.03	5.27 (2.31)					
C_m	6.4	30.69	-0.39***	-0.22	-0.25	16.19 (5.11)				
Q_m	2.2	17.80	-0.22	-0.44***	-0.03	0.06	7.28 (3.57)			
K_m	0	12.85	-0.12	-0.31*	-0.22	0.12	-0.21	3.23 (3.06)		
I_m	0	7.58	-0.09	-0.33***	-0.01	-0.06	0.33**	0.05	2.33 (1.81)	
R_m	0	6.96	0.09	-0.25	0.13	-0.11	0.26*	-0.21	0.31*	2.02 (1.53)

Diagonals denote mean and standard deviations respectively. Only descriptive statistics are in percentage.

* $p < 0.05$ (2-tailed)

** $p < 0.01$ (2-tailed)

*** $p < 0.001$ (2-tailed)

Table 5. Correlation between NEO-FFI traits

NEO-FFI traits	1	2	3	4	5
1. Neuroticism	25 (7.86)				
2. Extraversion	-0.45***	27.16 (5.25)			
3. Openness	-0.04	-0.16	28.48 (5.05)		
4. Agreeableness	-0.20	0.22	-0.10	25.41 (4.76)	
5. Conscientiousness	-0.23	0.26*	0.10	0.16	27.28 (5.60)

N = 58; Diagonals denote means and standard deviations (in bracket)

* $p < 0.05$ (2-tailed)

** $p < 0.01$ (2-tailed)

*** $p < 0.001$ (2-tailed)

Table 6. Correlation between VRM and Personality (NEO-FFI) of the speaker

	N	E	O	A	C
D_{in}	-0.07	0.09	-0.22	0.07	-0.07
E_{in}	-0.42***	0.01	0.05	0.16	0.24
A_{in}	-0.01	0.18	0.20	0.12	0.19
C_{in}	0.08	-0.17	0.15	-0.03	0.11
Q_{in}	0.08	0.15	0.05	-0.06	-0.21
K_{in}	0.29*	-0.25	-0.12	-0.16	-0.12
I_{in}	0.02	0.08	0.07	0.04	-0.05
R_{in}	0.21	-0.02	0.16	-0.03	-0.06
INF_{in}	-0.27*	-0.04	-0.01	0.13	0.24
UNA_{in}	-0.22	0.00	-0.20	0.09	-0.01
DIR_{in}	0.05	0.19	-0.10	0.07	-0.15

N = 58 (coefficients greater than .26 are significant); 'in' denote intent aspects of the VRM

N – Neuroticism; E – Extraversion, O – Openness; A – Agreeableness; C – Conscientiousness;

D – Disclosure; E – Edification; A – Advisement; C – Confirmation; Q – Question; K – Acknowledge; I – Interpretation;

R – Reflection; INF – Informative; UNA – Assumingness; DIR – Directiveness

* p < 0.05 (2-tailed)

** p < 0.01 (2-tailed)

*** p < 0.001 (2-tailed)

Cultural Details in China's Commercial Display

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Abstract

With the development of economy and the conversion of consumption in China, increasing importance has been attached to the form and scale of commercial display. By emphasizing the indispensable role of culture, this article aims at encouraging Chinese businesses to combine commercial display with Chinese culture, in which Chinese cultural background and consumption characteristics should be based on to establish a commercial display pattern with Chinese characteristics.

Keywords: Commercial display design, Characters

Qichao Liang once defined culture as including all human activities. Accordingly, commercial display, one of human activities, will not escape from the influences brought about by cultural tradition, human background and social environment. That is to say, the cultural details in different countries will bring some influences on their commerce and art. On the other hand, commercial display will become one part in culture by retroacting on it. This process is called "interaction".

Originating in Europe, commercial display has become one of the important operation methods employed by modern enterprises due to the mature consumption culture there. Therefore, it is an advance in our commercial economy era. With the interaction between commercial display and culture, the whole sales space with completed commercial display design is endowed with cultural value, which has appeared in designers' minds at the very beginning. To be more specific, it helps designers to fix the angle and target of their designs and extend their requirements. From another perspective, in addition to satisfying people's demands in use, a commercial display design interacting with culture will reveal the retroactive effects of its entity design on people and society in a more obvious way.

Led by its brand culture, commercial display design is to promote commodity sales and transmission of brand culture by combining pure display space, semi display space and sales display space into a whole. However, China is still in the early stage of commercial display. Quite different from the popular bombing advertisement strategy in China, foreign brands usually employ rational advertising strategy with their emphasis on their end images. Their elaborate planning for commodity display, even for a ground tile's material and color, gives them access to customers' souls. With European and American countries first creating commercial display to employ information to handle their brands and culture, their technology, culture, concept and fashion of brand display is well ahead that of China.

China's commercial world is lacking in fashion elements and desirable atmosphere. Although a lot of businesses try to imitate the styles of foreign countries, the result tends to be a failure, which should be attributed to the late and low start of China's commercial display as well as the poor knowledge of commercial display in the whole business industry. Therefore, there is still a long way to go to conduct commercial display successfully. Fortunately, the rapid growth of commodity retails in the recent years has provided fertile soil on which commercial display will be developed. In addition, the perfection and internationalization of market economy has also elevated the significance of commercial display in an enterprise's sales strategies. Actually, as an outcome of our new consumption notion as well as a necessary consequence of detailed social division of labor, commercial display will step into a rapid-development stage in China in the near future.

However, we are expected to face a premise--the influence of Chinese culture on commercial display--before the arrival of this stage.

China has incomparable cultural details all over the world. Among all the shops in SoHo, New York, a store window design seems to be particularly attractive, in which double "Xi"s have conveyed the connotation of double happiness as well as revealing the combination of two individuals, two nations and two or even more cultures

Perhaps it is due to the tranquil and mild philosophy and the notion of harmony between human life and nature in Chinese culture that many designers employ Chinese culture to demonstrate the universal nature of commercial culture.

Chinese culture has formed its unique structure and Chinese characters after going through thousands of years' development. Its brief, implicative, reserved and euphemistical expressions are in sharp contract with the lengthy and

direct ones of western culture. Actually, these are not only the characteristics of Chinese culture but the essence of civilization. As far as modern China's commercial display is concerned, the indispensable role of Chinese cultural essence in the future development of commercial display should be emphasized.

One characteristics of Chinese culture lies in its characters, which are an important part of culture and art and have been endowed with function and form at the very beginning. Characters can not only convey information, express ideas as well as pass down history. In addition, characters are a kind of mature, elegant and abstract art because they derive from figures. An individual character will form an ornamental design as well as express certain ideas. For example, the Chinese character "Fu", besides its connotation of prosperity and happiness, is also employed as an ornamental sign for Chinese traditional festivals, as which it is written in the center of a piece of red paper in square shape and then the is put on doors upside down to bring prosperity (shown in Figure 1). Besides the profound connotations embodied by simple Chinese characters which any western culture is unable to achieve, Chinese people are endowed with the same nature and connotation. Therefore, when appreciating commercial display, Chinese consumers have their unique sense of aesthetics and emotions, which force designers to include Chinese culture as an important part in their commercial display designs. Only in this way will the designs are accepted and appreciated by Chinese people.

Figure 1.

On the other hand, Chinese characters have varied fonts, including Song, Li, Weibei and Xing and so on (shown in Figure 2), with varied visual effects and information as well as unique processes of formation and development. Therefore, when employed, they express quite different emotions, ideas, and charms. Certainly, if employed in proper environment, they will be the jewel of the whole display space by making it more harmonious and distinctive; otherwise, just painting the lily.

Figure 2.

It is due to the unique Chinese culture that Chinese consumers' aesthetic angle is different from that of European and American countries in color, style, characters and other aspects when appreciating commercial displays. Obviously, it is improper to copy the display pattern prevalent over the world, which, instead of improving China's standard in commercial display, will lead to some negative results. Therefore, China's commercial display should begin with its culture. To be more specific, display pattern, brand and Chinese culture should be combined together from the very beginning to create a commercial display pattern which accords and will get perfect with the development of a certain brand.

With the constant development of China's economy, Chinese people's consumption standard is getting elevated, which means that only copying the present technologies in commercial display prevalent in the world will not fulfill the development of the whole industry. Instead, localization should be relied on to development China's commercial display

technologies. For example, the American display style employed by Packson Shopping Center which was not welcomed by Chinese consumers has revealed the decisive function of a nation's cultural details and consumers' aesthetic habits in commercial display design. Those European and American patterns for commercial display are formed based on their cultural background and brand development, hence being unconformable to Chinese business world and leading to the failure in commodity introduction. Therefore, the unique cultural background and consumption characteristics in China should be based on to create the proper commercial display pattern with Chinese characteristics and to perfect it with the development of Chinese culture.

Different brands are created in different places, whose cultural background will be that of brands and in which brands get developed. As for China's commercial display, businesses are expected to employ art forms with Chinese cultural characteristics to demonstrate their brands and design ideas. Both the fashion elements for commercial display all over the world and Chinese culture should be manifested in China's commercial display. In addition, the onefold learning pattern should be converted into the innovative pattern through which China's commercial display will form its own style. Only in this way will Chinese brands be developed into international ones because only those with national characteristics will be shared by the whole world.

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Cross-culture Education and Moral Education in English Teaching

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Abstract

With the development of modern culture, it is meaningful for our Chinese teachers to develop and improve moral education and way of thinking in English cross-culture education, which will enhance university students' ability in distinguishing choosing western culture during their learning.

Keywords: Language, Culture, Cross-culture education, Moral education

In China, people pay much more attention to cross-culture education in English teaching. But as far as the recent study result is concerned, most researchers mainly discuss this topic with the views of improving quality of education and increasing students' capability in language using. Language is the basis of culture, which can be reflected by language. At the same time, language is the significant component of culture.

Language is the most prominent symbol of a national culture; it reflects one nation's daily life and includes one nation's way of thinking. In a developing country like China, learning English occupies too much time for students, as a result, the content of western culture is accepted by Chinese students unconsciously and affects students' view toward world, life and social value. Thus, we need to choose English as a means o begin cross-culture education. By analyzing the differences between the West and the East and comparing the positive parts and negative parts, we teachers can guide students to accept the essence of western culture and is card the dross. All these above are important to students' moral education. Before we introduce cultural education into English teaching and carry on moral education by cultural comparison, we should firstly grasp the differences in tradition between the West and the East.

There are mainly three different aspects between China and the West. First is the relation between human being and nature. In China, from ancient time, we Chinese people pay stress on 'the unity of God and human being. Its main idea is to emphasize the harmony between human being and nature; the western culture underline the conflict between human being and nature, whose core is to emphasize the human beings' ability to conquer nature. Second is the relation between human being and society. Chinese culture pays more attention to social values and try to hold the unity of individuals and society; western culture highlights the influence from individuals. Its recognition to individuals' influence is superior to that from society. Third is the difference in way of thinking. From ancient time, Chinese people form the habit of looking at this world systemically, logic thinking, however, plays the key role in western culture.

Choosing culture education in English teaching and putting moral education into teaching processes is based on analyze about cultural phenomenon, after this we can define cultural content of all kinds of cultural phenomena. And then discuss differences between the west and the east and get the positive and the negative. From this students can choose the positive parts and practice it. Before practice, teachers need to do moral investigation about cultural to students; carry on cultural training to teachers; choose right angles and methods to begin cultural introduction Before we start to teach students, we need to do investigation about students thinking about culture; improve teachers' cultural level and choose right way to carry on.

1. The purpose for doing a moral investigation in culture to university students is to get to know the students' concepts and opinions about our traditional culture and western culture.

For most students were born in 1980s the time for our country to carry out the policy of reform and opening. Also, most students major in scientific subjects or art subjects in high school and all their exams are for college entrance exam. Such a condition makes us think it is necessary to know how much advanced traditional culture still exist among them and how much they know about western culture and how they think about western culture. The university students' quality in culture not only is related to formal education, but also has relation to family education, living conditions and students' interests. All above is needed to be investigated and analyzed seriously.

2. Improve teachers' level in culture.

In our teaching activities, teachers play an important role and whether we will have the successful cross-culture

education is greatly determined by teachers' synthetic level. With many years contact with English, most English teachers have known western culture for a great deal of. But on the other hand, still some of hem don't understand and grasp Chinese traditional culture systematically. Because of this, we need to cultivate English teachers about traditional culture. By reading classic works, taking part in speeches held by experts holding some seminars, we can get improvement in teachers' cultural level.

3. The means to complete cultural introduction.

We know that language learning is the most important in English teaching. For Chinese students, the major purpose to learn English is to communicate in English. When we finish this target, we can start the second stage, it is to put moral education on the basis of cross-culture education into effect. The second step is hard to fulfill, for it needs us to consider at what time and how to introduce western culture and compare western culture and Chinese culture. In the light of relation of language and culture, we can introduce the cultural comparison and discuss it with students with teaching regulations and sequence. Many experts have got some research results and with these results we can introduce culture discussion into our English teaching with three steps. Step one: introduce cultural discussion into English teaching with the learning of basic information. On this stage, we should analyze the cultural elements and genes with the learning of language, vocabulary, grammar and sentences. Meanwhile, lots of key elements related to language about culture between the east and the west should also be considered. The purpose to do this is to eliminate understanding barriers for cultural difference. On the other hand, it can reveal the cultural connection.

The cultural introduction in second stage becomes more systematically. On this stage, the cultural discussion is chiefly carried out with the explanation of text. The steps are as followings: (1) Get a cultural scheme which can cover the related text and list related cultural items which should be talked about with students. The cultural information is talked over with students while language structure is taught. (2) Get a cultural summary which includes the whole content of the textbook with all the texts in that book. Teachers can explain the cultural content before the class or after class. The boundary of 'culture items' is hard to be agreed on and experts and teachers hold different opinions about this. Some believe culture can be divided into several concrete items according to certain structures and standards, such as 'dining, accommodation, greeting, introduction, invitation, declination and so on'. The cultural introduction with division like this can be used to analyze and explain cultural phenomena for a particular behavior. Also, we can reveal cultural differences between the West and the East in daily lives. After overcoming the language barriers in communication, we will indulge into discussion about values, thinking method and many other deeper cultural topics and accordingly improve students' moral idea. The third stage is to talk about history and philosophy with view of culture. The key in this stage pays more attention to generality and cultural origin. The best way to deal with such topics is to hold optional courses and lectures on some special topics. The necessity to fulfill the target on this stage must construct a theoretical system which can reflect one nation's literature and characters. For one thing, this system must reflect historical origin of a nation and summarize the basic characters of a nation as well. Meanwhile, we must realize cultural differences among different nations with this system. From the philosophical angle, this theoretical system should include 'the relation between human being and nature', 'the relation between human being and society' and 'thinking method' and so forth. All these cultural introductions are jointed systematically and scientifically. In practice, we should introduce cultural items into students' learning in the light of different levels. The cultural introduction in first level fits for our basic English teaching. Those junior non-English major students and some fresh learners are within this scope; students who major in English in colleges and universities and senior non-English students are able to accept cultural discussion in the second and the third level.

4. Try to make teaching means and methods colorful.

As far as cultural introduction in teaching is concerned, students need to be stimulated. During the course of teaching in classroom, setting some sorts of cultural atmosphere and organizing many kinds of simulated condition are needed. We, for example, can get a movie or TV program to play, still, we can do a cultural analysis about some important historical events and many social items; analyze thinking method and values about western countries by a great deal of works (literature, painting and sculptures). Also, students can discuss those interesting cultural topics, and analyze cultural differences related to language actively, thus students' ability in judging and choosing culture will be raised.

5. Do practice out of classroom as much as possible.

Activities play an important role in education, and language learning also needs practice. To the same reason, moral education cannot exist without practice. Students will have deeper understanding about western culture and differences between the West and the East by doing colorful activities and conducting language communication. When we do some activities related to cultural education, the following may be helpful: (1) hold seminars. Some topics such as 'language and culture', 'American culture' in order to cultivate the students' ability in consulting materials independently, coming up questions, thinking about questions from different angles and analyzing and solving problems. (2) Ideological communication. Students should be organized on purpose to interview foreign teachers and students, have seminar with them, through which the students will acquire more cultural information. (3) The students should be encouraged to

participate in extra-curricular activities, such as English corner, English speech contests and so forth. Thus their cross-cultural ability will be greatly tested and improved.

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An Assessment of Risk Management in

Joint Venture Projects (JV) in Malaysia

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Abstract

Construction joint ventures have attracted a lot of research interest over the last two decades. Joint venturing can allow participating companies to rapidly change the scale or scope of their businesses. However, joint ventures are often regarded as a risky business. The construction industry is associated with high degrees of risk in the nature of its business activities, operational environment and organization. The success of a construction project depends on the results it is supposed to achieve. But achieving results depends upon how well companies manage the risks that confront their projects.

This paper aims to identify the risk factors associated with joint venture projects in the Malaysian construction industry at the project-specific, internal and external levels. The main factors crucial to joint venture success were identified from a literature review and through a questionnaire survey administered to both local and foreign construction organisations in Malaysia. The major risks factors were found to be the agreement of the contract, partner selection, control/equity, sub-contractors, renegotiations and training. The identification of these factors will assist the successful application of joint venture arrangements in construction projects in Malaysia and other similar economies. The major risks factors were found to be the agreement of the contract, partner selection, control/equity, sub-contractors, renegotiations and training.

Keywords: Risk management, Construction, Joint ventures

1. Introduction

A joint venture is a procedure used to respond to specific business phenomena such as access to new markets, specific government policy, business capacity, technology transfer or economies of scale. An international joint venture is a separate legal organisational entity representing the partial holdings of two or more parent firms, in which the headquarters of at least one is located outside the country of operation of the joint venture. The feasibility and the desirability of a joint venture must be assembled by careful analysis of the economic, political, social and cultural environment within which the venture will be implemented and managed. A planned approach necessitates a thorough and careful evaluation of these aspects by both partners to ensure successful implementation. Risk management techniques are not so well developed in the construction industry and there is a need to develop proven techniques, rather than rely on intuitive methods.

Construction organisations have used international joint ventures extensively as a vehicle to enter new construction markets around the world (Mohamed, 2002). The number of international construction joint ventures is growing worldwide at an increasing pace, especially in developing countries (Lim and Liu, 2001). The increasing magnitude, complexities and risks associated with major construction projects have brought together organisations with diverse strengths and weaknesses to form joint ventures to collectively bid and execute projects (Kumarasawamy, et.al.2000).

2. Problem Statement

In Malaysia, there are a number of different combinations of Malaysian contractors and local partners and also Malaysian contractors with foreign partners. Also, these projects vary in type, scale and complexity. There is need, firstly to map out the range of variables then to select a suitable set of comparable JVs for further in deep limitations.

3. Objective of the Research

The main objective of this research was to determine the most critical risk factors which support the successful application of joint venture arrangements in construction projects in Malaysia. The result of this study are expected to provide useful guidelines for forming and operating effective and efficient joint ventures both in Malaysia in other similar economies.

4. Overview of Risk Management in the Construction Industry

The construction industry is one of the most dynamic, risky, challenging and rewarding fields (Mills, 2001). As any other major sectors, the construction industry is exposed to a lot of predictable and unpredictable risks. Among the risks faced by the construction industry are political risk, economic risk, technology risk and social risk. Risk is inherent in every construction project and normally assumed by the owner unless it is transferred to or assumed by another party for fair compensation. The principle guideline in determining whether a risk should be transferred is whether the receiving party has both the competence to fairly access the risk and the expertise to control or minimize it.

According to Mills (2001), risk management has become a main part in the decision making process. It can affect productivity, performance, quality and the budget of a construction project. The goal behind the risk management process is to obtain understanding by all parties and agreement around what the risks really are and how they will be managed. Apart from that, it is also intended to improve project to performance through early risk identification, mitigation and project life cycle management. Uncertainty can be regarded as the chance of occurrence of some events or events where the probability distribution is genuinely not known. Risk exists when a decision is expressed in terms of a range of possible outcomes and when known probabilities can be attached to the outcomes.

Risk management applied to the construction industry refers to the assessment and reaction to the risk and uncertainty that will inevitably be associated with a project. To manage a project, a system to control cost, quality of time and safety are normally employed in order to meet the objectives and expectations of a company. Risk management is the systematic process of identifying, analyzing, mitigating or responding to potential project risk. It includes maximizing the probability and impact of positive events and minimizing the probability and consequences of events adverse to project objectives. Because of the complex nature of construction business activity processes, environment, and organization, the participants are actively exposed to a high degree of risk. Construction involves unforeseen and predictable risks (Smith, 1992). Predictable risks are events or conditions that the contractor can foresee before construction begins. In the Malaysian construction industry, risk management is one of the new management concepts. It will take a long time to be fully accepted by the participants in this industry. Most of them are reluctant to change, they are still comfortable with their traditional culture in doing their job without realizing that this new concept will make their job easier.

To create sustainable value in today's dynamic environment, considerations of risk and opportunity have become imperative in business management. Risk management that emphasizes on proactive measures provides contingency planning and will enhance the achievement of the projects aims and objectives. Flanagan (1995) argued that, the individuals involved in the construction industry that undertakes various activities are heterogeneous since client, consultants and contractors have different roles and objectives. Flanagan (1995) further explained that the principals or the client could easily see the relevance of risk management when making the decision to commission a project. The decision to commence a project or invest in a project involves a lot of risks in terms of cost benefit or cash revenue, which is competitive with the best that the financial market can provide.

Other parties in the construction team such as consultants, contractors, subcontractors and supplier are also exposed the risks. This statement is supported by Sawczuk (1996), who he stressed that no matter how small or simple the project is, it still can go wrong, as soon as the two parties; the client and the contractor have signed a contract, they have taken onboard the risks. Risk awareness is of paramount importance to all participants to ensure that the possible risk occurrence is reduced.

In the Malaysian construction industry, risk management is one of the new management concepts. It will take a long time to be fully accepted by the participants in this industry. Most of them are reluctant to change; they are still comfortable with their traditional culture in doing their job without realizing that this new concept will make their job easier.

Due to the rapid pace of changing technology, inflation and the new problems of energy and environment, risk management is a management tool that the construction industry cannot afford to be without. However, this awareness among the Malaysian construction industry's participants is still low. However, no one can deny that there are the companies in this industry which practice risk management in their daily operation. However, we can only see this culture in big companies which have a very good reputation, strong financial standing and which are involved in projects.

5. Construction joint venture projects in Malaysia

The Construction industry plays a vital role in our country's economic growth. It has contributed to the Gross Domestic Product (GDP) of the country and can be the indicator or yardstick of the country's economic performance. First, is the general construction, which comprises residential construction, non-residential construction and civil engineering construction. Meanwhile the second area deals with special trade works, which comprises activities such as metal works, electrical works, plumbing and services, carpentry, tiling, flooring works and glasswork.

Although it accounts for less than 5 percent of the GDP, the industry is a strong growth push because of its extensive linkages with the other economic sectors. No doubt, the construction industry is an important contributor to Malaysia's growth. It includes activities ranging from constructing building, roads, electricity or other transmission lines or towers, pipelines, oil refinery to other specific civil engineering projects. The Malaysian construction industry is a conglomeration of diverse sub-industries loosely lumped together as a sector of the economy. The industry is primarily concerned with building and civil engineering, and its main activities relate to the planning, regulation, design, manufacturing, construction, fabrication and maintenance of buildings, infrastructure facilities and process plant. The building sector of the industry encompasses the construction of commercial, industrial and housing (high, medium and low-cost) projects; infrastructure facilities includes the construction of roads and highways, drainage, sewerage, industrial structures, dams and water retaining structure projects; whilst process process-plant construction ranges from sewerage, water treatment, energy to fertilizer and food projects. The scale of construction projects may vary from work worth a few hundred Ringgit to major schemes costing several billion Ringgit. This includes everything from house repair to large and sophisticated civil engineering projects such as the Kuala Lumpur City Centre (KLCC), Kuala Lumpur Tower, Express Rail Link (ERL), Penang Bridge and the Kuala Lumpur International Airport (KLIA).

Over 65% of the volume of construction work within the industry comprises of infrastructure and civil engineering works whilst the balance is building and maintenance works. There are approximately 60,000 local construction firms within the industry, but only about 20,000 are active. Malaysia is one of the leading countries in South East Asia involved in international contracting and CIDB reports that Malaysian companies are participating in a variety of construction projects in over 30 countries (CIDB, 2005). These firms have since undertaken a few mega projects overseas which include expressways, buildings, electric power stations, bridges and others. However, within the global context, leading international companies such as Japan's Taisei, Shimizu and Kajima Corporations, France's Bouygues, and Bechtel of the US dwarfs these companies.

The Malaysian construction industry is the fourth largest employer of the Malaysian workforce. It is heavily craft-based and employment within the industry fluctuates significantly with the boom and bust cycles. On the average, the construction industry employs over 800,000 people or about 8% of the total workforce. In addition to this, there are thousands other people employed in the administrative, professional, technical and clerical occupations, but there has been no official record to ascertain their numbers accurately.

Construction is included in the General Agreement on Trade in Services (GATS). Foreign construction companies are encouraged to take up stakes in construction and infrastructure projects together with local companies. They are treated as local contractors unless their stake in a Malaysia company exceeds 30%, or if the company is a 100% incorporated in the country of origin. Malaysia is also a signatory of the ASEAN Framework Agreement on Services (AFAS) whose objective is to promote economic cooperation and improvements in the economic delivery system. This is also support the ASEAN VISION 2020, which aims to promote better free flow of trade between the ASEAN countries. In parallel with its GATTS commitments, Malaysia has significantly lowered the restrictions on the establishment and operation of a commercial presence by foreign firms from ASEAN countries from 30% to 40%.

The "Look East Policy" introduced in the early 1980s that carried through until the late 1990s, further encouraged foreign contractors to participate in the industry, with those from the United Kingdom, Japan and South Korea most active (Adnan 2004). Since rebounding from the economic recession in 1997, the number of foreign contractors in Malaysia has been increasing with most of the contractors from Korea, Japan, Singapore, Germany, UK and other European countries. With stricter regulations, joint-ventures offer the main alternative route into the Malaysian construction market. The government is now looking at more local-foreign joint ventures to participate in the regional and global market.

The slowdown in award of contracts by the Government has spurred many construction companies, in particular the larger ones, to venture abroad in search of greener pastures. India and the Middle East are the popular, accounting for about half of the overseas projects, particularly India where Malaysian companies have completed 39 projects worth RM5.7 billion and are reported to have a market share of 25% of the infrastructure jobs awarded there.

Going forward, the implementation of construction projects under the Ninth Malaysia Plan (9MP) is expected to provide some impetus for growth in the construction sector. The budgeted expenditure under the 9MP, spanning from 2006 to 2010, will be around RM150. The main thrust of the 9MP is on the development of human capital and the services industry. This is good indication that there will be more construction and upgrades of education centres,

hospitals and tourist destinations as well as improvement of infrastructure facilities such as roads and bridges. The 9MP will also endeavor to gradually reduce the Government's budget deficit through exercising greater fiscal discipline or prudence to ensure that maximum benefits are obtained when selecting and implementing projects under the 9MP.

Due to limited resources, new projects that will be considered for the 9MP are projects that will generate multiple benefits for the nation. Among the criteria used will be human friendly projects whereby emphasis will be given to improving road safety and providing convenience for road users and projects which can save traveling cost and time. This will include construction and upgrading of roads to overcome traffic congestion in town centres as well as in new growth areas.

Joint ventures are established to take advantage of the economic, political and social conditions prevailing in a particular economy. In Malaysia's case, international firms came to its shores mainly because of its political stability, economic growth and a relatively low cost of labour and other resources. Construction joint ventures in Malaysian are becoming increasingly popular both in multinational construction firms and local government in order to achieve their individual objectives. There are already established joint ventures between two or more local indigenous contractors and also between indigenous local and foreign contractors.

In Malaysia's case, international firms were attracted to its shore mainly because of opportunities stemming from the country's planned economic growth, its political stability a relatively low cost of labour and other resources. Construction joint ventures in Malaysia are popular and have involved multinational construction firms and local government in order to achieve their individual objectives. The government for Malaysia has also encouraged and supported local contractors to participate in regional and global markets based on their expertise and experience of construction of buildings, infrastructure projects, highways, power generation, port and airport construction.

Foreign contractors were operating in Malaysia long before the signing of the GATS (Note 1) accord in January 1995. At that time, foreign firms were admitted mostly in a non-discriminate manner and there were no rigid trade-related sanctions on foreign-owned firms that were allowed to operate Malaysia's domestic market. Currently, the implementation of its commitments under the GATS, market access restrictions promulgated by Malaysian regulators have opened opportunities to foreign firms to operate through joint ventures with Malaysian individuals or institutions, both as local as well as foreign contractors.

Malaysia's booming economy and the Malaysian Government policy of becoming fully industrialised has spawned massive developments creating a conducive investment environment. Over the years, Malaysia has attracted a good deal of well-known multinational companies from Japan, Taiwan, Korea, United States, United Kingdom France, Australia, Germany, Canada, Denmark, India, South Africa and others. This included work for public and private clients comprising infrastructure, civil engineering works and residential development. These projects have included work for public and private clients comprising infrastructure, civil engineering works, residential and non-residential building work. Foreign firms are often required to bid with local partners on large infrastructure projects and a JV bid must normally have at least 30% bumiputera (indigenous Malay) participation.

The rapid expansion of construction activities following industrialisation programmes has intensified the participation of foreign contractors. Joint ventures with local contracting firms were encouraged. Major projects undertaken with foreign participation included Kuala Lumpur International Airport, the Petronas Twin Towers, Pergau Dam, the Multimedia Super Corridor and The Sepang Formula One Circuit.

The Malaysian Government's encouragement and incentives of such arrangements could also be considered as a significant factor in the development of joint venture projects. Foreign firms are often require to bid on large infrastructure projects with local partners and a joint venture bid must have at least 30% bumiputera (indigenous Malay) participation. Malaysia's open-door policy to foreign participation is evidenced by the large amount of payments made by the Malaysian Government for contracts and professional services.

Successful bidders for projects are predominantly established multinational corporations and the majority of contractors depend upon their special expertise to secure projects. Most of the projects are infrastructure projects or engineering and construction works for petroleum products processing plants. Lack of local expertise has been cited as one of the main reasons for the utilisation of foreign firms. In a large number of projects, sophisticated technology and know how are crucial to ensure successful completion. These projects provide excellent opportunities for Malaysian companies to combine and for foreign contractors to team up with Malaysian contractors to explore business opportunities.

These projects have included work for public and private clients comprising infrastructure, civil engineering works, residential and non-residential building work. Foreign firms are often required to bid with local partners on large infrastructure projects and a JV bid must normally have at least 30% bumiputera (indigenous Malay) participation.

6. Research Methodology

The research methodology was divided into three major sections consisting of a literature review. questionnaire survey and in-depth interviews. The questionnaire survey was distributed to 550 Grade G7 and G6 registered contractors under the Construction Industry Development Board Malaysia (CIDB). The purposed of the questionnaire was to discover

which companies had experience of JV projects, the extent of that experience and their views of risk factors associated with joint ventures.

The 2nd part of the research involved a case study whereby an in-depth interview conducted with the General Manager of the Grade G7 contractors to provide detailed information on his company structure, management and experience of one of his major projects undertaken in Malaysia. It was found from the search for appropriate cases of JVs that those in this category were restricted. The search for cases such as JVs was made in the various company directories particularly in construction organisations such as the CIDB Malaysia, Master Builders Association Malaysia and   Malaysia 2000 Construction Equipment and Builders' Directory.

7. Results and Analyses

There were fifty (50) local contractors and five (10) foreign contractors which responded to the questionnaire. This was about 10% of the total number of the 550 companies. Only 10 foreign companies returned the questionnaire out of 50 foreign companies and all was willing to be interviewed. This was disappointing but it was thought that it could be the lack of JV experience which could be the reason. It could be that there were many that had not been received, or it could be that those not responding had bad experiences in JVs, or they were reluctant to share their experience.

The questionnaire was divided into three parts:

Part One: General information about the JVs - company status, nature of business, involvement's in JVs project numbers and operation structure.

Part Two: Risk factors that might be involved in JV projects. These factors were divided into three groups, namely internal, project -specific and external risks (Groups 1, 2 and 3).

Part Three: For companies with no experience of joint venturing but which were willing to participate in the future.

A Likert Scale of 1-5 was used in the questionnaire. The respondents were required to indicate the relative criticality/ effectiveness of each of the risk factors and management measures.

Most of the respondents were involved in the civil engineering works, which consisted of highways, roads and bridges, tunneling, road pavements and resurfacing. About 50% of them were involved in commercial, industrial and residential building. Many projects had been completed but some were still in progress. There were others involved in specialist works, piping, petrochemical and oil refinery and airport facilities.

From the questionnaire on the priority to be achieved from the JV projects was the new market opportunities where 19 respondents out of 40 agreed on the statement, which makes 51% from the overall population. Meanwhile, increasing project scale and profit were at 2nd and 3rd ranked which are 23% and a slight decrease in percentage to 22% of the respondent's priorities. This was followed by time of completion, cooperation and quality of works, which took the 4th and 5th places.

Since the construction markets in the developing countries are unfamiliar to most of the companies in developed countries. It is always difficult for them to get into the markets at the beginning. Joint venturing is one of the most common ways to overcome the barriers to these markets. By forming the JVs, foreign companies improved access to local human resources including managers and labour, and specific resources possessed by local partners. This capability is, therefore, improved in terms of size and scope of work undertaken.

From the research, the respondents ranked first business expansion and new economies of scale. The financial status for a company was at the 2nd rank. It could be seen that the skill and experience, competitive advantages and market share were at the 3rd rank. 13 respondents also shared their opinion of having technology, knowledge and information and sharing of risk. The new market opportunity and coordination of work were in the 5th place and sharing of resources was in the 6th place.

From the research survey, the writers concentrated on the risk factors that were involved in JV projects based upon the respective contractors' experience. The analysis assessed the 29 respondents that responded to the question on risk factors.

7.1 Risk Group 1: Internal Risk Factors

Among the nine factors, the highest mean of 3.89 was the problem from both the partner's parent companies. Another risk factor related to a partner is its lack of management competence and resourcefulness, which is ranked 2nd. Thus the credit worthiness of a prospective JV party's parent company should be scrutinized and its current management competence and resources must be ascertained. (Li Bing, Tiong 1999).

Policy changes received the 3rd highest rank, which was at 3.29 and 3.25, which is very critical among the internal risk factors for a JV project. The parent companies play an important role in the JV process as they can influence a JV's performance. Most of the researchers on JVs have concluded that a good JV agreement is an essential success factor and can avoid a great deal of trouble and conflict in future JV operations.

Employment from the parent company and work allocation received 5th and 6th rankings; as trust among JV staff from different partners is also a critical risk factor in JV projects. Another critical risk factor is the disagreement on accounting of profit and loss. It received the 7th ranking; followed by the technology transfer and disagreement on allocation of staff positions in JV which received less critical scores, ranking 8th and 9th, respectively. Disputes over works allocation often happen when designs are changed and the changes are unfavourable to one of the partners. Technology transfer received the least critical ranking in this group.

Table 1. Internal Risk Factors

No	Risk Factors	Mean
1.	Financial Problems	3.89
2.	Management	3.44
3.	Policy	3.29
4.	Over inteference	3.25
5.	Employment	2.97
6.	Allocation of work	2.96
7.	Accounting	2.88
8.	Technology Transfer	2.77
9.	Allocation of staff positions	2.61

7.2 Risk Group 2: Project- Specific Factors

The risk caused by the project characteristics must be considered when dealing with JVs risk. Many JVs are formed for a specific project, and the project's characteristics could strongly influence the JV's performance. A Client's cash problem is regarded as the most critical risk factors to a JV. It received 4.19 and is ranked first in this group among all risk factors considered in this research. Thus, it could be seen that the financial risk to the JV contractor includes whether the owner has sufficient funds to complete the project or has the availability of funds for progress payments. The most critical factor is a poor project relationship. It received a critical value at 3.54 and 2nd in the project-specific risk group. Strained relationships will occur when someone goes directly to the Client without informing his counterpart, particularly when the matter concerns contractor-client reimbursement.

Currently, in the construction industries, the general contractors are subcontracting many project activities. It is rated as the 3rd critical risk factor in the group. Compared with other risks, disagreement over some conditions in the contract is considered to be less critical value at 2.89. Contractual risks usually are caused by disagreement arising from flawed contract documents, inappropriate types of contract, improper tendering procedures, contractual clauses and/or incomplete contract documentation.

Table 2. Project Specific Factors

No	Risk Factors	Mean
1	Cash Flow Problems	4.19
2	Poor Project	3.54
3	Incompetence of suppliers	3.08
4.	Conditions of Contract	2.89
5.	Demands & Variation By Client	2.88

7.3 Risk Group 3: External Risk Factors

The major risk factors for overseas construction projects at the national or regional level are those related to economic, political, social and environmental risks. Economic fluctuation and inflation score the highest means at 3.80 and 3.49. These were followed by policies, fund repatriations and exchange rate, which stand at the 3rd, 4th and 5th ranking, respectively. Economic slowdown causes the construction market to shrink. Foreign exchange risks exist when the JV formally enters a contractual agreement as a contractor with the owner. Inconsistency in policies, regulation restrictions on fund repatriation and import restrictions were ranked at 6th, 7th and 8th respectively.

The environment has a certain critical influence on JV projects. It received a critical value at 2.26 and is ranked 9th in this group. The participants considered the pollution effect on a JV least critical. The surveys showed that the social environment problems are not critical and they are ranked at 10th and 11th, respectively. The lack of complimentarity is caused by a failure to understand how cultural assumptions influence the development of the JV.

Table 3. External Risk Factors

No	Risk Factors	Mean
1.	Economies Fluctuation	3.80
2.	Inflation	3.48
3.	Policies, laws and regulations	3.39
4.	Exchange rate	3.21
5.	Fund Repatriation	3.14
6.	Import restrictions	2.55
7.	Force Majeure & Social	2.50
8.	Security Problems	2.45
9.	Pollution	2.26
10.	Language Barrier	2.21
11.	Different social, culture & religion	2.10

8. Conclusions

The questionnaire survey on the JV projects between Malaysia local and foreign contractors working in Malaysia showed that both perceived risk in construction as the likelihood of the potential completion of the project i.e. terms of cost, time and quality of performance. To minimize the chances of failure or underperformance of a JV, risk management techniques must be introduced into the construction industry. In order to manage them effectively, a comprehensive method for managing risk techniques must be introduced into the construction industry. Also in order to manage them effectively, a comprehensive method for managing risk during the construction process, particularly in the pre- contracting and contracting stages, should be applied. The major risks factors were found to be the agreement of the contract, partner selection, control/equity, sub-contractors, renegotiations and training. The nature of construction JVs and international JVs compared with other types of procurement may be different due to the fundamental intent of co-operation in the participants where large differences in cultural, political and social backgrounds exist. The findings of the research will hopefully support the more successful implementation of joint venture projects in other similar economies.

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Notes

Note 1. The General Agreement on Trade in Services (GATS) is one of the agreements of the World Trade Organisation (WTO). It was brought under the rules of the multilateral trading system at the conclusion of the Uruguay Round in 1994. The GATS came into force on 1 January 1995.

The Theoretical and Comparative Research on the

Effectiveness of Civil Conduct that Breaches the Law in Content

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Abstract

Beginning from a case, this paper focuses on the discussion of "the invalidity of illegal civil conduct". From the perspective of comparative law, this paper makes theoretical researches on the effectiveness of civil conduct that breaches the law in content. It chiefly analyzes three issues. What is the law that is breached by the illegal civil conduct? Is the "invalidity" "absolute" or "relative"? Is it possible for an illegal civil conduct being valid? After introducing the civil codes in other countries, this paper concludes the relevant laws, regulations and the legal practice in China.

Keywords: Illegal content, Void civil conduct, Mandatory regulation, Absolute invalidity

1. The appeal of a house sale dispute in which Yubin Li has sued the Zhongyi Shoe Leather Company in Wanxian city and the thesis

The Leather Product Company in Wanxian ciy (renamed as the Zhongyi Shoe Leather Company in Wanxian city later, in this paper it refers to the Shoe Company for short) signed a "house renting contract" with Changtao Wu, the owner of the house in No.66, Road Two, Wanxian city on 1st, June, 1983. The contract says: the house in rent is in No. 66, Road Two, Wanxian city, and the term is 8 years; when the term is terminated, the Shoe Company can buy this house at the price of 30 Yuan per square meter. Later on 10th, December, 1984, Changtao Wu and Yubin Li, owners of the house, signed a "statement of house owners" with the Shoe Company: the former contract signed on 1st, June, 1983, is still valid; on 1st, June, 1990, the Shoe Company can buy the house at the total price of 600 Yuan and the 600 Yuan should be paid off in ahead. As the property ownership certificate has two houses, respectively in No.64 and No.66, Changtao Wu keeps all relevant certifications. They can transfer the property ownership in the real estate governmental office. Both parties signed agree on the statement. Before the date of 4th, November, 1984, the Shoe Company paid Chantao Wu 15,000 Yuan, including the rent and the house-purchasing expense in five times. However, in 1985 Changtao Wu died. In 1989 Yubin Li declared that the "renting contract" signed in 1983 and the "statement of house owners" signed in 1984 were invalid because both were signed by Changtao Wu himself and she did not know anything. She insisted on taking back the house that was in No.66, Road Two. The two sides disputed on this issue. Therefore, Yubin Li lodged a complaint in the Wanxian People's Court.

Wanxian People's Court judged that the "renting contract" and the "statement" were invalid. The Shoe Company did not accept this result and lodged an appeal. Wanxian Intermediate People's Court held two different opinions toward this case.

According to the first opinion, the agreement signed by the two parties is actually "house-purchasing contract" despite it is namely "renting contract". This conduct has happened before the issue of "Regulations for the Management of Civil Private House". The two parties have agreed to sign the contract and the buyer has already paid for the house and has used the house. In the appeal, the government of Wanxian city confirms the purchase of the house. To order the civil house sale market, preventing people from obtaining profits from imperfect law system, it is necessary to confirm the validity of the house purchase activity.

According to the second opinion, the two parties' act has breached the law and the policy. Therefore, the "renting contract" and the "statement" should be regarded as invalid. Although the act has happened before the issue of "Regulations for the Management of Civil Private House", the government has already made it clear that no company is permitted to buy private houses. And in 1982, the government of Wanxian City made the "Notice of stopping and eliminating activities of companies buying private houses". Therefore, no matter what the contract form adopted by the two parties is, their act is illegal. And it is not acceptable for the Shoe Company offering additional materials for approval in the appeal. Yubin Li should turn the exceeding rent and the house expense back to the other and pays for certain interests. Both parties shoulder other losses by themselves.

Sichuan Supreme People's Court prefered the first opinion, and asked advices from the Supreme People's Court on 16th,

November, 1991. However, the Supreme People's Court tended to take the second opinion in its advice.

In author's opinion, this case arouses us to think about the proposition of "invalidity of illegal act". Whether are all illegal civil conducts void? This question may lead to three.

One, what is the law that is breached by the illegal civil conduct?

Two, is the "invalidity" "absolute" or "relative"?

Three, is it possible for an illegal civil conduct being valid?

2. Regulations and opinions of other countries and Taiwan region

2.1 The scope of the law that is breached by the illegal civil conduct

As far as the first question is concerned, in author's opinion, there are three levels according to regulations and theories in other countries and regions. On the first level, the illegal civil conduct is generally regarded as void in principle, such as Russia, and Switzerland. The Article 169 in the Civil Code of Russia Federation says that any act that breaches the law and the moral is invalid (Daoxiu Huang, 1999, p84). The Article 20 in the Civil Code of Switzerland says that the contract is invalid if the content is impossible, illegal, or against the morals (Jinjiao Wen, 2006).

On the second level, the illegal civil conduct breaches the mandatory rules instead of voluntary rules. The law includes mandatory rules and voluntary rules. Voluntary rules are only instructional. Parties can escape from voluntary rules by mutual agreements. In other words, the civil conduct that breaches voluntary rules is not necessarily invalid. Quebec and Italy are at this level. The Article 431 of the Civil Code of Quebec says that in the marriage contract any agreements can be included but they should follow the mandatory rules and common order (Guodong Xu. & Jianjiang Sun, 2005, No.55). The Article 634 of the Civil Code of Italy says that if items in testaments are impossible or they breach mandatory rules, common orders or morals, these items are void, except the conditions provided in the Article 626. And the Article 1418 says that any contract that conflicts with mandatory rules is null except for conditions that are allowed in law (Anling Fei, 2004, p161 & p340). These principles all emphasize the "mandatory" rules.

On the third level, the mandatory rules are divided into obligation rules and forbidden rules. And the later includes regulatory rules and effect rules. The civil conduct that breaches the obligation rules and the effect rules is invalid. The Civil Code of Taiwan holds this opinion. The obligation rules of mandatory rules refer to rules that tell what people should do. If people refuse to do as the obligation rules, the act is invalid. For example, the Article 100 of the Land Law of Taiwan sets limits for lessors taking back the renting houses. That is a kind of obligation rule. No lessors can disobey it through any agreements; otherwise, the conduct will be void according to Article 71 of the Civil Code of Taiwan Region (Ziqiang Chen, 2002, p149). Besides, the theory of civil law in Taiwan classifies the forbidden rules. If the forbidden rules focus on the course of the legal act, such as the time limit of business hour, and the aim is to protect employees instead of stopping the transaction, they belong to regulatory rules. Otherwise, if the forbidden rules aim at stopping the legal act, they belong to effect rules, such as the rule of forbidding selling cigarettes and wines to the minors.

According to cases in Taiwan, the Article 71 is not for the behavior that breaches the regulatory rules. In other words, civil conduct is not necessarily invalid. For example, according to the first item in the Article 60 of the Taiwan Security Law, stockjobbers should not take deposit or issue loans. But this rule does not make it clear that if stockjobbers go against this rule, whether relevant deposit contract or loan contract is valid or invalid. According to the case No.879 in 1979 in Taiwan, as this rule is a kind of regulatory rule instead of effect rule, the deposit-saving act and the loan-issuing act are not necessarily invalid. If security companies break this rule and take deposit or issue loans, the department in charge should warn the security firms, stop their business operations, or revoke their business certificates, according to the Article 66 of the Taiwan Security Transaction Law, or let the security firms take criminal liabilities according to the Article 175. In contrast, the Article 16 of the Company Law belongs to effect rules. Companies should not guarantee for anyone except for allowable conditions in law or in the Company Charter. According to the case No.1919 in 1959, if a company that is not specialized in guarantee business provides others with guarantee, it goes against the Article 23 of the Company Law, and thus its act of guarantee is invalid. Here, the civil conduct that breaches the effect rules is invalid (Ziqiang Chen, 2002, p147-148).

Reasons for this classification include: most forbidden rules aim at carrying out the criminal law or the administrative law instead of regulating the private relationship between parties. Without powerful reasons, it is improper to take civil conduct as invalid. For example, if a contract is regarded as void, the contract is not protected by the law. All benefits without legal reason, damages for torts and debts have to be dealt with. Conditions will become extremely complicated. Therefore, if a principle does not make it clear that an act is valid or not under certain condition, it is necessary to probe into the purpose of the principle. Sometimes, to confirm the validity of the contract will make the problem easier, or become in favor of parties' interests, or more in accord with the purpose of law. For example, according to the Article 2126 that refers to the labor contract in the Civil Code of Italy, void contracts or voidable contracts are not effective,

except contracts that breach the law in contents or reasons. Even if the provision of labor violates relevant rules that protect employees, the employees still possess the right of obtaining rewards (Anling Fei, 2004, p499).

2.2 Absolute invalidity and relative invalidity

If certain civil conducts that have breached the law in content become legal along with the changes of laws and conditions, can they be valid because of the parties' acceptance? Or will they remain null all the time? This will lead to another question: is it possible that the parties determine whether their illegal act is valid or not? In other words, is the invalidity absolute or relative?

The Contract Law of France distinguishes the absolute invalidity and the relative invalidity. If the mandatory rule is to punish the anti-social behavior, or protect the weak, the contract is absolute invalid, no matter whether the law makes clear or not the validity of the contract that breaks the law. At the same time, if the contract conflicts with the rules that aim at protecting the interests of parties or the third party, it will be regarded as relative invalid, such as the rule that aims at helping the third party free from the loss caused by contract transfer. For example, the rule L.421-2 of the County Law of France forbids owners to sell their houses without informing their renters in order to protect renters' preemptive right. If owners betray the rule, the purchase contract is invalid (Tian Yin. & Huixing Liang, 1995, p203-204); however, if owners inform the renters afterwards and renters give up their priority, the contract may be valid. The principle 135 of Civil Code of Germany has similar regulations. If a conduct towards subject-matter infringes relevant legal rules and the rules aim at protecting the interests of special people, the act is only null for these special people (Jinglin Du, 1999, No.29).

2.3 Principles and exceptions

Some countries clearly make the exceptions, such as the Article 134 of the Civil Code of Germany. It says that the behaviors that breach the forbidden rules in law are invalid, except conditions permitted in law (Jinglin Du, 1999, p28). Besides the exceptions mentioned above, they include several other conditions as follows:

(1) The act that can be revocable or the act that does not have determined effect

The Article 168 of the Civil Code of Federal Russia says that behaviors that betray laws or regulations are invalid, except acts that can be revocable or those leading to other legal liabilities (Daoxiu Huang, 1999, p84). The Article 71 of the Civil Code of Taiwan says that the conducts that breach the mandatory rules or the forbidden rules are invalid, except ones that is not regarded as invalid in principles (Ziqiang Chen, 2002, p375). It clearly excludes the acts that can be revocable and the acts that do not have determined effect.

(2) The types of contracts that breach the law in content

In author's opinion, the analysis should distinguish the validity of contract that is signed by illegal civil conduct, and the validity of contract that is illegal in content.

According to the Contract Law of Britain, the contracts that are illegal in the signing process include two types (this paper does not take the contracts that are illegal in performance into consideration): ones that are signed illegally, and ones that includes illegal items in content. In the first condition, if parties do not take illegal actions, they can not perform the contract and the contract may infringe the criminal law or other statutes. For example, the statute says that parties should gain the licenses, and the contracts signed by parties who do not gain the licenses are illegal, such as the Levy v. Yates case in 1938. In the second condition, it is necessary to consider whether the statute forbids the type of the contracts, such as agreements to commit crimes, melon-cutting agreements, and tax-cheating agreements, or insurance contract with suicide of the insured (Baoyu He, 1999, p402). According the law of England, contracts in these two conditions are not mandatory in performance. The contract in the first condition is invalid because of the illegal signing process and the contract in the second condition is invalid because of the illegal content.

Here we should notice that laws in all countries have common in the first condition; however, in the second condition, although the civil conduct is illegal itself, the contract is not necessarily invalid. Just as points mentioned above, if a civil conduct breaches the regulatory rules, the contract may be valid.

(3) Is the contract wholly invalid or partially invalid because of illegal items in it?

For this question, different countries answer differently. According to the Law of Rome, the valid parts should not be affected by the invalid parts. And the second item of Act 20 of the Civil Code of Switzerland says that the nullity of illegal items that only encompasses part of the contract can not result in the complete invalidity of the whole contract, if the illegal items determine the assignment of the contract. (Jianjiao Wen, 2006). The Article 1354 of the Civil Code of Italy has contrary rules. The contract with preconditions that conflict with mandatory rules and common orders is completely invalid (Anling Fei, 2004, p329).

3. The relevant laws and theories in China

3.1 What is the law that is breached by the illegal civil conduct?

According the general theories, China is at the second level mentioned above. The civil conduct that is taken as invalid must breach the law instituted by the People's Representative Congress of China or the State Council of China. According to the Supreme People's Court's explanation for the Article 4 of the Contract Law of China, people's court can only declare certain civil conduct as invalid based on the laws and regulations instituted by the People's Representative Congress of China or the State Council of China, rather than any other local regulations. And the general theory affirms that the voluntary rules can be further excluded by parties in contract. In this way, the scope is confined to the mandatory rules in the law and regulations made by State Council.

However, Chinese law does not make further classifications on the mandatory rules. In other words, only if the content of the contract breaches the mandatory rules in laws and regulations, the contract is invalid, no matter whether the parties is intentional or not, no matter whether it is a regulatory rule or effect rule, and no matter it breaches the law in content or in process. Therefore, in the case at beginning of this thesis, the Supreme People's Court regards the contract between Yubin Li and the Shoe Company as null all the time. In author's opinion, this judgment is not perfect. Just as the point mentioned above, once the contract is invalid, parties of the contract have to return the properties and come back to the original situation, which will lead to a series of complicated debt-obligations. This is not necessarily in accord with the purpose of the law or in favor of the interests of parties to the most degree.

3.2 Is it absolute invalid or relative invalid?

Some Chinese scholars agree with the concept of "relative invalidity." For example, the principle 131 of the Green Civil Code composed by Guodong Xu says that the civil conduct that breaches the mandatory rules and the common orders is absolute invalid and the civil conduct that infringes certain people's interests who are protected by the law in special is relative invalid (Chenliang Jia, 2007). However, the invalidity mentioned in present legal system in China means absolute invalidity, and the majority of scholars agree with this opinion. Therefore, suppose Yubin Li has sold the house to others, then the later buyers can propose for the invalidity of the contract between Yubin Li and the Shoe Company, but the court can also judge this without any proposal of parties and declare the invalidity of the contract.

The author agrees with the relative invalidity. Absolute invalidity means anyone, including administrative agencies, can claim for the invalidity of contract. As a result, the public power may interfere too much with the private legal relationship, and this may confuse the civil liability with the administrative liability. The civil conduct that breaches the law in content may lead to the interference of public law into private law. Theoretically, there are different means to limit this phenomenon, including the dualistic theory of public law and private law, the mutual reliance theory, the theory of performance stages (Tiantian Zhang, 2006), the theory of subjective factor, the theory of value balance, and the theory of proportional principle (Shilin Chen, 2007). Take the theory of performance stages for example. Before the fulfillment of certain obligation, the disaffirmation of the validity of the civil conduct will not cause grave result in transaction safety and fairness, but after the carrying-out of certain civil conduct, the denial of the validity of the act may severely damage the transaction safety, trust between parties, and fairness, and this will endanger the parties' interests at the same time. Therefore, since the contract has been carried out, the validity of the contract should be carefully considered. According to this theory, the author agrees more with the opinion of Sichuan Supreme People's Court for the former case.

3.3 Is it a must for illegal act invalid?

Firstly, according to China's laws, no rules refer that the civil conduct of illegal content can be revocable or has undetermined effect. The Article 58 of the Civil Code of China says that the contract that breaches the law or the social common interests is void. The Article 52 of the Contract Law of China says that the contract that breaches the mandatory rules of laws and regulations of State Council is null. The two principles do not include any exception.

Secondly, the law of China does not classify the illegal contracts. All illegal contracts are void. For example, the principle 1 of "Supreme People's Court's legal explanation for dealing with the construction contract disputes" says that once the construction contract is in accord with certain conditions, it will be regarded as void according to the fifth item of Article 52 of Contract Law. These conditions include: (1) the contractor does not has qualification of construction or surpasses its qualification of construction; (2) the non-qualified construction firm signs the contract by borrowing other company's certificate; (3) the construction that should be bid is not bidden or the bid becomes invalid.

Thirdly, the Contract Law of China confirms the partial invalidity of contract. The Article 56 of the Contract Law of China says that the void contract or the voidable contract do not have legal effect from the very beginning. The partial invalidity of the contract does not affect the validity of other parts. The other parts in the contract may be still valid.

4. Conclusion

Chinese law and regulations on the validity of illegal civil conduct are so simple and general that they have many

shortcomings. In China's legal practice, the civil conduct that breaches the law in content may lead to four results: (1) invalidity and punishment. For example, drug dealers, and women or children trade. These transactions are invalid. Because the contract is illegal, the parties in the contract will be punished by the criminal law; (2) invalidity. For example, the Article 80 of the Contract Law of China says that the creditor should inform the debtor if he or she transfers the credit. Otherwise, the transfer of the creditor's right is invalid to the debtor; (3) validity and no punishment. It chiefly focuses on voluntary rules. For example, the Article 36 of the Contract Law of China says that even if the contract is preferred to be written down according to the law or the parties agreed to sign a contract in written form, the contract can be still regarded as valid on the conditions that the contract is not in written, only if one party in contract fulfills its obligation and the other party has accepted it. Therefore, the relevant rules in the laws and regulations are voluntary; (4) validity but having punishment. The purchase without offering invoice should be punished by administrative departments, but this will not necessarily result in the invalidity of the contract. Consumers can still ask for damages for product liability. Based on these instances mentioned above, we conclude that the illegal civil conduct is not necessarily void.

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A Review of Tomlinson's Views on Cultural Globalization

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Abstract

By reviewing Tomlinson's views on cultural globalization, this essay explores his contributions by

investigating his work in a critical way. It examines his thoughts of "cultural imperialism" and "cultural globalization", including thematic ideas such as: "complex connectivity", "deterritorialization" and "cosmopolitanism". Then, it discusses the issue weather globalization promises a global culture or a globalized culture in the process of cultural globalization.

Keywords: Cultural imperialism, Cultural globalization, Deterritorialization cosmopolitanism

John Tomlinson, Professor in Nottingham Trent University, is the author of Cultural Imperialism and Globalization and Culture that have been translated into many languages such as Chinese, Korean, Japanese and Italian. He is also the author of numerous academic articles and book chapters. The two books of Cultural Imperialism and Globalization and Globalization and Culture show his insightful perspective of cultural imperialism and cultural globalization. Tomlinson is a sagacious thinker who explores globalization across a range of disciplines, including sociology, geography, cultural studies, anthropology, history and communications studies, which makes him a special scholar in the field. His major contribution is that he takes a particular angle to investigate the role of culture in the process of globalization, which is previously neglected.

From "cultural imperialism" to "globalization and culture", the past years have seen the accelerated globalization in which culture is an active element affecting every aspect of the society. This essay explores Tomlinson's contributions by investigating his work in a critical way. It examines his thoughts of "cultural imperialism" and "cultural globalization", including thematic ideas such as: "complex connectivity", "deterritorialization" and "cosmopolitanism". Then, it discusses the issue weather globalization promises a global culture or a globalized culture in the process of cultural globalization.

1. From cultural imperialism to cultural globalization

The term "cultural imperialism" appeared in the 1960s in the discourse of intellectual radical criticism. To many readers, it is a simple concept that seems to mean that a country uses its power to spread its culture which might ruin a native culture. A good example is, in china, cultural imperialism is always conveying a negative meaning that is very likely to encounter radical critiques because of the long history of the invasion of imperialism nations. It arouses the feeling of anxiety and uneasiness and this feeling towards imperialism is a part of the whole nation's cultural experience and has been stored in its memory conforming to the identification of the whole nation.   Just as Tomlinson (1991) reports, "in the case of cultural imperialism in the Third World, this term might point towards the links between present domination and a colonial past" (p.19). What impresses me here is that, Tomlinson, as a western thinker, is conscious of not taking advantage of dominant and privileged cultural position to look at other cultures, which some western thinkers consider lower ones.

However, cultural imperialism is not so simple as many readers think about it. Tomlinson (1991) makes the point that cultural imperialism is a complex concept that involves how people understand "lived life" and how they look at their particular everyday practice. Besides, the process of disseminating culture is very complex and an economically powerful nation does not necessarily transpose a native culture with its culture. Tomlinson's critical and fresh interpretation of cultural imperialism provides a tool to understand the capitalist modernity which he argues is "technologically and economically powerful but culturally 'weak'" (Tomlinson (1991). The term of cultural imperialism makes sense in a particular historical era in which there is distinct difference between America and Europe and Asia. In the 1960s, if a Chinese listened to American music or loved American commodities was considered immoral. With the end of the Cold War, the world changed dramatically.   Nowadays, American food, music and films are available all over the China. These American commodities are becoming Chinese favorites and consumption of American commodities has been authentic and everyday practice. Thus, the term, cultural imperialism, is out of date and is problematic because it can't explain what is happening in this society and interpret the cultural meaning at micro level.

Since the 1990s, the globalization has taken the place of imperialism and has been popular in the academic research and representation of the reality. By studying the definitions given by Ohmae (1995, cited in Tomlinson 1999), Hirst and Thompson (1996, cited in Tomlinson 1999), Tomlinson considers their economic sense of definitions too narrow ones, and brings cultural element to the center of debate. He claims that globalization is multidimensional and "is understood in terms of simultaneous, complexly related processes in the realms of economy, politics, culture, technology and so forth." (Tomlinson, 1999). Consequently, Tomlinson expanded the term of globalization by defining it as complex connectivity…the rapidly developing and ever-densening network of interconnections and interdependences that characterized modern social life. In his definition, Tomlinson includes aspect of daily life and lay emphasis on the constructing meaning in cultural experience that play an important role in the process of cultural globalization. He illustrates his ideas by employing a lot of contemporary examples such as traveling by international airplane. Rantanen (2005 p.11) explains that "of these three thinkers (Thompson, Giddens and Tomlinson), Tomlinson is the most optimistic, because for him globalization changes experience." Based on the work of other researchers, one of the most important figure is Giddens who saw globalization as "the consequence of modernity and in turn, modernity as inherently globalizing" (Jung Bong Choi, 2002, p.447), Tomlinson critically absorbs theoretical nutrition of modernity and globalization from him. They both shared the idea of globalization changing the way people live whereas Tomlinson develops the concept of Giddens' work by examining the neglected cultural issues. For Tomlinson, globalization is a "complex connectivity", but it is not in disorder. It is represented in the mechanism of the interaction of all the constituents of politics (power), culture (meaning) and economy (resources) in globalization, but around its core of culture. In this sense, it is cultural globalization.

From cultural imperialism to cultural globalization, globalization has witnessed the development of two different stages. In the meantime, it has also seen the changes of the way the academics and theorists perceive it. Although scholars like Tomlinson has reannotated it, unfortunately, imperialism has ceaselessly been the target of radical criticism since it was born. Because its nature is of being aggressive and expansive culturally, economically and politically and its ambition is to spread "at least, the notion a purposeful project: the intended spread of a social system from one center of power across the globe" (Tomlinson, 1991, p.175). By contrast, the advent of globalization is motivated and mediated by media and technology and it seems to be coherent logic of modernity expanding. I can't be as optimistic as Tomlinson, globalization seems to me that its developmental course is uncertain and ambiguous. There is a lot of different views on it, but with interconnection and interdependence increasing, globalization paradoxically suggests more vulnerability. "According to a recent study, more than 70% of china's rivers and lakes and 90% of its aquifers are polluted and more than 300 million people drink substandard water" (30 Jun, 2006). The pollution is caused mainly by production and consumption. However, Consumerist culture spreads all over the world at high speed. Seemingly, people are enjoying the huge variety of fruitful products. Simultaneously, The virtue of being simple, being economical and being endurant is lost. More serious consequences it brings are accelerated pollution and accelerated natural resources crises in this physical world, which is the foundation of cultural activity or may be considered a part of culture. It is obvious that globalization might not produce desirable fruits even from the perspective of culture sphere.

2. A global culture or a globalized culture?

It is generally believed that varieties of national and ethnic cultures are made up of a world culture. This conveys the meaning that being national is simultaneously belonging to the world. But accelerated globalization is influencing and transforming the cultures people used to experience in local sense. During the process of globalization, political system and economy system of the world tend to be homogenized. Does this also happen to culture? In view of cultural globalization, a question is always being asked. Does globalization promise a global culture? Reviewing Tomlinson's thematic ideas in terms of globalization and culture facilitates to seek the answers to it. Along with the "complex connectivity", "deterritorialization" and "cosmopolitanism" are two main points in describing and interpreting the cultural globalization.

Traditionally, a culture is closely linked to the places and it is fixed and immovable. Under the conditions of globalization, the relation between the place and culture is reconstructed. "deterritorialization" not only means the travel and transformation of culture but also means everbroadening horizon of mundane experience. (Tomlinson, 1999, cited in Oonk, 2002). Then, the flow of a deterritorialized culture make it possible to transform other cultures of even produce new cultures by hybridity. American popular music like rock and roll and rap spread to china, combined with Beijing Opera, which is represented in a modern and popular style. The new type of music attracts a lot of audience. Tomlinson (1999) explains that deterritorialization may have the potential to generate cosmopolitanism which is described as "cultural deposition", which is not limited to locality, instead, thinks globally and integrates the concerns of others into mundane practices. Tomlinson's view shows his enthusiasm for humanism. In cultural globalization, cosmopolitanism facilitates the mutual understanding, mutual support and increases the sense of responsibility for distant others. But Tomlinson receives critiques from Choi.(2002) because of his insufficient political sensitivity and lack of historical insight into the relationship between nation-state and cosmopolitanism. In my view, "deterritorialization" and "cosmopolitanism" are two active agents in the development of cultural globalization.

What is a global culture? It refers to "the emergence of one single culture embracing everyone on earth (Tomlinson, 1999, p.71). and replacing the diversity of cultural systems that have flourished up to now". There are different views on the debated issue: Does globalization promise a global culture? Utopian vision of a global culture from Marx's Communist Manifesto to cosmopolitanist thought of Kant and Leibniz is an optimistic imagination of global culture. Though theoretically it is utopian, historically it is put into practice as guidance for people to fight for freedom and liberation for decades of years. It has deep influence in all the aspects of the society. So I think Utopian's theory has its significance in its era. Dystopians are pessimistic about the construction of cultural imperialism which refers to "global capitalist monoculture" and "westernization of the world". As representative of western countries, the US draws on its military and economic power, selling American goods, more importantly its values and its style of living and its culture. Some countries' official language is English rather than one of their native languages such as Sierra Leone. Extending of American cultural has led to cultural homogenization showing American hegemony over some small or poor countries and diversity of culture is weakened and some cultures has perished. Tomlinson expresses (1997: 125) that "a dreadful American mono-culture". Skeptical viewpoints are that the cultural presentation of the realistic world is very complex and there are insufficient evidences to show its emergence.

I share the ideas of skepticism, expanding of modernity doesn't promise a global culture. Anthony Smith (1990) argues a global culture is memoryless because it is not constricted to any particular place and particular group of people. It does not satisfy any living needs and construct any identity. In current stage of globalization, cultural experience and identification change within its coherent logical element such as: "complex connectivity", deterritorialization, hybridity and cosmopolitanism. And also are deeply affected by all constituents of the society such as: politics, economy, environment and technology. Thus, I agree with Tomlinson (1999). Globalization produces a globalized culture rather than a global culture.

3. Conclusion

In short, Tomlinson contributes significantly to the theoretic debate of globalization by his insightful perspectives of the cultural conditions of globalization though there are some weaknesses in his arguments. From "cultural imperialism" and "cultural globalization", he developed his ideas in terms of different stages of globalization. Culture is considered a significant element of globalization. By studying the inner logic and outer enviornment of cultural globalization, just as Tomlinson (1999) sees it, globalization produces a globalized culture rather than a global culture.

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Sustenance of Values and Ethics in the Malaysian

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Abstract

The current scenario in the education sector of developing countries such as Malaysia is also experiencing the beginning of participation in the exploration and exploitation of e-learning initiatives. Like in many other trends, be it social, economic or political, put forth, particularly from the propagation of ideas of the western countries, developing countries take on to these like wild bush fire. This is also observed in the education sector. With the advent of cyber technology, one aspect of teaching is starting to take root in the institution of higher education and that is e-learning. This paper attempts to address some of the challenges that have cropped up as far as learning with technology is concerned. The borderless realm of knowledge warrants behavior that may lead to academic dishonesty. To maintain the universal noble values, some actions on the part of the students may precariously endanger the credibility of their assignments, projects and evaluation. To sustain these values for the good of their future, we need to address these challenges and to make known to these students the implications that these behavior create on their study and their future. The next part of the paper discusses considerations to help curb academic misbehavior in the university. The role taken by the institutions of higher education has to be comprehensive, if not total. It is particularly important that the management of student affairs, the faculty and several other parties be able to see these issues as very serious before the undesirable elements of technology usage sits deeply enrooted in the teaching-learning process. After all, the future of a nation depends on the stewardship of these students when they graduate one day and work in the government or private sectors of the country.

Keywords: Values, Ethics, e-learning, Trends, Academic, Dishonesty, Future of a nation

1. Introduction

The use of technology in the education sector in Malaysia began to take root in the 70's. This drive has been introduced from primary, secondary to tertiary levels in the teaching and learning system which aims to facilitate effective knowledge dissemination and acquisition. The usage saw the application of television, radio, language   laboratory , overhead projector, transparency and towards the 80's began the move to computer assisted learning and eventually, in the 90's the introduction of excellent software and hardware that can produce resources beyond the wildest imagination. In recent time, when learning management system is being introduced, this drive has taken into the education scenario like wild bush fire. This is evident with the inception of e-learning centre in almost every institution of higher learning

whether in the developed or developing countries. Universiti Teknologi MARA of Malaysia has initiated the e-learning drive with the establishment of what is called i-Learn Centre. Like any other e-learning centre, the university management has given complete and undivided support in its establishment.

In UiTM, adopting e-learning is a further step towards realizing the vision of technology serving lifelong learning and a knowledge based society through enculturation of new and effective pedagogies. By incorporating the online feature to the university's conventional mode, e-learning has created a potentially powerful learning environment that enriches and complements the effectiveness of traditional teaching and learning. Since 2004, faculties have begun to offer most of its courses and learning materials using online presentation. Learning activities and resources are no longer limited to resources physically available in libraries, confined to classrooms and lecturers who are physically present on campus. The way it is, e-learning has transformed the university teaching-learning approach and thus has increased its capability to offer online and distance education programmes to students, not only nationally but also internationally in our new digital world today. This effort has been taken as another internationalization effort of higher education as it is believed that e-learning is the catalyst and mover towards the effectiveness of teaching and learning in the university. Thus, this initiative intends to draw more students, foreign and local, to see the university as having a competitive edge. With this system, lecturers are able to include various instructional materials which students can access anytime and anywhere. This has also allowed the sharing of knowledge and has made communication among lecturers very feasible and simple.

In Malaysia, the pursuant of e-learning has been striving hard to ensure that it takes off very well with everyone in the educational institution. The target population, namely the lecturers who are responsible in uploading the content material of the course taught and the students responsible for the downloading and usage of content material for their very own purpose, has been continuously given training, demonstration and courses to help them get started and to move on. The approach in teaching and learning in institutions of higher education needs to accommodate to this drive for e-learning. Its main objective is to improve the flexibility of obtaining knowledge besides the traditional lecture concept. On the other hand, the implementation of e-learning does not at all intend to replace or disregard lecture rooms or lecturers, but it serves to strengthen the teaching and learning process via the utilisation of technology. Nevertheless, apart from strengthening the traditional learning system, e-learning ads values to the learning experience, it will also support dynamic and ever-changing approaches in teaching and learning.

2. What lies within e-learning?

In terms of adding value to the learning experience, lecturers or students enjoy the beneficial elements. These include time saving factor in the regular preparation of teaching material every beginning of the semester, at least this is what is happening in the local university in Malaysia. Content materials are usually uploaded for the teaching-learning purpose. With the learning management system, the process of acquiring and providing content materials is at the click of a button. Whilst time management challenge is systematically addressed, the lecturer can update course materials as and when he or she needs to. With the ever ready principle contents of the course taught, the materials will be able to undergo changes that are warranted in order to keep the materials relevant and up-to-date. Once again the role of implementation of e-learning is further enhanced in this respect.

Dynamic quality of courses can be manageably handled by lecturers as pressing times of other academic commitment seep in the career towards excellence. This includes enhancing teaching skills, apart from the normal tasks of writing and publication, research and consultation and professional contributions within and outside the institution. Given this advantage, lecturers would be able to continuously sustain up-to-date contents of these instructional materials. e-Learning when designed and implemented well are inherently motivating. Modern technologies in general and e-learning technologies specifically have transformed not only the how and what students learn, but also the learning process from teacher focused to student-focused. The new technologies are interactive and made it easier to create learning environments empowering students to become active learners and to self- paced their learning on a 24/7 basis throughout the year.

However, with all these wonders and benefits of technology utilizations in the teaching and learning process, challenges coming ahead and beneath this initiative when students' practice and behaviour comes into question with this borderless control of electronic exposure. Computers and internet are powerful instruments that allow students to reach around the world and it is educator's responsibility to teach them how to use it responsibly and inculcate a culture of ethics. Schools and universities have been so absorbed in their efforts to bring technology into classrooms that the issue of values and ethics as far as the general guide in e-learning usage has been neglected.

3. Language use versus language abuse

The limitless liberty of one's expressions of words may undermine the sovereignty of people's various background, age, race, religion, citizenship, gender and belief. What is the demarcation line of the desirable and undesirable? Language expressions that tend towards incitation, provocation, humiliation and maliciousness or pure ignorance may ignite the harmony of teaching-learning experience in the institution if situations of this nature were to take place. The general

guide is that these negativities have to be avoided, but where does the condoning come in when freedom of computer usage exists rampantly.

Efforts on the part of i-Learn Centre of Universiti Teknologi MARA have been unceasing to address the issue of abuse of language use in the teaching-learning experience at the tertiary institution. The policy that understates the control of this academic undesirable intends to sustain or condone the language abuse. Users of the technology drive are subject to the i_learn Centre User Policy. It is imperative to note that the above as indicated below provides premises that help to condone the issue:

< Table 1: Sets of rules against abuse in utilizing services provided>

4. Academic transparency versus academic dishonesty

There is obviously great anticipation when students are given the liberty to use the computer, in a class where a lesson is taking place. In a simple case of using word processor at the computer laboratory, with writing assignment to be accomplished, there is a tendency which has been observed that, some students take the freedom of 'surfing 'other sites instead of following instruction. Temptations to be unethical in online learning tends to be greater than in traditional classrooms and a number of researchers have suggested various approaches to minimised academic dishonesty i.e cheating and plagiarism. Hinman (2000) suggested three approaches: first, virtues approach which seeks to develop students who do not want to cheat. Second the prevention approach, which seeks to eliminate or reduce opportunities for students to cheat and to reduce the pressure to cheat. Finally, the police approach which seeks to catch and punish those who do cheat. According to Hinman (2000), policing, when employed consistently, can also serve as a preventive measure.

Olt (2002) in her paper entitled "Ethics and Distance Education: Strategies for minimizing academic dishonesty in online assessment," recommends that effective strategies to minimise academic dishonesty is first to recognize the instructor's inabilities in online assessment and find ways to overcome them. The first strategy is to acknowledge the instructor's inability to ascertain who is actually taking an online assessment. Instructors should utilize a log-in system for online assessment which should be disseminated just prior to the assessment being made available, and change for each online assessment. Secondly, to acknowledge instructor's inability to control a student's unauthorized use of resources in completing an assessment. The simplest way to combat this difficulty is to make all assessments open-book and the development of other assessments suitable for online. A third disadvantage is the possibility of students collaborating with each other in taking an assessment. Instructor's should be able to set time limits and the number of permissible accesses and randomized question pools are excellent tool since they ensure that no two students will take exactly the same assessment. Finally, to recognize the technical difficulties that instructors and students will face, students can sometimes try to use such difficulties to his/her advantage. One possible remedy to this problem is to use courseware that tracks the time, duration, and number of attempts that a student accesses an assessment. If students are made aware that such data is available to the instructors, then they may be less likely to exploit the situation. A final strategy to minimize academic dishonesty is to provide students with an academic integrity/dishonesty policy.

Universiti Teknologi MARA being the largest public university in Malaysia with a main campus and 12 other regional campuses around the country has a distance learning centre and 38 affiliated colleges under its wing. The university's students' population currently is 100,000 and was recently mandated in 2005 by the government to increase its student's population to 200,000 by the year 2010. The university's top management acted on the conviction that technology and e-learning as one of its main strategies. This will improve learner's support but also reduces demands on buildings. However, since then the university has experienced several issues bearing on student's ethics and honesty which are unique to the online method of course delivery. There is much discussion in the literature on student's dishonesty which is an issue of great concern throughout academia and students cheating are on the rise especially in online classes *(*Kennedy, 2000*)*. It is reported that online instructors at Purdue University Calumet have experienced a variety of actual, as well suspected, cases of students cheating. It appears that a significant number of students will generally attempt to do whatever is necessary to cut down on their workload or improve their grade in online classes regardless of ethics violation   *(*Colwell and Jenks, 2005*: students ethics in online courses, paper presented at 35th ASEE/IEEE Conference, October 19-22, 2005).*   Some frequently cited studies have reported that between 40-70 percent of all college students have reported cheating sometime during their academic career *(*Aiken, 1991; Davis, Grover, Becker and McGregor, 1992)*. Researchers identified factors that influence academic dishonesty includes competition and pressures for good grades, instructional situations that are perceived as unfair or excessively demanding, lax attitude on the part of the faculty towards academic dishonesty, peer pressure to support a friend, and a diminishing sense of academic integrity and ethical values among students (Aiken, 1991; Barnett and Dalton, 1981; Davis, Grover, Becker, and McGregor, 1992; Roberts and Rabinowitz, 1992*)*.

In facing the challenge regarding academic dishonesty and cheating in exams, UiTM   implemented online assessment only for the coursework marks for its distance learning programmes. At the end of every semester all students come to campus to sit for examinations as the best solution to maintain the credibility of its online courses in particular.

However, a sound plan to address academic dishonesty and online assessment designs needs to be developed by the university in the very near future in anticipation of the 200,000 students population. Perhaps the following table can assist all parties to be well-informed of the sets of rules under e-learning policy that helps to condone the undesirables.

<Table 2: Rules on illegal use of services provided>

5. Graphic versus pornographic

In the course content management, graphics are valuable elements that enhance reception of knowledge and information. More and more people are using computer to create graphics for all kinds of assignments, projects and other academic construct. Graphics provide explicit physical and dimensional presentation of information that is necessary for courses taught in the institution of higher learning. This important element in the design of contents is soundly educational in relations to tables, charts, diagrams, photographs and all the rest.

In contrast, the concern will be the explicit content of pornographic elements that the graphic may attempt to represent. Very clearly, the internet has boundless inputs at the click of the key. However, what does the custodian, be it lecturer or student, of values and ethics, need to do to strain what is sufficient and insufficient, adequate and limitless or appropriate and inappropriate. In a developing country like Malaysia even, to avoid either staff or students from freely accessing pornographic materials which are highly accessible through the use of computer. For the users of learning management system, another line of demarcation needs to be drawn between these desirables and undesirable.

6. Conclusions

Since the establishment of its e-learning centre, officially known as i-Learn Centre, Universiti Teknologi MARA has developed its e-learning online ethic policy as "UiTM i-Learn User Policy", as have already been mentioned above, for students and academics as the first step in the right direction towards educating students and academics to behave responsibly online. The statements of the policy aim to teach students to understand that an electronic community requires people to behave responsibly and use the resources beneficially. For the academics, the policy is to make them aware of their responsibilities and expectations as online instructors and to exhibit legal and ethical behaviors. Much have been done, however, the question posed will be: have these been useful, if not effective? This concept paper has been written to address issues that have been observed since the inception of e-learning drive in the university. Effectiveness and success of such efforts may require further works of research, which are currently taking place by groups of academic custodians to investigate the direction of this technological drive in the university.

Let us return to the basics of history that has been moving like the cart wheel. With such a reminder, it is pertinent to look at   his famous book *Decline and Fall of the Roman Empire,* in which the author, Gibbon (1788), quoted by Procnow (2000) outlined five basic reasons that resulted in the withering and death of this civilization and they are:

(1) The undermining of the dignity and sanctity of the home, which is the basis for human society.
(2)Higher and higher taxes: the spending of public money for free bread and circuses for the populace.
(3)The mad craze for pleasure, with sports and plays becoming more exciting, more brutal and more immoral.
(4)The building of great armaments when the real enemy was within – decay of individual responsibility.
(5)The decay of religion, whose leaders lost touch with life and their power to guide.

Information and communication technology is the ''plaything' of the present day. Its multipurpose existence juxtaposes the livelihood of modern people in every facet of life. Taken for the purpose of education, it spells goodness for human kind. Nevertheless, with reference to the third statement of Edward Gibbon, when maddening craze for pleasure, entertainment, and abuse take over the sanity of a nation, death of civilization can be inevitable.

In addition, at operational level, the university and the platform provided by i-Learn Centre, continuous efforts to help control and sustain values and ethics in education. In many conferences on e-learning, the issue focused on ethics and values on the part of the students, in particular, as far as technology use is concerned; has not been readily and openly addressed. These are very much noticed in many topics found in conference proceedings, journals and other writings other than materials focused on the issue per se. With the discussion on the issue above, how then do these undergraduate be reminded of their responsibility of observing the good from the bad, the desirable from the undesirable, the right from the wrong, as in whatever realm of knowledge acquisition, the current trend in life needs to be paused and pondered by what lies ahead with e-learning or any other learning system that exists. Learning by our young people does not end with their graduation and the receipt of the graduate scroll for every convocation. Their turn in the world of career and work will be enhanced by the values and ethics, if not motivation and positive thinking, all of which if have been instilled determine the quality of work life undertaken by these young people. A careful analysis of Ibn Khaldun's view shows that although science and technology plays an important role in a civilization, they cannot exist by themselves. For science and technology to be really useful, they have to be established upon a firm foundation of a general education, the most important component of which are literacy, innumeracy, thinking skills, and, most importantly, religion and character development. Civilizations get corrupted and decline not because people do not have skills, but when their character becomes corrupted.

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Table 1. Sets of rules against abuse in utilizing services provided

The following is an excerpt of the e-learning drive policy of Universiti Teknologi MARA on issue pertaining to illegal or wrong usage of the services provided. Abuse means any conduct that is inconsistent with the generally accepted norms and expectations of the Internet community, and i-learn reserves the right, in its sole discretion, to make a determination whether any particular conduct violates such norms and expectations. The following are abusive activities that are prohibited. The lists are not mean to be exhaustive, but are rather to convey the idea of what constitutes 'abusive' activities, and should apply to other Internet activities such as Internet Relay Chat (IRC), bulletin boards, etc.

Prohibition on Network Abuse

The following are strictly prohibited:

causing denial of service (DoS) attacks against i-learn or UiTM network hosts or i-learn users or otherwise degrading or impairing the operation of i-learn or UiTM servers and facilities, whether intentionally or though neglect;

injecting, intentionally or negligently, false or unauthorised network control data into i-learn or UiTM network, for instant in the form of incorrect routing or domain name system (DNS) information;

subverting or attempting to subvert, or assisting others in such actions, the security or integrity of any i-learn or UiTM system, facilities or equipment;

gaining or attempting to gain unauthorised access to the computer network, systems or devices of i-Learn or UiTM;

conducting an unauthorised port scans or other invasive procedures against any system;

distributing or posting any virus, worm, Trojan horse, or computer code intended to disrupt services, destroy data, destroy or damage equipment, or disrupt the operation of i-Learn or UiTM;

distributing, advertising or promoting software, products or other services that have the primary purpose of encouraging or facilitating unsolicited commercial e-mail or "spam" [this includes any kind of hosting (web, DNS, FTP, etc) for spammers];

soliciting or collecting, or distributing, advertising or promoting, email address lists for the purpose of encouraging or facilitating commercial e-mail or "spam"; and

providing passwords or access codes to persons not authorised to receive such information by i-learn or UiTM or operator of any system requiring the password or access code.

Prohibition of E-Mail Abuse

i-Learn and UiTM adopt a zero tolerance policy for "Spam", whether originating from Users, User's customers, or from Users that provide services and products which are used to support "Spam". Users and their customers and downstream providers, are prohibited from:

sending and/or allowing their connection to i-learn or UiTM to be used for sending "Spam";

operating "Support services" (intentionally or not) for Spammers. This includes, but is not limited to hosting websites, DNS records, FTP services, e-mail, electronic mailboxes, telephony gateways, IRC servers, sale of spamming software or other such services;

promoting products or services through "Spam" or Spammers;

having third parties send out commercial emails on any User's behalf;

using i-learn or UiTM facilities to receive replies from unsolicited emails (commonly referred to as 'drop-box" account); and configuring any email server in such a way that it will accept third party emails for forwarding (commonly known as an "open mail relay").

Table 2. Rules on illegal use of services provided

The following rules pertain to i-learn services which may only be used for lawful purposes. The transmission, distribution, or storage of any data or materials in violation of any applicable laws or regulations is prohibited. This includes, but is not limited to materials or data which:

Are copied from third parties (including text, graphic, music, videos or other copyrightable material) without proper authorization.

Misappropriate or infringe the patents, copyrights, trademarks, trade secrets, or other intellectual property rights of any third party. User shall be responsible to get the necessary permission from the author or owner of any protected intellectual property materials for the transmission, distribution, storage, reproduction or use of any of such materials on i-learn.

Are used for trafficking illegal drugs, illegal gambling, raising racial or political sentiments, or are obscene materials or any other products or services that are prohibited under the applicable laws;

Constitute use or dissemination of pornography;

Violate any party's confidential rights;

Violate any applicable laws;

Subject i-learn or UiTM to legal proceedings, subject i-learn or UiTM to any liabilities for any reason, or adversely affect i-learn or UiTM's public image, reputation or goodwill, including, without limitation, sending or distributing sexually explicit, hateful, vulgar, racially, ethnically or otherwise objectionable materials as determined by i-learn in its sole discretion.

Price Discovery, Competition

And Market Mechanism Design

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Abstract

Based on the wide application of relevant classical and modern economic thoughts, this paper analyzed the implications of price discovery and competition, compared the market auto adjustment mechanism and the government control of economy, explored market failure and price distortion, and drew the conclusion of the necessity of market mechanism design which is especially helpful for the reform of transitional economies. We point out that market competition plays an important role in the process of price discovery. To promote the efficiency of price discovery, market competition can not be absent. But competition can not be the only solution to efficiency. Moderate government interference is needed in some circumstances. Optimal mechanisms should be designed to complement the incompleteness of competition.

Keywords: Price discovery, Competition, Mechanism design

1. Price discovery and competition

Price discovery is an important and common function of markets. Competition in trading plays an important role in the price discover process. The competition process is at the same time the price discover process in a transaction.

There will be competition when there are two or more sides who have their own interests. So, competition is a normative phenomenon. The notion of competition is widely used by economists.

Adam Smith (1776) put forward that through free competition the market supply and demand will tend to be stable, and the market price and natural prices will tend to be equal. In other words, competition plays a critical role in the rule of market supply and demand. Within an industry, the one who owns productive resources will work hard to put the resources to the most profitable business. Through competition, the rate of return of the same resources tends to be equal. If the one who owns the resources can only acquire a lower return, he or she will adjust the allocation of resources to pursue higher profit.

Jean-Baptiste Say emphasized more the effect of competition in the market system. Competition encourages invention and innovation activities, and compels manufacturers to work hard to lower the production cost, thus causing prices to descend and the profits of an industry to fall on an average level. Consumers may profit from the decrease of prices. Because of the existence of competition among purchasers, the sellers may also get ideal selling prices (Note 1).

The Hayek inherited the Austrian school's method of dynamic process analysis to study the market mechanism. Hayek (1968) asserted that competition, like scientific experiment, is firstly a discovery procedure. In a price system, the system must depend on a kind of ex-ante market discovery process if it can signal mutually and keep coordinated well, and get full adjustment and reach equilibrium. The value of competition lies in that competition is a discovery procedure, a process of ideas formation.

The competitive market process is a process of making use of scattered information for price discovery. Competition will lose its value if the result of it may be predicted (Note 2). But people usually can't acquire enough knowledge to predict the result of competition, so, competition is still essential.

The argument that competition is a discovery procedure indicates the necessity of the existence of the market system. In the market, knowledge scattered among numerous market participants is made use of and is enlarged. The market provides a place to test and compare the resolution of different problems. During the process of competition, market participants constantly make trials and learn, and adjust their own preference according to knowledge acquired.

Consumers may discover what the best, the cheapest merchandise are. Manufacturers may discover what goods or services consumers want to purchase finally and find the most efficient way to producing those goods or services. Therefore, since the optimum solution to a problem can not be known and can not be designed beforehand, the trials and relevant incentive mechanisms shall be made as to the methods to solve the problem. New methods may be proven to surpass the existed ones through experiments.

Price is a core factor of an exchange of goods or services. Competition is a discovery procedure that is related with the constant change data concerning the transaction, that is, a price discovery process that different market participants make constant trials and comparisons and form final prices.

The existence of the market power means to have a kind of power to prevent others to provide goods or services to customers in a better way. When the market power of different market participants is unbalanced, the one who owns the power to influence others may manipulate prices to prevent competition which does not benefit him or her. Under such circumstances, there will be the necessity to make laws such as anti-trust act. Hayek insisted that one possible solution is to establish some incentive mechanism to double compensate those who feel discriminated so as to the potential competitors may face fair treatment when monopolists implement price discriminations for their own interests.

As competition becomes more and more intense, competition can make the market player who obtains advantages obtain more and more advantages, the market may be dominated by less and less large scale suppliers or manufacturers. In the end, there might be only one supplier or manufacturer left in the market. During the competition process, there might be collusion among suppliers when there are a limited number of suppliers left. In other words, they might negotiate privately to set higher prices so as to make more profits when they are able to prevent effectively new suppliers from entering the market.

It is extremely important whether the market structure is perfect or not and what role the market supervisor may play. The role of the supervisor should be to construct a mechanism to promote competition and make competition emerge in any transactions. Generally speaking, the role of the supervisor lies in providing a kind of environment where innovation and competition can be promoted. Therefore, the competitive forces may drive the evolution of the market structure. The supervisor should try to make players be engaged in innovations that may benefit all parties in a favorable competitive atmosphere rather than determine what the optimal market structure is.

Under the condition of vehement competition, the government in the actual world faces the dilemma of how to make a choice between promoting competition to with guarantee the operation of the market mechanism and limit the intensity and scope of competition to reduce opportunity of the emergence of monopoly. It is the degree of competition that the government should ponder upon, which concerns the concrete way of government interference in the economy, that is, what the regulated object is, to what degree the regulation shall be, at what time and in what manner.

Different from emphasizing competition, John Mill pointed out that although economists generally had been accustomed to lay almost exclusive stress upon competition, to exaggerate the effect of competition, and to take into little account the other and conflicting principle, sometimes competition actually had no effect on the market. What came to effect sometimes are customs which were usually neglected. The history shows to us that many transactions and engagements are under the influence of fixed customs. This is a major complement to the theory of competition. In fact, different powers may sometimes exist simultaneously; sometimes exist alone in the process of price formation. In some situations, what come into effect are customs which will affect prices according to buyers' and sellers' view of fairness or justice. In some industries, conditions of bargaining are negotiated inside. If someone deviates from fixed customs, the industrial organization will adopt some punishment measures to place them in a disadvantageous position. Some charging standards can be regarded as the result customs.

The function of customs indeed exists in the actual world, but we believe that normatively speaking, the function of customs can not replace that of competition. The effect of customs might not lead the market to a competitive equilibrium. Then the efficiency of the market is low. The invalidation of competition may lead to market failure.

2. The self-adjustment of the market and governmental regulation

The quarrel of the market mechanism has already been a focus of economic discussions. As to what role the government should play, there exist two major viewpoints, the one in favor of government regulation and the one against it.

The government regulation question came from the dispute of economic thoughts of free market and governmental interference. The ancient Greek sages such as Socrates, Plato and Aristotle have discussed about questions like individuals and groups, centralization and dispersion of power, freedom and control. The physiocrats and mercantilists emphasized the government intervention and liberalism respectively. After the classic market freedom idea had dominated economic thoughts for a long time, the Keynesian doctrine in the 1930s again insisted that government should play an important role in the economy, which had a deep influence upon later economic thoughts and policies. Different schools of thoughts prevail now and then or exist at the same time. The dispute between new classicalism and neo Keynesianism still continue today. Currently, the interventionism and liberalism are both kept in economics. As to

how the government should take effect, regulatory theories have presented more detailed and concrete studies.

The viewpoints in favor of free market believe that the free market mechanism can auto adjust itself, with no need of governmental intervention. Both the classical and the new classical standpoints approve the free market mechanism which has the function of guaranteeing efficient allocation and utilization of economic resources in our society.

Adam Smith elaborated the classical doctrine of the advantages that the free market mechanism has in early era. The major theme of his great work of literature The Wealth of Nations has to do with the interaction between government and the economic order. Smith's presupposition is selfishness of individuals. He believed that selfishness could contribute to the whole social welfare. He explained the reason of market prices fluctuating around natural prices and asserted that this fluctuation came from the changes of market supply and demand. The environment of free competition could lead to fair prices, and vise versa, the price mechanism might lead to the flow of social resources. If the market price was below or above the natural price, the supplier would depress or extend his or her investment or production. Smith criticized such popular Mercantilist intervention views as the government providing subsidies at that time. He advocated the free market mechanism where justified competition existed. Thereout he laid the foundation of the free market economics.

Smith claimed clearly that trade should be conducted liberally. He opposed the government control of the economy under many circumstances. He pointed out that it was totally groundless to organize some industry for the purpose of better management of it. Smith's viewpoint toward the task of government was that the government's power should be limited to lawmaking and judicatories, protection of the country's safety, resistance against the enemy country, and construction of some public facilities.

According to the principle of "Supply creates demand", the social aggregate supply can always be equal to the social aggregate demand, which is usually called "the Say's Law", whose policy indication is that government does not need to interfere in the economy. The market may in every opportunity turn the economy to equilibrium automatically. Say observed that "A law, that simply fixes the price of commodities at the rate they would naturally obtain, is merely nugatory, or serves only to alarm producers and consumers, and consequently to derange the natural proportion between the production and the demand; which proportion, if left to itself, is invariably established in the manner most favourable to both." (Note 4)

When discussing what effect a government should take upon the market, Mill mentioned that to keep the economy liberal is the general principle that a government should follow. But this was not a widespread applicable principle. There were many exceptions (Note 5). Mill inherited the classic liberalist creed of "The government shall interfere as less as possible" and claimed that the government's intervention of social affairs should be limited to the minimum scope. He brought forward that in any situation, it were those who laid claim to government intervention instead of those who were for free market who should be responsible for the proof of their ideas. The violation of the non-interference principle must lead to drawbacks except that there existed huge interest drive to the violation.

Marshall, the founder of modern microeconomics, put forward the partial equilibrium theory, and elaborated the new classic price theory in the condition of perfect competition. The new classic theory is based on the hypothesis that individuals are totally rational and the market is totally frictionless. Its method of analysis is more precise than that of previous theories. It raised a series of presuppositions, including symmetric information, non-public goods, homogeneous products and zero transaction costs, under which the market mechanism may function as the "invisible hand" that may adjust by itself to be clear, without the government intervention.

People who further investigated the market mechanism broke through the assumptions of Marshall's theory, but still got the same conclusion. The government can not grasp so much information as to judge individual behavior. Thus it lacks the capability of interference. If it intervenes the market, the prices might be distorted and the efficiency of price discovery might be harmed. Rational individuals know better than the government what measures to take to realize their own aims. Even the government can acquire all information about all individuals, the latter show more direct and stronger demand of their own interests. The measures that the government takes may not be all unprejudiced. Contrary to complementing the drawbacks of the market mechanism, the government intervention may make the original problems worse (Peltzman, 1976; Stigler, 1971). Therefore, the government should allow individuals to take their own measures to realize their own aims.

Similar to the standpoint of the information economics, Hayek believed that the dispersed knowledge in our society is numerous and complicated. No agency or individual may master all the scattered and changing knowledge in time. In such case, there is no other choice except the market which may gather together various knowledge. Hayek limited the mission of the government tightly to protect law execution, and to maintain a just, transparent market and social order. The reason of the existence of a government is that a government can run a legal system and keep order professionally. The cost of governmental behavior is much less than individual in sustaining economic and social order. That is why individuals in different industries would like to pay for governmental agencies. The reasonable functioning of

government means the market mechanism has been strengthened and the order of the division of labour has been expanded.

3. Market failure, price distortion and government intervention

Different from the ideal market, the market mechanism does not always succeed in its operation. It is sometimes inefficient for the market mechanism to allocate resources, which is called market failure whose direct symptom is price distortion. There are many reasons to make prices distorted, such as the imperfect competition of the market, the existence of public goods, and incomplete information.

Soon after Keynes put forward the theory of effective demand, the discussion of the issue of free competition and government intervention causes the born of many new economic flows. Some people found that the invisible hand is powerful but not omnipotent. The Marshallian new classical theory needs a series of assumptions. Many economists point out that in the non-classic economic environment, when factors like public goods, externality, and bounded rationality exist, the competition mechanism possibly may lead to non-Pareto optimum allocation of resources, or to say, the market will not become clear automatically. Further study gradually relaxed the previous assumptions and made new explanations of the market mechanism.

Competition is the key factor through which the market mechanism may take effect. If competition is weakened, so will the function of the market mechanism. The difference of products, the transaction costs and some monopolies may change the bargaining power of market players and weaken competition in the market. In fact, some classic economists have already realized the limits of market mechanism. What Smith proposed is the competition that the market may bring about. But he also realized the limits of the market. So he also supported some regulation of the economy by the government. It seems to have been misunderstood that Smith was in favor of the perfect market system. There is actually no term like "the lassie fair economy" appeared in his works. Smith began his discussion with the assumption of selfish individuals who pursue their own maximum profits. But he opposed the self behavior in the market which harmed competition. Smith reminded that we should prevent the tendency toward monopoly to the aim of self interest. He pointed out that people gathered together more for the sake of negotiating for the raising of prices than for the sake of entertainment. It would be hard to prevent such private gatherings by law. But the law should make such gatherings hard to appear. Smith believed that organizations within an industry usually were for the purpose of restrict inner competition. It was necessary for governments to take measures to protect competition and restrict the formation of monopoly.

The goods in the market are not all homogeneous. Can consumers distinguish the minor differences? They do not always have the ability to do to distinguish accurately. Mill put forward that the government should present help when consumers could not make good judgments. The value of some merchandise is hard to be estimated in the market. For example, those who demand of knowledge are sometimes not those who need it most. Those who need to acquire more knowledge sometimes refuse the demand of knowledge. In this situation, the market supply which is offered according to the demand is not what the society really needs. The government should surmount the people's self-moving need to the knowledge, providing better education to people. This example shows to us that the non-interference principle does not adapt in all situations.

What Mill analyzed is in fact an example of public goods. Similar situations also occur to public green fields, city streets and national parks. The consumption of the public goods also needs costs. The construction and maintenance of grasslands, roads and parks need expenditures. Different from the payment of common goods, the suppliers can not charge directly the demanders of public goods. So the cost and income can not be shared among each consumer reasonably. Those consumers who do not bear the costs will not care much about these public goods. For example, some people may tread on grass fields. Then the phenomena of "public tragedy" and "free riders" emerge. When public goods exist, the competitive equilibrium cannot lead to Pareto optimum because the high price which may attract producers is inefficient as to allocation and consumption (Samuelson, 1955). When there is market failure, the government needs to intervene in the economy to guarantee the right way of economic development.

Keynes' study on the limit of market mechanism or governmental function has had a profound influence upon economic thoughts and policies worldwide. The economy is sometimes in the condition of shortage of effective demand, which denies the viewpoint that the market may reach equilibrium by itself. In most situations, the market is not clear. The economy is constantly in a condition of lack of effective demand and structurally imbalanced. So Keynes brought forward that the economy should be adjusted by government on a macro-level to complement the weakness of the market. The contemporary new Keynesian economists provided such micro basis as wage stickiness, price stickiness and incomplete information for Keynes' viewpoints.

Analyzing from the standpoint of justice, we may find that the government should regulate trades and maintain the principle of fair trade. In the condition of perfect competition, buyers and sellers may trade voluntarily by equilibrium prices. In the condition of imperfect competition, prices may be distorted because of possible existence of cheats or

coerces. Therefore, the prices might be unfair. There is need to regulate prices by law or moral standards to create a society in which all players have equal opportunity to make profits.

Analyzing from the standpoint of information, we may find that the cause of market failure is incomplete information. The ill transfer of information or asymmetry of information will affect the formation of prices. The uninformed or ill informed manufacturers or consumers will possibly form mistaken valuation of goods, which will harm the price discovery efficiency. The distorted price signal will probably cause incorrectly the tendency of production or consumption. Incomplete information may lead to two other phenomena, adverse selection and moral hazard, which will make the market less efficient.

4. Contrast of the theories and reality and the mechanism design theory

The idealized theories differ to some degree from the actual world. There is no government which has not interfered in its economy in the whole human history although the liberalists have dominated the economic thoughts for a long period of time. We shall not forget about the assumptions of theoretical analysis upon which the theories lie. Otherwise, the theories will be misused and lose sense.

In the actual world, governments widespreadly interfere in the economy. It is only the scope, degree, time and way of interference that differ across countries. The complementary and substitute effect of the government to the market lies in the creation of a competitive system. Competitive forces may drive the evolution of market structure. The regulators shall not try to determine what the optimal market structure is, in stead, they shall leave the task to market players who may be engaged in innovative activities in a competitive atmosphere. Of course, the regulators might not be fair enough in their supervision of the market. So there is the problem of regulating effectively the regulators.

In the actual world, in order to improve the efficiency of the economic system, it is not enough to depend only on the market mechanism. We must look for other complementary mechanisms (Tian, 1989). So, the real economic system is a "moderate" outcome between liberty and interference, a mixed economic system that includes both the effect of the market and that of the government.

In the operation of the hybrid economy, we need to adopt non-market measures to solve the market failure problem. Hence appeared the mechanism design theory by Hurwicz (1960, 1972). Maskin and Myerson developed the theory. These three economists won the Nobel Prize of 2007 in economics. They helped us understanding the optimal mechanism choice by explaining individual incentives and private information. People may design effective trading mechanisms, regulatory methods and voting processes.

Many researches assumed that the economic institutions or mechanisms were external, taking the market mechanism as an object of study. But does the market mechanism need to be changed, too? Are there other better economic systems in addition to the pure market mechanism? To answer these questions, we need to internalize the economic mechanism, considering the design of it, evaluating it under certain standards. This is the main concern of mechanism design theory. Simply speaking, the mechanism design theory studies the design of economic system that suits both the market players' aim of interest and the aim of the designers under the circumstance of free choice, voluntary exchange and decentralized decision making.

The economic individuals might withhold some information, or release implicit information, or even fabricate deceitful information for personal purposes. To solve this problem, Hurwicz (1960, 1972) raised an important concept of incentive compatibility, that is, in a given mechanism, the economic system can be regarded as a complicate strategic game. The system is incentive compatible if all players report their true private information and dominant strategies. Under such circumstances, the system may realize what the designer aims at even if each participant behaves abiding by his or her own strategy. The economic system may reach some efficient equilibrium in a certain incentive compatible environment.

The mechanism design theory adopts many research methods and concern different economic schools. Or to say, many economic studies have touched the question of mechanism design. Hammond (2002) pointed out that in past 20 years, there are abundant works which have studied incentive compatibility which have been merged into many branches of economic study.

McFadden (2007) categorized literature concerning mechanism design into three major branches, incomplete information, incentive and bounded rationality. For relations of these flows, see figure 1.

These different economic branches all accept such a precondition that the restrict condition of the efficient resource allocation is the quantity and liability of the information that market players receive. Therefore, the individual behavior is efficient if we may design good institutions to meet this precondition.

5. Conclusion

Price discovery is the dynamic process in which buyers and sellers interact, reach a certain price and make a deal at some time and place.

Through free competition, the market may tend to be in equilibrium. The value of competition lies in its being a discovery process, a process of common ideas formation. The competitive market process is a process to use scattered information to discover an efficient market price.

The mechanism design theory studied the distinction between good and bad market mechanisms, and the innovation of the economic system, which is especially instructive to developing and transitory economies. The viewpoints and analytical methods presented by the mechanism design theory may help developing countries to solve certain problems met at their economic reforms.

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Notes

Note 1. For more details, see Say, J. B. (1803). *A treatise on political economy or the production, distribution, and consumption of wealth*. Translated by C. R. Prinsep, M.A. (from the fourth edition of the French). Ontario: Batoche Books, 2001(new American edition), pp. 35-38, 58-59, 161.

Note 2. Hayek, the theorist of free market, published a series of papers analyzing social order, government policies, and market operation in 1973, 1973 and 1979 respectively, and put forward viewpoints on market mechanism which are quite different from those drawn form the static general equilibrium analyzing method.

Note 3. For more details, please refer to Mill, J. S. (1848). *The Principles of political economy with some of their applications to social philosophy* (Chinese edition). Translated by Rongqian Zhao, Bingyan Sang, etc. Beijing: The Commercial Press, 1991, Vol. II, pp. 270-276.

Note 4. See Say, J. B. (1803). *A Treatise on Political Economy or The production, Distribution, and Consumption of Wealth*. Translated by C. R. Prinsep, M.A. (from the fourth edition of the French), Ontario: Batoche Books, 2001(new American edition). pp. 159.

Note 5. Please refer to Mill, J. S. (1848). *The Principles of political economy with some of their applications to social philosophy* (Chinese edition). Translated by Rongqian Zhao, Bingyan Sang, etc. Beijing: The Commercial Press, 1991, Vol. II, 366-571.
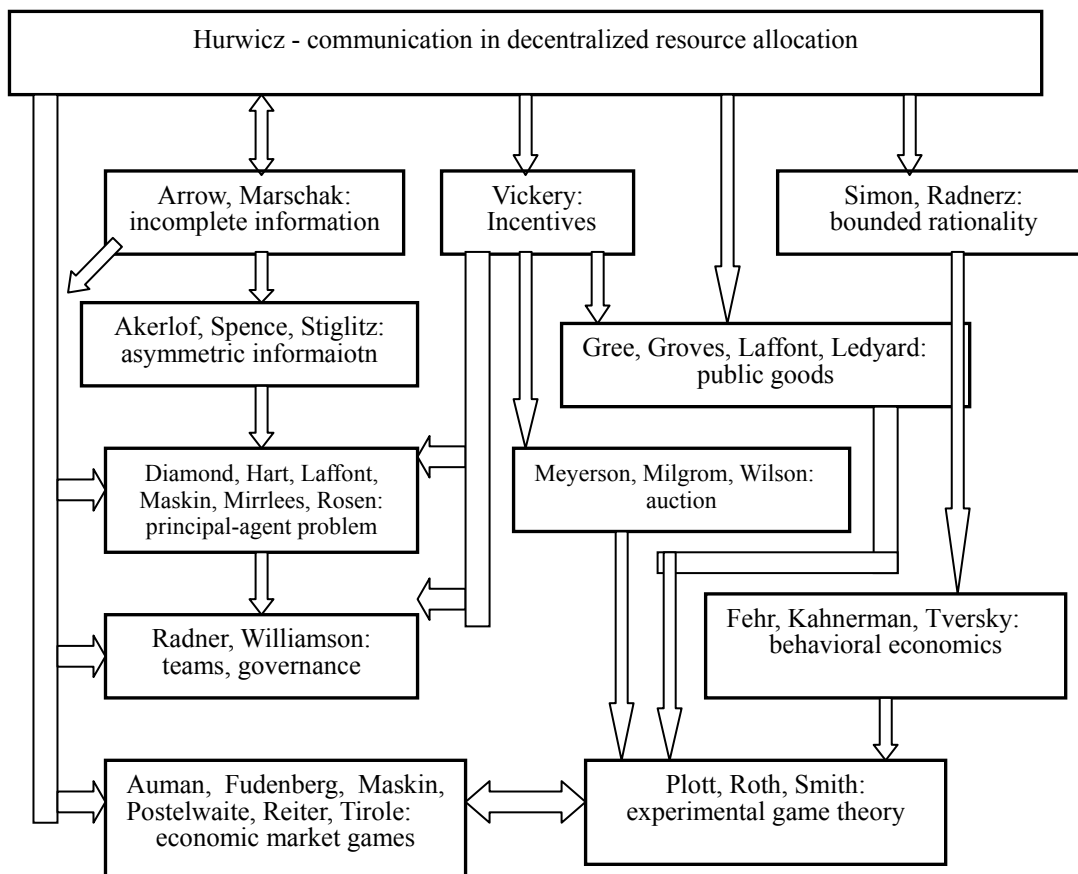
Figure 1. Mechanism design: different schools of research

Source: McFadden (2007).

Philosophy Thoughts Affect Costume

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Abstract

Apart from beautifying and protecting human body, costume itself is a symbol of culture and an image of some thoughts. Furthermore, different origins of Western and Eastern civilizations and various cultures for thousands of years have created distinctive varieties in costume. In Chinese history of apparel, whether the two forms of yi and shang (upper garment and the lower garment), i.e. skirts, or shenyi, i.e. qunju usually worn by women, and the later changes in color or in structure or in details, costume has been deeply affected by Confucianism, Taoism and Buddhism and other traditional Chinese thoughts. Among them, Confucianism has given the greatest. The Western costume is completely different from that of China. Westerners have paid more attention to the pursuit of their own natural beauty, the rational exploration and the worship of religion and theology.

Keywords: Philosophy thoughts, Costume, Arts

Guo Moruo once said that costume is the symbol of culture and the image of thought. The costume history of the East and the West for thousands of years has witnessed a colorful and changeable picture. From the evolution of clothing, we can see the changes of history, development of economy and cultural aesthetic evolution.

1. Most scholars believe that the oriental philosophy originates from the Yijing, or can be traced back to the earlier concepts of Yin and Yang.

The later Eastern philosophy, the development of science and theoretical grounds are all from these traditional concepts.

1.1 The Confucian thought in the Spring and Autumn Period has produced profound influence on ancient China and the whole Chinese wedding dress.

Zhouyi is read that, emperor Huangdi, emperor Yao, and emperor Shun worn nutant clothes to rule the country, which probably adopts the meaning of Qian and Kun (heaven and earth). Confucianism believes that the structure of *yi* and *Shang(*upper and lower garment) is from the symbol of heaven and earth, nobleness and humbleness, male and female, yin and yang. *Yi* is from Qian, symbolizing heaven, nobleness and male. *Shang* is from Kun with the meaning of earth, humbleness and female. Clothing does not only exist in the appearance of a person, but in the material world and in spiritual world linking with the thoughts and behavior of people. Thus the notion of "the unity of clothing and people" is produced and melted into every aspect of clothing design.

China is known as a country of amenity and a kingdom of clothing, which is inseparable to the Confucian thought. Among numerous Confucian figures, Confucius is the most representative. He says in a book, Dadaili, "if you meet others, you must wear decent and tidy clothes. No primping is impolite. Impoliteness means no respect. No respect means no amenity. No amenity signifies less achievement." What kind of clothes and ornaments a man of honor should wear is strictly prescribed. Confucius in another book, Lunyu, said that "men of honor wear righteous clothes". Precisely for this reason, costumes in early Chinese community are solemn. The whole body is wrapped up against bare skin.

As for taste of colors, Confucius tends to emphasize the psychology, social background and social position of the wearers. He prefers bright and pure colors. Of ancient Chinese wedding clothes, Zhou dynasty prefers black and red, Tang dynasty blue and green, Ming dynasty green and red, which are all subject to the deeply influence given by Confucius and Confucianism.

In the previous dynasties of history, kings and subjects, nobles and civilians wear distinct clothes. This phenomenon is also closely related to the Confucian thought. Confucian thought is strict and full of hierarchical ideas. Different identities should wear corresponding clothes on different occasions. Chinese costume, on the one hand, stresses the proper use of clothes. On the other hand it stresses the harmony of ethics and the laws of nature. "Every feudal court in history has its own prescriptions to safeguard the authority of its rulers. But the changes of clothing styles are limited in size, color or ornaments. As far as aesthetics is concerned, it still does not exceed the Confucian thought of the dressing amenity.

1.2 The medieval ages saw the development of classical aesthetics in China. Chinese indigenous Taoism, and foreign Buddhism and other religions have produced a positive impact on China's clothing to some extent.

Each dynasty gives a critical requirement for the colors of the clothes. Different color has different meaning. Xia dynasty favors black, Yin dynasty white, Zhou dynasty red, Qin dynasty black, Han dynasty red, Tang dynasty yellow, and Ming dynasty red, which all have close relationship with the Taoist culture. It is said that blue, red, yellow, white and black are orthochromatic. And the others are secondary colors. There are wood (is equivalent to blue), fire (red), earth (yellow), gold (white) and water (black) in "five Xing" and the four directions of east (blue), west (white), south (red), and north (black). Earth, gold, water, wood and fire give birth to each other, which also means their controls of one another. Shang dynasty favors white but white is west gold. Gold controller is fire and fire is red in five Xing. Zhou dynasty takes place of Shang dynasty, so Zhou dynasty chooses red to signify that fire conquers gold.

On the other side, China emphasizes dressing amenity and harmony of people and clothes. People want to show their appearance and self-restraint, so they stress grace and decency. For example, the wedding clothes are grand, formal, stringent and generous and totally cover the bodies of wearers. Folk costumes also follow the aesthetics of "harmonious coexistence". Chapeaus of Ming Dynasty symbolize the unity of the country, the universal prosperity, and the harmony of man and nature. The standardization and golden mean of costume fully embodies the Taoist aesthetics in Chinese Costume.

1.3 The religion of Buddhism, just like Taoist thought, also produces an indelible impact on ancient Chinese costume.

The period of Wei, Jin, South and North Dynasties saw the prevalence of getting dizzy with success, transcending the exterior social regulations and achieving natural morality of inner world. The wedding apparel is also not stick to one pattern. It is not affected or pretending. On the contrary it is very natural in detail. Loose robe and big sleeves became the main feature of the then clothing.

Costume entered a period of unprecedented prosperity in Tang Dynasty. Its aesthetic culture is basically from the extension of Confucianism and Taoism thoughts in Wei dynasty and Jin dynasty, with free, open and dynamic characteristics. Suit-dress is loose with big and big sleeves, décolleté and off-shoulder neckline. Ever since Buddhism came to China, its patterns have been used widely for the clothing by now. For example, the Eight Cimelias in Buddhism mean the Eight Lucks. The Wheel symbolizes the magical power, which can be inherited for ages. Gyration signifies the sound of Buddhism, which can be heard all over the world. The Umbrella symbolizes the free spread of Buddhism. The flower is Lotus, symbolizing that Buddhism is pure and it can help all flesh to get rid of dirt and filth. The Can is originally the Precious Bottle, which signifies the profound, powerful and far-reaching Buddhism and the sufficient felicities and witnesses. Fish symbolizes the unlimited vitality and freedom of Buddhism. The long Plate, also named Luck Knot, is used to refer to the powerful force of Buddhism.

Throughout the entire Eastern philosophy, different theory appears one after another. The issues discussed by different schools mainly focus on the political ethics, that is, norms and the concern for people. The Eastern costume culture represented by China has been deeply affected by the traditional oriental culture. It stresses the abstract implications of the linear shapes and heraldry.

2. The oriental philosophy, unlike the Western one, has not a distinct starting point.

It is not similar to early ancient Greek philosophers who tried to separate from the tradition and create a new one. In studying the Western philosophy, Greek philosophy is an integrant link that can not be avoided. The ancient Greek philosophy is the source of Western Philosophy. Thought there appeared different philosophy branches after ancient Greek philosophy, what they inherited is still the philosophical spirit of ancient Greece and displays the concern for various causes of a phenomenon and the pursuits for certainty.

The traditional practice of the Western philosophy of maintaining the tradition of "ratiocination" and "truth-seeking" makes them accustomed to discussing rules or laws by reasoning. In costume, they show a natural pursuit of the beauty of body or objects. Ancient Greek city-states of slavery had the pursuit for beauty of the human nude. They even took healthy and beautiful human body as an example to praise as a hero on the earth and as God in heaven, which is influenced by their philosophy of favoring human body or objects of aesthetics.

2.1 In the early clothing design, people are the principal part while clothes are only accessory and faithfully subordinated to the body and the physical activities.

Clothes are wrapped around the body without being cut or sewn. They are invisible. The ancient Egyptian drapery is a good example in case. Without human body, it is just a piece of cloth.

Apparel aims at showing the beauty of human bodies and self-expression. To tog is to show off the beauty of selfhood and display individuality. So clothes are just attachments to a human body. A man can exaggerate his broad and majestic physical figure by the stuffs of clothes. A woman can give prominence to her second female feature by wearing a tight bra and a pannier.

The Westerners attach great importance to the rational and scientific things. We can discover those beautiful and reasonable shapes from numerous foreign clothes and paintings and buildings. Perhaps it is the viewpoint of paying

more attention to geometric shape that results in the unexpected situation of ignoring color function.

2.2 European religion and theology have given a great influence on costume.

The religions of ancient Rome and ancient Egypt provided the gods in Pantheon and the images of goddesses. Each god represents one aspect of life. Meanwhile, every aspect of life has infiltrated into wedding ceremony to give symbolic significance to wedding clothes and their components. A bride wears a tunic robe with a Hercules knot and a hair style of the kitchen God. Wearing wig in terms of the ancient Egyptians is of far-reaching significance. It is good-looking and it bears a religious and social meaning.

In ancient Greece, over-makeup was refused and reproached at that time. Influenced by Greek goddess Aphrodite and Pandora and Spartan Lee Cougar, Greek women pursued the notion of "nature is beauty". And the notion almost influenced all countries in ancient times. They had a winding, unfettered character in wedding clothes with no custom of corset.

In the Middle Ages, Christianity had absolute ruling status. And the various parts of the social life revolved around religion. "The combination of Christianity and secular rights makes clothing the most powerful tool with which they maintain their religious rights and secular rule. Religious thought is the durance of human nature and controls people's minds, which makes clothing break away from the close integration of the human body." Christian aesthetic perspective is simple but mysterious. It believes that "it is God that is something beautiful. So what belongs to the beautiful type are from God." It considers that flesh and blood is the source of evil. "Women are the evil serpents on the way of thorns. They are created by devils. So the creation by devils must be occluded". So clothing as a tool to cover up the sins should be very simple and conservative. Christian abstinence is transferred and reflected on clothing. "People restrain and control themselves in order to show their passions for Christianity. The clothes they wear are plain, loose but close, and cover a body almost airproof." Strongly advocating abstinence and repressing human nature has given birth to a desire and impulse that people dress up in the name of the glory of God. Thus Gothic clothing appears in the exaggerated panache. "The pointed shoes and pointed hat chimed with the church steeple have formed the aesthetic philosophy in a religious environment."

However, Westerners advocating natural beauty of the human body have never been interrupted. It has become the traditional aesthetics of Westerners that comes down in one continuous line. From the costume of noble women in ancient palaces to the recent and modern high fashionable dress, all emphasize expressing the beauty of human body. The means adopted are shaping the body inside and exposing skin outside. Thus it can be seen that it is ancient Greek philosophy that causes the Western costume in constant pursuit of objective forms and the beauty of human body.

In short, ideological and cultural differences between the East and West in clothing can be explored in the following aspects. First, in the east, a human being and his clothes are interdependent. Clothing reflects the mental outlook of the wearer. The harmony of heaven and human beings can be used to denote the perfect realm of wearer and his clothes. While in the West, clothes are only appendant. People pay more attention to the natural beauty. Secondly, oriental clothes in shaping are mainly planar. Whether yi or shang or shenyi loose robe with long and big sleeves or narrow sleeves have resulted from the infiltration of Chinese traditional thoughts. On the other hand, it is the results demanded by a long-term agricultural society of China. The West enters the industrial society early and the clothing modeling is also changed rationally to be three-dimensional. While it specifically highlights the natural beauty of human beings, more functions and rationality have been increased. Thirdly, Oriental clothing has more colors. Whether yi or shang or shenyi, although there is some changes in size, their overall shape has been little changed. But the colors of the clothes are totally different from generation to generation. However, clothes in the West have more changes in shape than in color.

In the colorful Eastern and Western clothing history in the constant movement, we can clearly see that apparel has been influenced by aesthetic consciousness of different times. The earliest function of clothing is to cover human body. With the passage of time and the evolution of history, clothing has been in the course of integration and accumulation. It has developed the useful and discarded the useless, and gradually improved the degrees of civilization. By now it has become the symbol of personality. Clothing is always reflecting something of the history to which it relies on with its material and spiritual unique. Clothing can not develop beyond its social foundation. It is ancient Greek Christianity and Eastern Confucian philosophy that have given great influences on costume.

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Contrasts of Socio-cultural Sexual Differentiation or Discrimination within Chinese and Polish Factories In the Context of Environmental Performance

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Abstract

This paper presents elements of case study research carried out in twelve factories involved with heavy industry in China and Poland. The research examined how objective measures of environmental performance, derived from expert assessment of the management systems, compare with the perceptions of that performance throughout the managerial ranks. This current paper examines gender-related differences in the perceptions of environmental aspects and the effects these might have on the control of environmental degradation and, further, gender-related differences between perceptions and empirical realities of selected environmental variables.

The paper initially sketches out the factory locations and a short history of the research and research questions related to the environment and production. It goes on to outline the management expertise levels and presents concepts of environmental performance and the managers' perceptions of this performance. The novel methodology used in the collection and analysis of data is described briefly followed by analyses of the data and a subsequent discussion of the findings. Finally, certain conclusions about the proven gender differentiation are summarized and a proposal for some remediation of deleterious affects of both this differentiation and of the organizational dynamics.

Keywords: Differentiation, Gender, China, Poland.

1. Introduction

1.1 Research locations and questions

The corresponding author has been visiting the subject factories in Poland since 1993 as an assessor of their management systems in respect of the standards for quality (ISO9001), environment (ISO14001) and Health and Safety (OHSAS18001). In 1999, the management of each of the factories were asked if they would like to be included in some research into mechanisms of communication, knowledge and decision making, particularly environmental decisions. They agreed to this and, during and after the research activity, workshops were conducted at the factories based on an analysis of the data, on management problems and opportunities.

A second phase of field work started in the Autumn of 2002 in China and Poland to investigate facets not covered in the first phase, mainly relating to differences in national and factory culture as represented though organizational behaviour and the management of environmental degradation.

The main research questions arising out of this work, and addressed by this paper, concern whether there are differences between the sexes in respect to the perception of environmental and production issues and the behaviours relating to those perceptions. This analysis was extended to investigate how these gender differences might vary between the Chinese and Polish factories.

In the environmental arena, and in the context of gender differentiation, it is postulated that the representations of individual perceptions (see Alasuutari, 1995) do and will identify or form the basis of any socio-cultural grouping to which the participants choose to belong. The research will attempt to show how the perceptions of the surveyed managers, with the women distinguished from the men, can represent some general mechanisms at work within culturally differentiated factory groups, and also the empirical mechanisms as represented by environmental degradation *on the ground.*

1.2 Management and expertise

In Poland, the level of expertise within the management ranks has been high with a large number of men and women qualified to degree level and with a long history in the respective companies resulting in extensive tacit knowledge (see Lubit, 2001; Sperber, 1996; Stacey, 1992; Senge, 1990; Cole, 1989). That began to change after the take-over, from the State, by a private owner, with younger people coming in who were new to the industry and the older people being declared redundant. While the number of women in management ranks has not been equal to that of men, there *are* more than token numbers in executive positions.

In China, the breadth of expertise within the management ranks significantly lags that in Poland, however, from detailed assessment of their production systems by the corresponding author, the ability to do specific operational tasks is nearly on a par in most cases and, for optical communication products, on a par.

1.3 Structure of paper

The next section of the paper examines some of the socio-cultural aspects of groups of managers within the organizations and how these might vary in respect of gender. The context of these groups is that of their perceptions of environmental issues as against the evidence of actual environmental performance.

This leads on to a novel methodology for defining those gaps based on the use of an environmental expert to define the empirical realities as a base line against which to measure the strength of feeling of people's perceptions (Likert style questionnaire). The data arising from the implementation of the methodology follows and is discussed item by item under the analysis section.

Specific aspects of proven and ambiguous gender differentiations are discussed in sub-sections and are brought together in the final conclusions.

2. Environmental performance: perceptions and reality

Within a given organizational culture and it's related behaviour (see Schein (1992), a number of papers examine different aspects of the relationship between observation, perception, beliefs, values (Mitchell (1989) and socio-cultural groups, some of which draw out possible differentiations related to gender. For example Fu et al (2004) discuss how gender can influence tactics in making decisions while (Alvesson, 2002), elaborates on inherent characteristics of women, some of which can relate to ethical considerations, and Sonenschein (2007) explores how ethics influence behaviour. In respect to the environment, Gifford (2002) proposes that there are fundamental psychological processes such as perception, cognition and personality which filter and structure each individual's experience of the environment and that this will vary with socio-group dynamics.

Wallace et al (1999) writes on fundamental values and belief systems but these aspects are mediated by Merton (1967) on perceptions and illusions, Chapman ((1979) on how representations of perceptions vary from place to place dependent upon the social and physical environment, de Bono (1993) on perceptions and reality and Morgan (1998) on 'Groupthink' where people are carried along by group illusions and perceptions. These considerations relate directly to the issues of environment and degradation found in the study factories.

Denison et al. (2004) writing on organizational culture lament the fact that very few modern papers exist on the differences that appear within and between management levels in individual factories. These differences can represent misalignments between perceived realities and empirical realities. Where this type of gap exists it can be expected that any decisions (or no-decisions) can lead to misaligned action-outcomes which may exacerbate environmental degradation or, at best, preserve the status quo. This paper is an attempt to help fill some of these deficiencies in workplace research.

One interesting aspect of the creation and existence of these gaps is that pertaining to perceptions which may be gender related. This paper will present an analysis of the gender differences in the socio-cultural groupings of the study factories. Specific reference will be made within the text to authors writing on gender differentiation, e.g. Haidt and Graham (2007) and Gardiner and Tiggemann (1999). Differences arising from sexual differentiation, applying to when and what type of woman may be appointed to a job, affect the socio-cultural make-up and environmental *world-view* of an organization, is discussed in Cavanagh (2002) and will be covered later.

As a guide to environmental performance, key writers are Cole (1989) who talks of the transition 'From Red to Green' in Poland, Turner et al (1994) on the economics of being 'green', and Gouldson and Murphy (1998) on the realities of

implementing environmental legislation.   An organizational and corporate perspective is given in an IOD Guide to Sustainable Development (2001).

3. Methodology

3.1 Methodology and survey data

The methodology adopted incorporated three different data sources as shown in Table 1):

Additional interviews and workshops were undertaken with the managerial and supervisory workforce in each factory but there is inadequate space to present the findings of these in this short paper (see Craig & Lemon, 2005).   The interpretation of this work as qualitative follows the Alasuutari (1995) approach in the classification of observed and elicited data.   In this paper the Likert survey framework is *not* looking for statistical co-relationships, it is used as a tool for establishing the comparative socio-cultural group patterning in and between organizations (Merton-1967; Frost et al, 1991), see Figures 5 and 6 for examples of such patterns of perception responses.

3.2 The sample data from questionnaires

A twenty item 'strength of feeling' (SOF) questionnaire, contents as shown in Table 4, was deployed to all managers to obtain sets of perceptions related mainly to environmental performance but also to aspects related to production, which were addressed to the whole of the top three levels of management plus a sample of those below.   The data from this questionnaire included differentiation of gender.

Due to the importance of interpretations of language used between managers and researchers (Shenghua, 2008; Alvesson, 2002; Holmes, 2001; Cameron & Quinn, 1999;   Alasuutari, 1995;   Zey, 1992; Frost et al, 1991; Badcock 1991; Brehmer 1986) in this type of research, it was considered that the best way to ensure as truthful responses as possible, was to be present personally while the questionnaire was completed and to stress confidentiality.   Due to a fear and punishment culture operated by top management, this confidentiality was essential in order to facilitate a *truthful* answer from the respondents.

3.3 Reality benchmarks

Benchmark figures, based on expert opinion of factory environmental performance, were compared against the respondents' perceptions of environmental performance to see if the empirical realities and the perceptual realities corresponded.   The degradation related (inter alia) to the degrees of impact of chlorinated oils on ground and groundwater, the amount of effluent chemicals or suspended solids going direct to river, and to the extent of knowledge about environmental concerns which could affect their actions and decisions.   The question topics are presented in Table 6. Questions 5, 7 and 16 are opinion based and therefore have no specific benchmark.

3.4 Obtaining rich data

Data was obtained from the top (plant) manager on each site in a face-to-face, free-format interview centred on his feelings about culture challenges in the factory and sometimes outside (as they affect the workers inside).   Table 2 refers to the complete range of managers consulted as well as other sources of data:

4. Study findings

4.1 Sexual distribution

Table 3 exhibits the sexual distribution of the managers in the twelve study factories and it can be seen that women are quite well-represented in China and Poland in the management strata. The ratios of female to male are greater than the 15/85% F/M (female to male) ratio adopted by Gardiner and Tiggemann (1999) in their study of gender differences in leadership style in male and female dominated organizations.

From Figure 1, for the Polish factories I/J/K/M/N, there is no major pattern of difference between the new factories I/M and the older ones, so this is no factor in gender differentiation.   Women form a larger relative percentage of the managers in Polish factories K/M/N, while Factory I is the reverse. For Chinese factories C/D, the number of female managers is relatively high, these work in one new factory and one old, so size is no factor.   Chinese factories E and S are heavily male dominated throughout the levels of management but the two factories are entirely different; one has a large number of female workers on repetitive jobs (some 400 out of 560) while the other is mainly an old-style machine-based production facility (300 people). There is no apparent pattern in managerial sex distribution, old factories against new.

4.2 Sex by age by country

As can be seen from Figures 2 and 3 there are distinct differences between the two countries.   In general the managers in Poland are significantly over 40 years old, whereas in China they are mostly below 40, but the Polish people worked their way *up to* a position whereas the Chinese people were recruited *to* a position. This is due to Poland having had an industrial base for many years and, with the hierarchical ladders of achievement (long service counts), people gain promotion at higher ages.   In China, with its newly developing industrial structure, most managers are young.

There is a clear difference with the women in management: Chinese women respondents are predominantly in the 30's decile while, in Poland, the women are more likely to be in their 40's and 50's. This could be due to the fact that, prior to the fall of communism, females generally stayed in one factory for all of their life, but the men were slightly more independent and moved jobs more frequently.

There is a factor here that can affect the comparisons between Poland and China. As the new, young managers in China have not had time to move beyond the competence classification of Flyvbjerg (2001) and into the *expert* classification which comes with the gaining of tacit skills and experience, they are found to be comparatively lacking in a *feel* for production processes and management, especially of the environment – this affects their decisions.

In China and Hong Kong (high) age is respected for experience and wisdom (Lewis-1999), but this is not reflected in the Chinese factories surveyed. Interview data suggests that this may be because the foreign Chinese *high-flyers* at Board level, running the Groups of companies, are wedded to Western management criteria in which the young are often promoted as having more energy and innovation, or it may be due to the shortage of trained and experienced (older) managers in mainland China, itself due to the rapid development of a global business.

This extends into the sexual domain in that female labour is very cheap in China and there is a tendency to de-skill jobs so as to be able to take the (mainly female) labour force from rural communities. Vice versa the males are discriminated against as they demand higher salaries and get relatively fewer jobs. In Poland the situation is rather more complex as both men and women are highly qualified accrosst the managerial levels, an MSc in an engineering or chemical discipline being the norm in the study factories.

The discrimination here is rather at the senior manager level where there were no female managers of individual production units, but (older) female managers predominate in the Human Relations departments. It was found that all the HR departments in the Polish factories had a male director and a female manager, but it was the female manager who was best qualified and who actually formulated the policy and decisions. Perhaps, within the fear and punishment culture deployed in the Polish factories, it may have been thought that a female would not be quite as good at enforcing the quite severe punishments. imposed , for relatively minor transgression, via the HR department.

4.3 Question response comparisons: The two countries overall

In Figures 4 and 5, relating to Q4 on process improvement (as one example), there is a clear difference in the patterns of response between the two countries with the Chinese being less fragmented than the Polish (the term *fragmented* in the tables and figures alludes to a spread of scores for any one question across the 0-10 range). In Poland there is also a clear difference between the male and female responses, with the women peaking at and around score 8 while for the men this happened at score 10 – the women are closer to empirical reality as represented by the benchmarking exercise.

In the Chinese factories, the relatively high incidence of women not answering the question may be due to it being mainly the men who deal with the *technical* aspects of environmental regulations, eg heavy metals in the laboratories and male production managers being responsible for oil spills etc. Perhaps it is also that the women in China are used to rules and welcome them, whereas the catholic women in Poland are well-used to defying (communist) authority (see also Lewis, 1999).

Table 4 shows the relative domination at specific survey score levels between the sexes and it is seen that there are only two occasions when the scoring (and perceptions) are roughly equal (Q1 and Q2) hence the body of the question responses exhibiting definite gender differences in socio-cultural (peer) groupings. However, this is with an accumulation of data across two countries and needs separating out by factory; these latter results are exhibited in Tables 5 and 6.

The scoring regime is 0-10 with 10 indicating perceptions which are strongly in agreement with the question statement, while 0 indicates no agreement at all (Likert strength of feeling survey methodology). Where the females are shown as dominating in certain questions in the right hand column in Table 4, this is an indication of the difference in perspectives between female and male managers for the question topic and, generally, where the females score low, their perceptions are closer to empirical reality (benchmark) – in other words they are more realistic or more knowledgeable.

4.4 Core and fringe perception scoring- female and male

In Tables 5 and 6 the questions are grouped according to the female perception score levels and, in the far right-hand column, details of the sex having the lowest scores are shown. The lower perception scores come from respondees who apparently do not belong to the core socio-cultural group (see Merton, 1967) and, as far as perceptions about the real environment are concerned, form fringe elements. Where these scores are lower, in general these are closer to the reality benchmark.

In both countries, but more dramatically in China, the overall female scoring (full score range of 0-10) is different than for the males. Apparently the Chinese females are less involved in technical knowledge communication, or perhaps

the absence of an ideational culture (Sorokin, 1957) or the equivalent Logically Coherent Culture of Archer (1996) is resulting in a lack of interest in some critical facets of environmental topics because there is no perceived company mission (culture) which covers these.

The main (core) groupings for perceptions as a surrogate for culture (see Craig and Lemon, 2005) lie mainly in the (score) 8/9/10 region and show a profound gender-based difference in the results between the Polish and Chinese factories. Even though the questions in the score-groupings are not totally the same, in respect of the lowest score criterion (far right-hand column), one country is virtually the reverse of the other, China exhibiting totally female results and Poland six out of seven male results. Lower scores are generally more empirically realistic.

Considering the research by Gardiner and Tiggemann (1999), it may be that the much larger percentage of female managers in Poland (41%) gives a near equivalence of male and female managers and hence less disposition to alter inherent management styles. In China, with only 24% of female managers, the females may be indicating a disinclination to alter their leadership styles to match with the males by moving outside the peer groups (and nearer to empirical reality).

Some suggestions for these phenomena are:

(1) it is more important for both sexes to identify with the company in China so as to keep their jobs, but the females are perhaps not so confident in answering the questions;

(2) whereas, in Poland, the females are more caring about the environment than the men, and hence score lower and are more biased towards the environment;

(3) the Polish managers have more experience and are therefore more competent than the Chinese;

(4) people are less regimented in Poland than in China hence exhibit their individualities more;

(5) the differing age distributions between countries affect the mind-contexts (but why would this be different for the two sexes?).

So, why should there be better male identification with a factory in Poland than in China? Because of swingeing rationalization coming after the collapse of communism in Poland the managers, even at the senior levels, admitted to feeling a belonging and loyalty to the factory, but not to the board of management – however, this context applies to both sexes. Perhaps this may be cultural lag in Poland wherein the males still see it as an obligation to support their families and hence a necessity to conform in the factory in order to maintain employment.

4.5 Topics of congruence in the core score patterns

Questions Q6/14/Q18 are unique in that they have the lowest female scores between China and Poland, but only in Poland do they form a social sub-grouping of perceptions. Two of the three are certainly knowledge based, but knowledge of a different hue than that perhaps represented by the third, namely Training. Perhaps here the Polish view training as more knowledge-related than personal *identification with the factory,* as training has been vastly reduced in the last five years or so – since the *old days*. This would be a question of mind-contexts and reality.

From conversations with the managers there is a recognized phenomenon in China that the males, as they get more experience, continually look for better jobs – this is not evident so much with the females. Hence the males are less likely to identify themselves with the company – they are thus differentiated from the females who, effectively, differentiate and discriminate themselves from the males.

Even though the patterns of responses may be different, the core-score groupings cluster round the same scoring levels. However, the high scores do not reflect the reality (as benchmarked) of events on the ground such as with high levels of contamination in Poland and low levels of communication in China.

There are three questions which have distinctly different scores between the two countries, these are Q5 (production importance), Q7 (EU legislation) and Q9 (WEEE/RoHS), two of these are related to EU legislation and one to production importance. It is interesting that Q5 on the pre-eminence of production draws opposite male/female scores between the two countries; production is perceived as the most important aspect of the business in both China and Poland (from the interview data) but the females score correctly against the benchmark (of 0) in China whereas the males do the same in Poland – are they more confident in their ability to be able to say this, or are they worried that an obverse score might be reported to the plant manager?

For Q7, the males in China and Poland both score 8 (core) but the females in China score very low. This is a *matter of opinion* question and it may be that they are used to rules and regulations and see no problem in more rules; this legacy could be attributed to the Confucian based philosophy of bureaucracy (Tsui et al, 2004). But then, why do the Chinese males score quite high? Is there a discrimination/ differentiation grounded in male dominance and female subservience?

For Q9, the Chinese were well ahead of the game on a practical (production) level compared to the Polish factories and were making heavy-metal-free products – this was not happening to any extent in Poland, but it will certainly affect them. Hence the Chinese perception scores for Q9 are spot on (0 = it does affect us), whereas the Polish scores are hovering significantly around the no opinion and no response *do not know* region – this indicates a severe lack of

knowledge and/or communication on critical environmental and market issues, or their identification with the factory irrespective of their actions *within* the factory.

4.6 Female/male perceptions with missing responses and score level 5

In Tables 7 the top three scores for missing and score 5 are coded in italics to highlight the question topics with the most ambivalence. It also highlights distinct differences between the Chinese and Polish females where one nuance is clearly of meaning. It would appear that the Chinese females are more likely to score 5 than not to respond, which indicates that they are possibly using this score level as a representation of 'I do not know' rather than 'sitting on the fence'.

Overall, the Polish females are apparently using the score 5 as representing 'sitting on the fence' and, where they do not understand or know the answer to a question, they do not answer. Some other points which emerge are:

(1) he Polish women are more likely not to answer than score 5;

(2) both sexes in Poland have problems with Q9 (WEEE & ROHS) and Q12 (environmental protection costs);

(3) in China only Q12 (environmental protection costs) proves a (fragmented response) problem with both sexes.

Considering the questions with the most scores in the above categories, in Poland for Q9, the ratios of missing answers to score 5 is 7:1 for females and 2:1 for males. As this is a very technical question it may be assumed, because of female/male proclivities (Alvesson, 2002), that males are more inclined to make a *stab at it* than females. There is a clear differentiation here perhaps indicative of very different perceptions or, connections between perceptions, female to male.

In China the comparison is rather more uncertain as the highest numbers are for different questions, Q10 for females and Q5 for males. Here, the female ratio for Q10 is an obverse of the Polish Q9 as it is 3:2 score 5 to missing whereas the male ratio is 4:0 - quite different. The highest numbers for males is for Q5 where their ratio is 10:0 and the females 2:1 – again quite different. Q10 is a production issue and production tends to be an area where female managers are under-represented. Q5 is another production oriented question, but this time there is a clear difference between female and male in their responses – the females were more likely to give a substantive perception score.

Overall, on the missing and score 5 responses there is a clear difference between Poland and China with the Polish managers more likely to not respond than to score 5 while, in China, the managers were more likely to score 5 than to not respond. Within the separate countries, Polish females had a higher ratio of missing scores than the males whereas the Chinese females had a lower (reverse) ratio to males. Clear differences in both countries.

There are also the different contexts of the punishment cultures mentioned for the different countries. Because of job insecurity in the Polish factories, people might have been expected to record a positive score to demonstrate their commitment to the factory, so the fact that the *missing* box is preferable to score 5 (females predominate here) may indicate that people have withdrawn from the field or, perhaps, they are trying to send a message to more senior management.

5. Discussion

5.1 Socio-cultural groupings

Because there are fewer female managers than male in both countries, it could be postulated that they have less affect in whatever socio-cultural grouping they tacitly choose to members of. However, since the females tend to score lower in the Chinese factories, but have lower numbers relative to Poland, it would have been expected that in Poland, with more females, the same score grouping, eg 8/9/10, would show more female dominance in the lower scoring results. Clearly the Chinese and Polish females do not exhibit the same type of tacit behaviour and have apparently differing roles in their social groupings (see also Parker-2007; Bergami and Bagozzi, 2000; Gardiner and Tiggemann, 1999).

In talking to the people in factories in China, the women are seen as just as bright and perceptive as the men but more constrained by Chinese culture from arguing (Lewis-1999). In this respect, Ng and Siu (2004) intimate that Chinese workers are more likely to listen and comply with what their managers tell them than to initiate change (themselves) in order to maintain harmony in the company. But this depends on whether or not the agencies (workers) understand the meaning of the message from above. In effect this is a contrived representation of a representation Sperber (1996).

But Alvesson (2002) notes that women learn their expected roles in life, which include awareness of patterns, wholes and contexts, perception and intuition in their social contexts, and these attributes can lead to different perceptions of things and situations, thus leading to different responses to questionnaires than men. However, there is also a good discussion on gender stereo-types in Luoh H-F. & Tsaur S-H. (2007) who note that some individuals are more 'sex-typed' and traditionally believe that women are dependent, illogical and ineffective.

The rich data indicated that, within the Chinese factories in particular, the females currently tend to be subservient to the males and are paid less money, but the driver for this is likely to be the ready availability of female labour from the

desperately poor country districts rather than out-right sexual discrimination. But, if the ratio of males to females in a factory were changed, would the females still exhibit the scoring patterns recorded in this survey described above, or would the dynamics of the overall core groupings change with women exerting more dominance? This might in some cases pull women in from any fringes of groups (to the core scoring value), but would it also tend to push the males to the fringes of different *core value* groups?

The question then arises as to why there is such a dramatic difference between the two countries. If females have different beliefs and values why are they sometimes so close to (in scoring) to the males? Is there a mechanism which is causing semi-agreements in the groups, perhaps arising from the Flyvbjerg (2001) proposal that mixed groups exhibit less disagreements but, as Senge (1990) might propose, with underlying disagreements and groupings which are not homogenous (male and female). Here, Merton (1967) quotes Sherif who stated that social factors provide a framework for selective perceptions and later goes on to make a distinction between physical (socio-cultural) groups and (imaginative) reference behaviour (sub-) groups wherein actions may depend on individual (unshared) perceptions rather on socio-cultural group ideologies. As evidence of these complex phenomena, there were strong differences between the countries for female scoring, and between females and males, even with the 'missing' answers and score 5's.

For the Chinese factories, there are three separate core groupings exhibited in the 8 to 10 score ranges, namely 8, 8/9/10 and 9/10, two questions in the first group, eight in the second and six in the third – a definite skew for the Chinese results. For the Polish factories this becomes three, seven and three. Treated as a single score grouping, there are people whose perceptions are drifting towards the fringes of the groups but, in China it is the females drifting to the low (more realistic) end whereas in Poland it is the males.

In Merton (1967) it is postulated that *rules* in a social group will vary with dominance hence, if the males or females were exerting intellectual or leadership dominance in a group they could be coercing the opposite sex further towards the core values (and tighter score groupings), or driving them to the fringes (looser score groupings). Whatever the group drivers, it is obvious that the groups themselves are not homogenous in respect of their sexual make-up with fragmented and differentiated perceptions, and the data provides good evidence of the drift towards the fringes of the groups and also complete fragmentation of beliefs.

For Poland there could be other mechanisms in play in the factories. The most expertise in environmental subjects lies with *lone* (mainly female) environmentalists, most of whom do not communicate environmental matters very well at all, apparently holding on to knowledge as a power base (Craig & Lemon, 2004). It is postulated that the males are all heavily influenced by production imperatives and, while production is the source of most pollution in the factories, they are differentiating production related knowledge of the damage done to the environment, from that of their environmental view of the pollution caused. Or of course, they have two incompatible realities, one is that production is supreme (as it is) and the other is that they should care for the environment (which they do not do very well). As Merton (1967) says, when people are subject to conflicting roles, what takes precedence – 'it represents incompatible social demands on the multi-selved person'.

5.2 Morals and ethics as gender differentiators

In respect of a Moral Foundations Theory, Haidt and Graham (2007) quote Gilligan (1982) who proposed that women have an additional (as opposed to men) 'ethic of care' (also Sonenschein, 2007) which relates to close relationships, that is they are more at home in communities (groups). The corollary of this is that when a group decides on actions which defer to authority, this could be viewed as unethical by the caring group members. Later, they go on to propose that a person proceeds from child to adulthood accumulating morals (Walker, 1984) as part of specific cultural patterns, and that these patterns guide behaviour and, perhaps, the translation of facts into bounded perceptions which are governed by in-bred and recalcitrant behaviour.

However,, there would appear to be another variable in that the Chinese and Polish women score differently, with the Polish women being more attuned to environmental reality, hence more environmentally realistic as well as caring? Sonenschein (2007) goes on to quote Tyersky and Kahneman (1981) who postulate that a lack of (communicated) information about social or business issues may lead to an overlooking of ethical issues such as those related to care for the environment. This appears to apply to the majority of male managers who are actually subordinating the ethical issues surrounding environmental degradation as against the more caring perceptions of the females as evidenced by perception scores nearer to empirical reality.

In the above context, it is interesting that Shaw (1983) proposes that mixed sex groups are more effective than same sex groups, but that this can depend on the behaviour of the group *leader*. All-male groups exhibit disagreement behaviour, while in a mixed group there is no such behaviour hence, does group behaviour (or norms) in factories *determine* or *change* perceptions and mind-contexts, (Gidengil and Dobrzynska, 2003) rather than vice versa? And, are female perceptions less affected by the male perspectives in contextual groupings (eg 'benefit to the environment'), ie

that groupings are independent of behaviour? (see also Alvesson, 2002; Pinker, 1998, 2002; Gardiner and Tiggemann, 1999).

5.3Alignment of the gender perception gaps

It is proposed that, in order to cultivate a better correspondence in perceptions of reality between females and males, and between them both and empirical reality (the benchmarks), it is suggested that a logically coherent ideational culture as proposed by Archer (1996), if composed, communicated and accepted by unconditional agreement with *all* the managers would help to bring the gap between the imagined and empirical realities closer together and thence a better coherence on knowledge and decision acts.

What it might *not* do is bridge the differences in *meaning* cited by Altheide & Johnson (1998) whereby experience is translated into knowledge in relation to existing knowledge.   If the existing knowledge is based on different social settings between males and females the meanings of any logically coherent ideas may also be different.   Moreover, there could be also an argument that the differences in female and male perceptions, if grounded in a common access to and understanding of production and environmental knowledge, is to be encouraged as it could lead to more and better innovation (Merton, 1967).

6. Conclusions

The methodology proved effective in providing data which threw up several interesting points which help to identify areas for remediation and organizational improvement as well as areas for further research such as:

(1) more research into the semiotics and symbolism of the answers to get a nearer approximation to the *truth*;

(2) more research into the socio-cultural dynamics at each individual factory;

(3) inter-active factory workshops to determine and close the *reality* gaps;

(4) inter-active workshops to determine the reasons behind discriminatory scoring;

(5) training in management interface communication.

There are also questions of dominance which are still not resolved by this current research.   It is not clear if there is sexual dominance, leadership dominance or intellectual dominance which is differentiating main and reference groups in the core scoring patterns.   This type of mechanism, however driven, can cause people to become nominal members of groups without subscribing to all its rules, even to leave the group, or act in such a way that the whole ethos of the (socio-cultural) group is under-mined this perhaps leading to aberrant   decisions and decision outcomes.

The female scores differed from the males quite consistently in being below the (full-range) male scores in China, but quite the opposite in Poland.   In this respect there are indications that the apparent socio-cultural groupings rely not on knowledge or peer group leadership, but rather on individualism within these groups (see also Merton, 1967), with sub-groups being formed reflecting sexual differences.   Within the perception score groupings, there are people drifting towards the fringes of the groups but, in China it is the females drifting to the low end and, in Poland it is the males.   And, within these phenomena, the Chinese and Polish females do not exhibit the same type of tacit behaviour and have apparently differing roles in their socio-cultural groupings.

This could imply that, while the females might be apparently acquiescing in group norms, their decisions and actions might represent something quite different (Zey, 1992; Denzin, 1998)).   In this context, it may be that when females adopt leadership styles that do not suit their temperament, they become mentally stressed (Gardiner and Tiggemann, 1999) and these stresses could affect their judgement and perceptions.   Another explanation could be that the results exhibit tacit unexpressed norms and that there is no empirical (physical) group, it is a grouping in an imaginary domain (Albrow, 1990; Locke, 1877). This could pose a severe problem to top management as they would have a *many-headed snake* to bring under some form of understanding and control.

It is also evident that there are (scoring/grouping) effects arising either from the respective national cultures or from the different historical contexts of the industry, eg old industry and well-educated and experienced managers against younger industry with less well-rounded education and less experience in manufacturing environments (see also Tsui et al, 2004). This is another indication of the divergent realities within the scoring groups, perhaps some or all of a group having virtual (imaginative) realities dwelling unrecognized alongside realities based on dubious interpretations of observed *facts*.

In addition, different words, and metaphors (Ramsey, 2004; Pinker, 1998, 2002), have different meanings in different situations within different contexts (eg locational and temporal), hence it can be difficult for managers to communicate across, say, ambiguous sexual, social, economic, political and cultural boundaries.   Specialist language (and jargon) not having a cross-cultural *ambidexterity*, even at a theoretical level among learned people, gives a problem that the understanding and reasoning will have a multitude of meanings which can be gender related;   this poses some considerable problems to meaningful argument (Holmes, 2001; Stroinska, 2001; Stroinska, 2002) among and within

social groupings.

As the Thomas Theorem quoted in Merton (1967) states: *If men define situations as real, then they are real in their consequence.* The strong evidence for the truth of this theorem is the distinct gap between the perceptions of both males and females and the reality benchmarks in the study factories. The high confidence as represented by the perception scores has led to a situation wherein most production operations and environmental aspects are viewed as in good order, hence no improvement is necessary or implemented, neither from the females, nor from the males.

If it were desired to align the perceptions between females and males, this could well be described as social engineering and would be a good and interesting topic for further research, and could be very important for large organizations.

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Table 1.   The three main data sets collected for the study

> • sample data was collected from some 164 managers in 12 factories by administered questionnaire   (Table 4 details the actual questions);
>
> • reality benchmarks were assessed by a qualified expert against actual or potential environmental degradation   in each   factory, and matched to selected ISO14001/ISO9001 clauses;
>
> • rich data was collected from discussions with top management, but including comment on performance from visits and workshops at most of the factories.

Table 2.   Rich data sources

> • interviews with the top manager on site (managing director or plant manager);
>
> • informal discussions with some 60 managers (including female managers);
>
> • informal conversations with managing board directors (including female directors);
>
> • technical and cultural workshops involving most managers
>
> • observations on production and environment from multiple visits to the sites

Table 3.   Numbers of questionnaire responses per country by sex

country	male responses	female responses	total	male %	Female %
China	53	17	70	76	24
Poland	55	39	94	59	41

Table 4.   Scoring differences between females and males

Q	the questionnaire questions	gender (overall) effect females to males - scores
1	the company has a clear environmental statement and/or policy	*roughly equal*
2	our environmental knowledge is adequate	*roughly equal*
3	we know the life cycles of all our products	dominate <5 = more realistic
4	we continually innovate for process improvement	dominate <9
5	production is more important than the environment	dominate at 5/6
6	waste and scrap are under control in our factory	dominate at 7/10
7	there are too many environmental rules issued by the European Union	dominate at 2/10 = dichotomy
8	the company has a beneficial affect on the environment	dominate at 1/4/9
9	the WEEE & ROHS directives will have no effect on our products	dominate at 2/6/7 high number of missing answers
10	our processes are strictly controlled for spillage, run-off etc	dominate at 5/8
11	all our employees are aware of their environmental responsibilities	dominate at 5/7
12	environmental protection costs us less than 10% of our profit	dominate 1/4/6/7 high number of missing answers
13	groundwaters are no problem under our site	dominate 3/4/8/10 high number of missing answers
14	we consider training as essential for performance improvement	dominate at 6/8
15	we have a good relationship with the environmental authorities	dominate at 6
16	environmental decisions are easy to make	dominates 1/3/7/10
17	communication in our factory is very good	dominate at 3 = more realistic most missing answers
18	we always use non-toxic solvents	dominate at 3/6/8
19	our decisions on the environment always have good results	dominate at 5/8
20	we keep absolutely up-to-date on environmental legislation	dominate at 4/7

Table 5.   Equivalent groupings between Chinese managers

Q	CHINA	core female scores	core male scores	full range 0-10 lowest scores
1	clear environmental policy	8/9/10	8/9/10	F (female)
2	adequate knowledge	8/9/10	8/9/10	F
3	life cycles known	8/9/10	8/9/10	F
4	process innovation good	8/9/10	8/9/10	F
14	training essential	8/9/10	10	F
15	EA relations good	8/9/10	8/9/10	F
17	communication good	8/9/10	8/9/10	F
20	legislative knowledge good	8/9/10	9/10	F
6	Waste under control	10	8/9/10	F
8	beneficial effect	9/10	10	F
10	processes controlled	10	9/10	F
13	groundwaters are no problem	10	8	M (male)
16	env decisions easy	10	8	M
18	we do not use toxic chemicals	10	8/9/10	F
11	awareness of ER	8	8	F
19	decisions always good	8	8/9/10	F
12	env. prot. costs <10% of profit	4/5	fragmented	M
7	too many EU rules	2	8	F
5	production importance	0	5	F
9	WEEE/RoHS	0	0	M

Table 6.   Equivalent groupings between Polish managers

Q	POLAND	core female scores	core male scores	full range 0-10 lowest score
1	clear environmental policy	8/9/10	8/9/10	M (male)
2	adequate knowledge	8/9/10	8/9/10	M
3	life cycles known	8/9/10	8/9/10	M
4	process innovation good	8/9/10	8/9/10	F (female)
7	too many EU rules	8/9/10	8	M
15	EA relations good	8/9/10	8/9/10	M
20	legislative knowledge good	8/9/10	8/9/10	M
6	Waste under control	9/10	8/9/10	F
14	training essential	10	10	F
18	do not use toxic chemicals	9/10	5/6/7	F
8	beneficial effect	8/9	5	M
13	groundwaters no problem	8	5	M
19	decisions always good	9	7/8/9	F
9	WEEE/RoHS	6	5	F
10	processes controlled	6	9/10	F
11	Awareness of ER	7	10	F
16	env decisions easy	7	10	M
12	env. prot. costs <10% of profit	fragmented	fragmented	F
17	communication good	5/6/7	fragmented	F
5	production importance	5	0	M

Table 7. Comparisons of responses missing or score 5

Polish females	5	7	8	9	12	13	15	18	questions
missing resp.	*4*	6	2	*14*	*12*	8	6	5	missing
score 5	*9*	1	5	*2*	*4*	3	2	3	score 5
totals	*13*	7	7	*16*	*16*	11	8	8	
% of females	45			55	55				
Polish males									**questions**
missing resp.	6	13	0	*29*	*23*	*15*	13	13	missing
score 5	15	13	16	*15*	*12*	*15*	8	15	score 5
totals	21	26	16	*44*	*35*	*30*	21	28	
% of males				69	55	47			

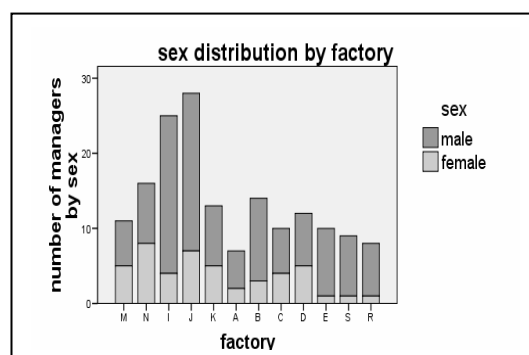| Chinese females	5	7	9	10	11	12	16	18	questions
missing resp.	1	*2*	2	*2*	1	*1*	0	1	missing
score 5	2	*2*	1	*3*	2	*3*	2	1	score 5
totals	3	*4*	3	*5*	3	*4*	2	2	
% of females		25		31		25			
Chinese males									**questions**
missing resp.	*0*	1	*5*	0	1	*1*	0	1	missing
score 5	*10*	3	*2*	4	3	*6*	4	4	score 5
totals	*10*	4	*7*	4	4	*7*	4	5	
% of males	22		15			15			

Figure 1. Sex by factory (Factory codes: China A/B/C/D/E/R/S; Poland I/J/K/M/N)
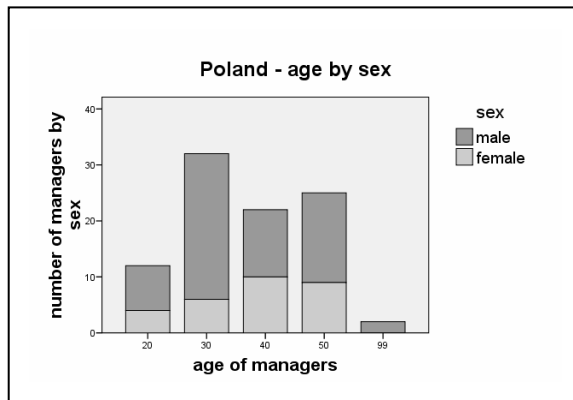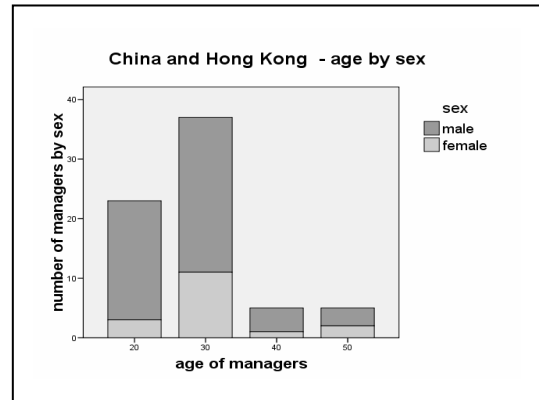
Figure 2.   Polish age/sex distribution
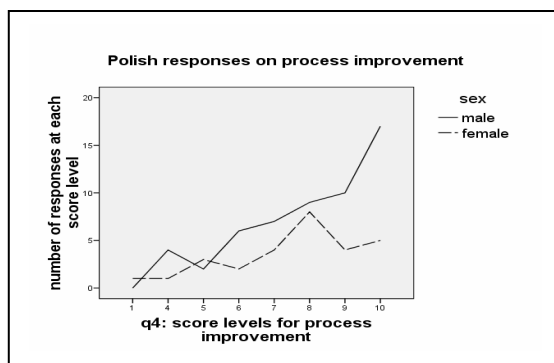

Figure 3.   Chinese age/sex distribution
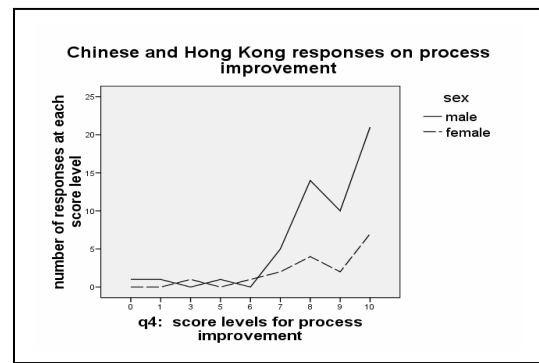

Figure 4. Polish patterns of responses

Figure 5.   Chinese patterns of responses

The Tragedy of Kurtz

--An Analysis of Kurtz in *Heart of Darkness*

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Abstract

Heart of Darkness is Conrad's representative work which explores the heart as well as the outward appearance of civilization and also reveals the darkness, complexity and fallacy of human nature by Marlow's search of Kurtz from Europe to Africa. Through an analysis of the tragedy of Kurtz, this paper will discuss the darkness of human nature and its destructive influence on human beings.

Keywords: Darkness, Tragedy, *Heart of Darkness*

1. Introduction

Heart of Darkness is one of the best novels of the 20th century. First of all, it is a symbolic journey into the dark places of the soul. And it is also a story of spiritual breakdown. The central idea of this novel—darkness is the true nature of our world—gets into the veins of the story. This type of darkness will break human, as it did to Kurtz. Through Marlow's narration, we can see how Kurtz, who came to Africa full of hopes, deteriorated physically and spiritually at last. Though Kurtz seemed to be the most successful and capable man that Marlow met during his journey, his life was actually a tragedy.

2. An Analysis of Kurtz as a colonizer

Driven by the two temptations: the desire to make a fortune through ivory and the desire to discover latent kinship with the savages, Kurtz yielded to their combined power by using his authority as deity to help him attain his goals. But he should not be viewed as simply a man that did everything under his own wills. On the contrary, he was a representative of the European colonizers, and his behavior represented the wills of what he belonged to. For example, his behavior of enslaving the natives and even slaughtering them at the Inner Station was neither accused nor stopped by the Trade Company. As Marlow told us, he was praised solely for his "talented capacity" of collecting ivory.

And his eloquent report, with 17 pages in length and with "exterminate all the brutes" as its last slogan, was actually written under the entrustment of the International Society for the Suspension of Savage Customs and this report was finally taken away for publication by a journalist after his death. The point was that if the did make it true, who would be the ones that worked for their endless desire after all the native "brutes" died out?   This makes me agree with Ian Watt that the disconnection in Kurtz between words and reality reflected a disparity between his verbal expression and his actual behavior.(Watt, 1980, p.235)   And it is easy to understand why Kurtz seemed to be so weak and helpless amidst the wilderness, though he was mentally ambitious and powerful and thought that he could acquire everything as he wished as long as he tried hard.

2.1 Greedy Kurtz

Greediness is a common character of colonizers, which shows their great desire for fame, power and wealth in most of the cases. At the beginning, Kurtz seemed to be quite successful in his purchase of three of them, and he was famous for his great eloquence, his absolute power at the Inner Station—the ability to make everything and every man under his control, and his outstanding capacity—the terrible ways in collecting ivories. And his cruelty was proved to be the most powerful weapon for him to rule his place. For example, he made the heads of natives who dared to offend him the remarkable ornamentations outside his windows. And he once threatened the shoot the poor Russian if he refused to hand out his small lot of ivory, which showed at the same time how greedy and cruel he was.

Just from this small case, we pretty understand the reasons for Kurtz to announce that everything at the Inner Station belonged to him. And so I'm not surprise when it turned out that it was Kurtz who ordered the attack on the steamer, because "he hated sometimes the idea of being taken away"(Conrad, 2004, p.91), even that it was held for the sake of saving his life. This reminds me the joke of a mean and greedy man: once he fell into a pond and was drowning, one of

his friends said: "Give me your hand and I'll pull you out." The man didn't give out his hand. His friend thought for a while and said: "Take my hand, I'll pull you out". And the man stretched his hand and was saved at last. Unfortunately, Kurtz was not saved at last, because he couldn't leave the place that brought him wealth and fame, even for the sake of saving his life. And the power that he gained from the wildness had already made him an emperor which would neither allow his territory nor his ivory fall onto other's hand, such as the General Manager and his disciples.

All of the above made Kurtz a Faustian evil. For him, there was no moral restraint since all the natives there were only "brutes" at the Inner Station, and he had the right to deal with them freely as they all belonged to him. To make sure that they would go and collect ivory for him, he used the guns in his hands and the "great thoughts" in his mind. Of course the latter was more powerful, and its influence didn't vanish even after Kurtz died regretfully.

2.2 Regretful Kurtz

"Kurtz—Kurtz—that means short in German—doesn't it"(Conrad, 2004, p.87). I do think do. Everything that was about Kurtz was short: his fame as an eloquent orator, his career as an ivory agent, and his life as well. Yet his influence on some particular people lasted for a long time. For example: Marlow regarded the journey towards Kurtz as a lasting nightmare that wouldn't fade from his memory: and Kurtz's Intended was still in mourn one year after his death, what's more, she told Marlow that she would live with Kurtz' last words, which was just a lie by Marlow.

It is natural but regretful that this man didn't gain his happiness after working so hard. Of course he was brutal and bloody both to the whites of lower position like the Russian and to the natives. Yet compared with those who got rich through the ivory he collected at the risk of his life and conscience, he was the one worthy of the reader's sympathy. Marlow was the only one there that showed great sympathy to Kurtz, especially when he saw that Kurtz was fighting with himself—his evil soul that knew no restraint, no fain and no fear. And at that time, he firmly believed that the temptation of the wilderness made Kurtz's brutality and destroyed his soul, so he tried to break the spell "of the wilderness that seemed to draw him to its pitiless breast by the awakening of forgotten and brutal instincts, by the memory of gratified and monstrous passions"((Conrad, 2004, p.94).

Yet Marlow could not change Kurtz's fate of being swallowed by the wilderness, which was dominated by the time Kurtz made his decision of being the emissary of civilization to the dark Africa. However, we feel very regretful for Kurtz because he was the victims of history, and the goals of colonization and enslavement that he had devoted himself to have been proved wrong by time.

3. The Reasons for Kurtz' tragedy

Kurtz seemed to be the most successful and capable man that Marlow met during his journey towards the Inner Station, and he was praised enthusiastically by many people whom Marlow came across on his way. But in my opinion, Kurtz's fate was doomed the moment Marlow saw the remains of his predecessor—Fresleven, who was killed in a scuffle with the natives and buried by nobody but the grass growing through his ribs. Just through a casual look at the sketch of the poor man, Marlow would indicate to us a cruel fact that no White there would show any sympathy to the defeated, not to say offering their hands.

3.1 Direct cause—Kurtz's incessant rapacity

The abnormal greediness of Kurtz lied in his absurd belief that everything belonged to him, and he wouldn't sacrifice any of the goals for the sake of another. Therefore, we can say for sure that even if he was rescued by Marlow, he wouldn't live in the civilized city with he "beloved Intended". Instead, he would again go back to the Inner Station where there were so many things he couldn't abandon.

Under the guidance of his illogical thoughts, Kurtz's mind was "capable of a fearless acting out of the whole past of human barbarism"(Watt, 1980, p.226). And it was the main reason why he enslaved the natives and even killed them when they rebelled, and why he wouldn't let the Russian keep even a small lot of ivory. To me, Kurtz' success in upholding the Inner Station and his position as well as the ivory collection actually predicted his doomed fate of being a victim, since he was the representative of the colonizers who would take advantages of the weaker part as the General Manager did to him when he was dying.

3.2 Origin-the civilized yet depraved social system

In my opinion, the origin of Kurtz's tragedy is the civilized yet depraved society. From the way Marlow got the job as captain of a steamboat for the Trade Company, we can see that Kurtz was the same kind with Marlow, because the same people who sent him specially also recommended Marlow. No wonder the people on board with him considered Marlow as a man of prospect just as they though of Kurtz. But what surprised me were their totally different attitudes towards these two men before and after they saw the dying Kurtz.

In my opinion, this is only one case that reflects the decadence of the social system of Kurtz's time, which depended a lot, if not all, on words: words to recommend a person, words to praise a person, words to carry on the ideas, and most importantly, words to criticize a person. That was why Kurtz remained only a voice or a word in the story. And even

after his death, after his value vanished as a remarkable agent, there was still an enthusiastic admirer who asked for his famous report and tended to make it published. And it was actually this kind of social system that turned the Manager of the Central Station a cunning opportunist who was always waiting for a good chance and avoiding any threat to his position, though he was supposed to be the connector between the Company and the Stations distributed on the outmost land.

As an emissary of civilization to the dark Africa, Kurtz should have known the system very well, especially the things that he expected from those of his type. Unfortunately, it was until he was dying that he finally realized his pitiful fate of being substituted sooner or later. And that was why he was so annoyed by the idea of being taken away from the Inner Station.

4. Conclusion

When the native boy finally announced his death, Kurtz lost everything that he once firmly believed to be his: his Intended, his ivory, his station, his river and so on though he seemed to be the most successful and capable man that Marlow met during his journey towards the Inner Station. If we take a look at some of the well-known politicians in the past century, we would agree that Conrad was telling us about the tragedy of the people of Kurtz's kind. Among them, Richard Nixon, President of the United States from 1969 to 1974, was a good representative. He was forced to resign during the presidential election because of the Watergate Event, which made him lose his political influence as well as his personal reputation that he dreamed desperately to gain.

From their loss of fame, power and even lives, I firmly believe that avarice is the root of evils. And as individuals, it would be impossible for them to put the whole world under their control, no matter how hard they tried. But the fact is that, there are still all kinds of wars in today's world, with almost the same purpose –profits. If we are not aware of that, Kurtz's fate would undoubtedly happen to you and me. I think that's the apocalypse that *Heat of Darkness* left for us.

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From the Nest's Body Slimming to the

Awaken Consciousness of Design Ethics

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Abstract

The body slimming scheme of Nest, the dominate venue for the 2008 Olympic Games, has aroused a wide attention in 2004. As a matter of fact, certain designs that do not take the consciousness of ethical care into consideration exist in the design field in China. This paper analyzes these phenomena, pointing out that the thought of design ethics should become the theme of different designs.

Keywords: Olympic venues, Art design, Ethical consciousness

The Beijing 2008 Olympic Games are coming. The Olympic Games serve as both great opportunities and severe challenges for any host country and city. This point is well illustrated by the dispute on the construction of venues for the Beijing 2008 Olympic Games. For years ago, the dispute on the design of venues for the Beijing 2008 Olympic Games is hot. Especially, the Nest's body slimming has aroused more attentions discussions among people. It reflects the awakening consciousness of design ethics among people, what is significant for today's art design.

1. Thoughts brought about by the construction of venues for the Beijing 2008 Olympic Games

The Nest, the final design for the Beijing 2008 Olympic Games' chief venue, will become the largest steel- constructed building in the world. This design is accomplished by Herzog and de Meuron, Swiss architects, and China design & research institute together. It will cost 3.89 billion Yuan. And it will consume 136 thousand tons of steel. It has an open roof, similar to a bird nest. And it gains thousands of praises from the media and the mass. For example, it is praised for "gaining innovative significance in world architecture history" (Yingli Liu, 2004). Its figure and structure are natural and uniform, without any surplus design. And the materials are special and suitable for the climate in Beijing. Besides, its grey steel net and the red stand reflect the implied beauty of the eastern. However, the collapse of the Charles De Gaulle Airport, Paris, in late May, in 2004 inspired a heating discussion on the Nest in China's architecture field. The main body of the Nest, namely the national venue, is composed of a series of radiant steel structures that consume lots of steels. In June and July in 2004, all academicians in the Division of Civil, Hydraulic and Architecture Engineering, and the Division of Architecture in the Chinese Academy of Engineering wrote a letter to the State Council, criticizing the 2008 Olympic venue for its hidden threats and wastes due to its size, novelty, and design. Experts put forward that it is hard to control the movement on the roof of the Nest due to its large areas and weights. Besides, lots of safety and technology issues, such as walking, driving, and braking, need to be thought over and tested (Baoxing Lu, 2004). Even some academicians who specialized in architecture point out unreservedly that the best choice is to buy the property right of the original scheme and make a new design. All these voices have aroused special attentions from the top management level. On thirtieth July, the construction of Nest was stopped. In August, a slimming Nest scheme that cancels the open roof and enlarges the top was passed. The slimming Nest merely costs 53 thousand tons of steels. And the budget is decreased from original 3.89 billion Yuan to present 2.3 billion Yuan. At the same time, other Olympic venues, such as the national swim center "Water Meter", are slimming. Although the representative project, the national venue Nest, has unique shape, it has been criticized and has have to be slimmed because of its complicated design, high costs, and hidden threats. The ETFE used in the Nest has to be imported from foreign countries and the price is about 2,000 Yuan per square meter, not mention the hidden threats caused by the numerous use of steels. Olympic Games provide with a super excellent chance for displaying the art of architecture. The Olympic venue should become a symbol of Olympic Games. Therefore, its design must be novel. However, a wonderful appearance should not sacrifice the safety of the Olympic venue. Considering the original style of design, the Nest has been slimmed and optimized, what rightly follows the spirits of "being economical in Olympic Games". In its construction, people successfully overcome challenges from the structure's design, process, and installation. After the construction of Nest and Water Meter, the two representative buildings gains high praises in people. Lots of athletes and sports officials in the world praise highly for their delicate design, unique structure, and splendid construction. As a matter of fact, the two buildings completely reflect the charm of modern Olympic Games, showing the great cohesion of Chinese nationality and the

powerful union of Chinese culture. People are looking forward the wonderful effect generated by the architecture art and the splendid performance in the opening ceremony of the 2008 Beijing Olympic Games.

2. The lack of ethical consciousness has become a grave issue in design field.

The Nest's body slimming is worth of thinking indeed. Art design is a practical subject that becomes prosperous along with the social development and progress. In recent years, the art design has already played a vital role in social life, which has affected many fields, such as product wrapping, industrial design, upholster design, architecture design, environmental art design, apparel design, and so on, contributing a lot to the economic development and the improvement of human living. However, because of the negative influences of the society and the economic benefit, many kinds of designs tend to betray from the design ethics. Lots of silk-stocking, wasteful, and ivory-towered design works appear in the art design field. In the architecture and the city planning field, the international collection for designs becomes a regular way of advertising, from the National Grand Theater designed by Paul Andreu to the Nest designed by Herzog and de Meuron, and the new CCTV building designed by Rem Koolhass, from the new eastern Zhengzhou zone designed by Kisho Kurokawa to the new golden eastern zone in Jinhua, Zhejiang province, designed by Herzog and de Meuron. These world-famous architects have impressed Chinese deeply by their designs. However, not all foreign designs can bring about visual surprise and latest design idea for people. The "extensive internationalization" makes Chinese cities lose their personalities and become hard to be valued. These buildings filled with foreign styles do create a kind of visual impact, but they usually neglect costs, safety, utility, and environment protection. And many architectures and buildings with Chinese features and oriental tastes have been dismantled. The National Grand Theater designed by Paul Andreu is criticized for its too novel shape and neglect over safety. The lack of ethical elements in design works is extremely grave in China's product wrapping design. Enterprises and companies do not focus on products' functions and services but pay too much attention on wrapping. Data show that Beijing produces nearly 3 million tons of waste each year and 830 thousand tons of them are wrap-page. Thereof, 600 thousand tons wrap-page trash may be reduced at the very beginning. In China, the wrap-page waste accounts for 30 percent of total solid waste in cities each year. China can produce 1.2 billion shirts in average each year and the packages will consume 240 thousand tons of paper, which is equal to 1.680 million big trees. Every 10 million boxes of moon-cake with paper packages will consume four hundred or six hundred trees with more than ten centimeter diameter. Excessive wrapping has already threaten the environment and caused grave waste. According to Reuters' report, a public opinion investigation completed by Nielsen Co. in November, 2007, through network in 48 countries shows that the food wrapping waste has already become one of issues that arouse most attentions among customers in the world.

All these issues in art design not only waste the natural and social resources but also destroy the natural environment. As a result, the society and the mass suffer from economic losses. Meanwhile, it causes the formation of bad consumption habit and bad social vogue. In a sense it has already become a grave issue in society. As a matter of fact, lots of factors contribute to the appearance of this phenomenon, including the social environment and the designers who are lack of the consciousness of design ethics. Designers and enterprises should shoulder the responsibilities and obligations of giving consumers rational advices in purchase, persuading them into opposing luxury goods and choosing simple and environment-friendly products. The ethics of design is an attitude and idea rather than a method or style. China design is just at its initial step. It needs to learn or imitate from others. Therefore, it should absorb developed countries' experiences and lessons. Guided by design ethics, designers should seek for effective design tactics in order to design works with not only beauty but also kindness. By this way, all kinds of art design can contribute a lot to human being's sustainable development.

3. The design should emphasize the consciousness of design ethics.

Presently, modern consumers can not be satisfied only by quantities or qualities. They pursue a kind of emotional satisfaction. Modern art design can give consumers a sense of beauty as they obtain certain product or information service. By indicating certain meanings, the design can make consumers generate similar feelings. As a kind of cultural phenomenon, the changes of design can reflect the material production and the scientific and technological level at certain times. And it also shows the social consciousness situation. Besides, it has close connection with social politics, economy, culture, and arts. The value of design can be realized and accomplished by the employing value of product. The fundamental task of design is to combine the use and the beauty and give the product double effects, namely the matter and the spirit. The ethics of design has already appeared in ancient China. In Mozi Economization, it laid stresses on the utility of clothes, rooms, ships, and vehicles in design. Yu Li expressed similar opinions (Yu Li, 1991). In western countries, the modern design in Germany reflects prominent design ethics. "Made in Germany" focuses on not only quality but also function, a sense of beauty, touch feelings, human body engineering, and environment. The considerate and complete design idea makes German products popular in the world because of the simple figure, practical design, concise shape, and pure color. Walter Gropius, the first principal of Bauhaus and famous architect, had said: "My design is to help every German family enjoy six-hour sunlight everyday." Before 1970 in America, entrepreneurs pursued fashionable and new styles for the sake of commercial benefits. Design was to inspire consumption regardless of the life

of products and designs. Until the petrol crisis in 1970, designers were forced to take design ethics into consideration. The core of modern design has gradually become the functionalism, emphasizing that the beauty of product should be determined by the utility, the materials, and the structure. The SIGG bottle is well known in the world because of its high quality. It is one of successful enterprises that make best use of scraps and flotsams. Its success completely reflects the thoughts of choosing recycle materials, cleaning energies, modularized design, returning and reusing, and combined design.

Ethics belongs to the field of social morals. It is a system composed of a series of perfect social morals and regulation. It endows people with standards for making decisions in motives and behaviors. It is a kind of self-restraining mechanism formed in social evolvement. The key of ethical design is to understand the connotation of ethics completely. In China, the reform and open policy, and the market economy have already changed people's moral standards and value inclination. In past times, the ethics was to position people's relationship, such as class ethics. In modern times, people's behaviors permeate into a wide scope. Their relationship with environment, economy, science, and technology is deepening. Ethics exists in all fields. Therefore, it is necessary to reshape the ethics, including the aspects of people, environment, society, economy, science & technology, to restrain the design activities. By this way, the final design may be in accord with the ethical standards as much as possible. The design shoulders the responsibility of consoling people's spirits and emotions. "Arts should not be based on fashion (Desiderlus Orban, 1984)." Art design is similar. Irrational visual stimulation may waste resources and hurt visions. Industrial civilization generates the neglect over ethics, what begins to awaken more and more people. Along with the development of times, human design and green design have become the theme of design in 21st century. New times calls for more art design talents with high competence. And the new times provides with wider stage for these talents. Art design talents should possess not only strong career determination, modern design ideas, learning spirit, professional quality, rich imagination, aesthetic feelings, and creative ability, but also social responsibility and ethical design consciousness. Art design is kind of responsible creative activity. Art design talents are responsible for the society. So they should have noble-minded professional morals, what can insure that they will provide with helpful services and right guidance for the mass objectively and justly. Only when they possess the right consciousness of design ethics, understand the market phenomenon, such as production, circulation, consumption, and fashion, and the economy, culture, and popularization rightly, and make design based on their unique and creative understandings toward things, and lives, can they design works that are in accord with the social development, and give their works eternal vitalities.

"Care for human beings should be the main target of all technologies all the time (Einstein, 1979)." Therefore, the self consciousness of design should include these aspects as follow. Sustain rational visual order. Stop visual pollution. Perfect the coordination between design works and human beings. Emphasize design ethics in all designs. Advocate the spirit of humanism in design behavior. Consider the design from the aspect of humanism values and ethical values. Think over the specialized design from social benefits and scientific design. Cultivate the self-consciousness of design culture. Consider the relationships between the human beings and the nature, between the human beings and the matters, between the human beings and the society. Only when all designs possess their practical functions, respect cultures, emphasize humanism, and follow the aesthetic fashion and taste at the same time, can they meet the development of times. In this meaning, the Nest's slimming is an inevitable result as the human-oriented consciousness of design ethics is awoken in China, what will cause people's deepening thought on the consciousness of design ethics.

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